

| | |
|-------------|--------------------|
| Agenda Item | 7a |
| Report No | BIDS/011/21 |

HIGHLAND COUNCIL

Committee: Black Isle, Dingwall and Seaforth Committee

Date: 26 April 2021

Report Title: Dingwall Common Good Fund – Annual Accounts, Quarter 3 Monitoring Report and Proposed Budget for 2021/22

Report By: Executive Chief Officer Communities and Place
Executive Chief Officer – Resources and Finance

1. Purpose/Executive Summary

- 1.1 This report presents the Dingwall Common Good Fund audited accounts for 2019/20, the Quarter 3 monitoring for 2020/21 and a proposed budget for 2021/22.

2. Recommendations

- 2.1 Members are asked to:

- Note the Dingwall Common Good Fund Annual Report for 2019/20;
- Note the position of the Dingwall Common Good Fund, as shown in the 2021 Quarter 3 monitoring statement;
- Set Project Expenditure budget of £55,000 towards Town Centre Funded - Roof and Rainwater Project in Dingwall Town Hall as described fully in paragraph 8.3.
- Approve the proposed budget for 2021/22;

3. Implications

- 3.1 Legal – None.

- 3.2 Resource Implications: The annual accounts set out the financial position of the Dingwall Common Good Fund including its reserves. The report also sets out the quarter 3 monitoring and highlights predicated income and expenditure against the budget which shows an underspend due to grant and delayed completion of Common Good asset special projects. The budget planned for 2021/22 would require an overall contribution from reserves of £42,936.

3.3 Community (Equality, Poverty and Rural) Implications – Special projects such as repurposing of former Cromartie Toilets and in Dingwall Town Hall - lift installation and accessible toilets will improve equality and access to the Dingwall Common Good assets.

3.4 Risk – Members will be aware that there are a number of issues associated with the condition of the Dingwall Town Hall which will require further future investment. Ongoing work continues to identify appropriate funding sources.

3.5 Climate Change and Gaelic– no implications

4. Annual Report

4.1 **Appendix 1** of this report shows the Income and Expenditure Account and Balance Sheet in respect of the Dingwall Common Good for Financial Year 2019/20.

4.2 **Appendix 1** shows financial activity in relation to the Dingwall Common Good over the 2019/20 period. Usable reserves as at 31 March 2020 were £236,017

5. Quarter 3 Monitoring Statement

5.1 A monitoring statement showing transactions to the end of December 2020 against budget and estimated year end position is attached at **Appendix 2**.

5.2 **Rental Income** – Rental income for Dingwall Common Good Fund arises from Highlife Highland for rental of Dingwall Town Hall and from the Camping and Caravanning Club for Jubilee park Caravan Site. The total anticipated income from these assets for 2020/21 is £28,564. A small amount of income in the form of interest on revenue balances is expected in the Quarter 4.

5.3 **Expenditure** There has been a charge for the Dingwall Common Good Fund's proportion of the costs of the Common Good Fund Officer and Central Support which is estimated to come in on budget.

6. Proposed Budget for 2021/22

6.1 A proposed budget for 2021/22 is set out in **Appendix 3** of the report for the Committee to consider.

7. Anticipated Revenue for 2021/22

7.1 **Rental Income** – Rental income for Dingwall Common Good Fund arises from Highlife Highland for rental of Dingwall Town Hall and from the Camping and Caravanning Club for Jubilee Park Caravan Site. The total anticipated income from these assets for 2021/22 is £28,564.

7.2 **Interest on Revenue Balances** – Assuming the current low interest rates continue, it is anticipated that interest receivable on projected surplus balances will be approximately £700 in 2021/22.

8. Anticipated Expenditure

- 8.1 **Central Support and Common Good Fund Officer** – A budget of £1,200 has been allocated for 2021/22 to meet Dingwall Common Good Fund's proportion of the Common Good Fund Officer costs.
- 8.2 **Property Costs** – The Town Hall is leased on a full repairing and insuring basis to The Highland Council and managed by Highlife Highland. It is suggested that a revenue property budget of £12,000 is made for 2021/22 towards urgent repairs / works or other maintenance as required relating to Common Good assets. Insurance costs are also included in this heading.
- 8.3 **Project Expenditure** – The 2019/20/21 project (installation of lift) remains on track for completion. As a result of ongoing survey work it is evident that there is a need for significant capital investment in the property. This is to ensure that the built fabric does not deteriorate further and adversely impact upon its usage. Just over £500,000 of essential works have been identified. Housing and Property have identified the roof and rainwater repairs as an urgent pressing need. A further grant of £100,000 from the Town Centre Fund has been secured. The roof and rainwater works costs are estimated to be £155,000. Dingwall and Seaforth Members have indicated their support for setting a Common Good Project Budget of £55,000 towards the Roof and Rainwater Project.
- 8.4 **Grants and Contributions** – In order to protect reserves and the likely future requirement for protection or development of Common Good assets it is proposed that a budget of £1,000 is made available for small grants to community groups and a budget of £3,000 for special project grants or donations towards Common Good assets.

