

Agenda Item	<b>9.</b>
Report No	<b>SCC/13/22</b>

## **HIGHLAND COUNCIL**

**Committee:** Sutherland County Committee

**Date:** 15 August 2022

**Report Title:** Dornoch Common Good Quarterly Monitoring report

**Report By:** ECO Communities and Place  
ECO Resources and Finance

### **1. Purpose/Executive Summary**

- 1.1 This report provides a financial monitoring report for the first quarter of Financial Year 2022/23 and provides an update on current Dornoch Common Good issues.

### **2. Recommendations**

2.1 Members are asked to:

- i. note the position of Dornoch Common Good fund at the end of the first quarter FY 22/23;
- ii. note the update on current Dornoch Common Good issues;
- iii. agree to delegate to the Ward Manager power to approve expenditure up to £10,000 in relation to Dornoch Common Good within the annually set budget and following consultation with relevant Ward Members. This delegated power will be reviewed annually as part of the budget setting process;
- iv. agree to homologate community grants totalling £9,921.76 awarded in the current Financial Year;
- v. approve a grant of £9,999 to Dornoch Area Community Interest Company for the Dornoch BID project, subject to match funding being in place;
- vi. approve a grant of £1835.60 to Dornoch Area Community Council for the Asset Maintenance & Improvement Projects (Phase 5) project.

### **3. Implications**

### 3.1 Resource implications

The Q1 monitoring statement highlights predicted income and expenditure against the budget. Income and expenditure are expected to be on target for 22/23.

### 3.2 Legal implications

The application of funds will fall within the competency guidelines set out both in statute and in common law in relation to Common Good Funds. The application of funds will comply with all financial regulations.

### 3.3 Community (Equality, Poverty, Rural and Island) impacts

Grants from Dornoch Common Good Fund are awarded in consultation with Dornoch Area Community Council. Community consultations are carried out in line with Community Empowerment Act on potential disposals of Dornoch Common Good land.

3.4 There are no Climate Change, Risk or Gaelic implications.

## 4. **Monitoring Report Q1 2022/23**

4.1 A monitoring statement showing transactions to the end of June 2022 against budget and estimated year end position is attached at Appendix One.

### 4.2 Income

- Rental income was received in Q1 from Dornoch Caravan Park (first of two annual payments). The remainder is made up of part payments (monthly direct debit).
- The remaining rents will be invoiced when they become due.
- £2,000 Sales–land/buildings – represents the income from the sale of Common Good land forming part of the garden at 1 River St Dornoch. This followed public consultation and was agreed at Sutherland County Committee on 22 Nov 2021.
- Income is expected to be on target for the year.

### 4.3 Expenditure

- The following grants totalling £9,921.76 were paid during the first quarter:
  - Dornoch Trust £3,632 for legal fees associated with the [purchase of Station Woods, Dornoch.
  - Lodge St Gilbert £500 towards renewal of handrail on footbridge.
  - Dornoch Area Community Council received 5,789.76 for the renewal of Dornoch Christmas lights.
  - The fourth payment (of four) of £7,000 to Dornoch Heritage Society for the Museum expansion project, as agreed at Sutherland County Committee on 9 July 2020, has not yet been drawn down.
- Miscellaneous costs (£3,404) comprised part of the payment for refurbishment of Dornoch PCs.
- Total expenditure for the year is expected to be on budget.

## 5. **Current Common Good Issues**

### 5.1 Community Consultation

Following request for the purchase of a small parcel of common good land at 8 Well Street, Littleton, Dornoch, and with the support of local Members, a statutory 8-week community consultation was launched at the end of May. The Consultation closed on

28 July and outcome will be reported to a future Sutherland County Committee. Any decision to sell will be made by Members at Sutherland County Committee.

## **6 Approvals for Common Good Fund Expenditure**

6.1 Members will note that different Common Good Funds in Highland have developed their own arrangements for the approval of grants and other expenditure. In the case of Dornoch Common Good Fund, in recent years an annual grants budget has been agreed and the practice has been to follow a similar methodology to that for Ward Discretionary Budget expenditure, that is: officers approve common good grants and expenditure up to £10,000 against the annual budget (agreed at Committee) and in consultation with Ward Members. Dornoch Area Community Council is also invited to comment on grant applications, and feedback is reported to Members. The arrangements require to be formalised and will be reviewed as part of the annual budget setting process.

### **6.2 Recommendations**

It is recommended that Sutherland County Committee agrees to delegate to the Ward Manager power to approve expenditure up to £10,000 in relation to Dornoch Common Good within the annually set budget and following consultation with relevant Ward Members. This will be in relation to the grants budget and the Miscellaneous Costs budget (which includes costs such as repairs and maintenance). This delegated power will be reviewed annually as part of the budget setting process.

Secondly, Committee is also asked to homologate the grants outlined in section 4.3 above totalling £9,921.76 which, in line with Common Good Policy, were approved by officers in consultation with relevant Ward Members.

## **7 Dornoch Area Community Interest Company Application for Dornoch BID**

### **7.1 Background**

Dornoch Area Community Interest Company (DACIC) has had a Business Group with a tourism focus since 2014 with up to 100 members each contributing to a joint marketing pot of approx. £28K per year which enabled the employment of four part time staff to deliver digital and-in person visitor information. At the suggestion of the Business Group, DACIC is now working towards becoming a Business Improvement District (BID) where all businesses contribute to a funding pot to enable delivery of an agreed 5-year business plan. The membership would be extended to all businesses within a defined area within the IV25 postcode, not just those involved in tourism. This would generate a larger funding pot (estimated £40K) which could be used to attract match funding to deliver the 5-year Business plan.

Highland Council plays a key role in ensuring that due process is followed in the development of a BID and has power of veto if it is not satisfied. The Committee will be updated with progress on this development.

### **7.2 Proposal**

The BID process takes about a year with face-to-face consultations with businesses, questionnaires and open days to develop consensus about development priorities for the town, which are then used to develop a 5-year Business Plan. DACIC also plans to involve smaller businesses and those not on the rateable value list. The wider community would be invited to contribute to and comment on the Business Plan at a series of open days. A new website would be created to provide updates and links to questionnaires, open days etc. and a Facebook page established as a method of

engaging the wider public and raising awareness of the BID. The BID proposal would then be put to a ballot of businesses within the BID area.

The project will run from 1 Oct 2022 to 30 Sept 2023, allowing the main consultation to take place during the quieter winter months. and will employ a part time BID Coordinator to coordinate and lead the BID process.

### 7.3 Funding

The budget for the project is as follows:

Description	Amount
BID Co-ordinator 