Designation: Liz Denovan, Executive Chief Officer, Finance and Resources
Carron McDiarmid, Executive Chief Officer, Community and Place

Date: 6 April 2021

Authors: Diane Agnew, Ward Manager
Jackie McLaughlin, Principal Accounting Technician

STATEMENT OF ACCOUNTS 2019-20
Dingwall Common Good Fund
Income and Expenditure Account

Appendix 1

| | 2019/20 £ | 2018/19 £ |
|---|-----------------------|-----------------------|
| Expenditure | | |
| Special Grants | 3,306 | 25,763 |
| Administration charges | 98 | 98 |
| Property Costs | 18,869 | 4,339 |
| Staff Costs | 28,538 | 527 |
| Total expenditure | <u>50,811</u> | <u>30,727</u> |
| Income | | |
| Rents | 32,314 | 28,200 |
| Interest and investment income | 2,087 | 1,799 |
| Grants & Contributions | 33,097 | |
| Total income | <u>67,498</u> | <u>29,999</u> |
| Surplus/(deficit) for the year | <u>16,687</u> | <u>(728)</u> |
| Revaluation gains/(losses) | 2,800 | 1,500 |
| Total comprehensive income and expenditure | <u><u>19,487</u></u> | <u><u>772</u></u> |
| Balance Sheet | 31/03/2020 £ | 31/03/2019 £ |
| Non current assets | | |
| Investment properties | 190,000 | 187,200 |
| Current assets | | |
| Sundry debtors | 3,750 | |
| Loans fund deposits | 232,767 | 219,330 |
| | <u>236,517</u> | <u>219,330</u> |
| Current Liability | | |
| Other Creditors | <u>(500)</u> | 0 |
| Total Net Assets | <u><u>426,017</u></u> | <u><u>406,530</u></u> |
| Usable reserves | | |
| Revenue funds | 236,017 | 219,330 |
| Unusable reserves | | |
| Capital adjustment account | 190,000 | 187,200 |
| | <u>190,000</u> | <u>187,200</u> |
| Total reserves | <u><u>426,017</u></u> | <u><u>406,530</u></u> |

**Dingwall Common Good - Quarterly
Monitoring
Period to Dec 2020**

Appendix 2

| | Actual to date £ | Budget £ | Year End Estimate | Variance £ |
|--|---------------------------------|---------------------|----------------------------------|-----------------------|
| INCOME | | | | |
| Rents | 24,814 | 28,564 | 28,564 | 0 |
| Interest and investment income | 0 | 700 | 700 | 0 |
| TOTAL INCOME | 24,814 | 29,264 | 29,264 | 0 |
| EXPENDITURE | | | | |
| Staff Costs - CGF Officer and Central Support | 267 | 1,200 | 1,200 | 0 |
| Property costs | 0 | 6,000 | 3,000 | 3,000 |
| Community Grants and Donations | 0 | 1,000 | 1,000 | 0 |
| Special Project Grants - CG Assets | 0 | 3,000 | 0 | 3,000 |
| TOTAL EXPENDITURE | 267 | 11,200 | 5,200 | 6,000 |
| PROJECT EXPENDITURE | | | | |
| DCGF Contribution to projects | 0 | 8,000 | 8,000 | 0 |
| TOTAL PROJECT EXPENDITURE | 0 | 8,000 | 8,000 | 0 |
| Income less Expenditure | 24,547 | 10,064 | 16,064 | 6,000 |
| PROJECTS | | | | |
| INCOME | | | | |
| Town Centre Fund Grant | (4,479) | 201,402 | 201,402 | 0 |
| Dingwall Common Good Contribution | 0 | 8,000 | 8,000 | 0 |
| | (4,479) | 209,402 | 209,402 | 0 |
| EXPENDITURE | | | | |
| Property Special Projects TCF | 5,589 | 209,402 | 209,402 | 0 |
| | 5,589 | 209,402 | 209,402 | 0 |
| Unaudited Usable Reserves 2019/20 | | £236,017 | | |

Town centre fund will offset the project costs as per agreed

**DINGWALL COMMON GOOD FUND
PROPOSED BUDGET 2021/22**

Appendix 3

| | 2021/22 | 2020/21 | Estimated |
|--|-----------------|----------------|---------------------|
| | £ | £ | Outturn 2021 |
| Income | | | |
| Rents | 28,564 | 28,564 | 28,564 |
| Interest and investment income | 700 | 700 | 700 |
| Total income | <u>29,264</u> | <u>29,264</u> | <u>29,264</u> |
| Expenditure | | | |
| Central Support/ Staff costs - CGF Officer | 1,200 | 1,200 | 1,200 |
| Property costs | 12,000 | 6,000 | 3,000 |
| Community Grants and Donations | 1,000 | 1,000 | 1,000 |
| Special Project Grants - CG Assets | 3,000 | 3,000 | 0 |
| Total expenditure | <u>17,200</u> | <u>11,200</u> | <u>5,200</u> |
| PROJECT EXPENDITURE | | | |
| DCGF Contribution to projects | <u>55,000</u> | <u>8,000</u> | <u>8,000</u> |
| TOTAL PROJECT EXPENDITURE | 55,000 | 8,000 | 8,000 |
| Income less expenditure | (42,936) | 10,064 | 16,064 |
| PROJECTS | | | |
| INCOME | | | |
| Town Centre Fund Grant | 100,000 | 201,402 | 201,402 |
| Dingwall Common Good Contribution | 55,000 | 8,000 | 8,000 |
| | 155,000 | 209,402 | 209,402 |
| EXPENDITURE | | | |
| Essential projects | <u>155,000</u> | <u>209,402</u> | <u>209,402</u> |
| | 155,000 | 209,402 | 209,402 |
| Useable reserves as at 31/03/2020 | | 236,017 | |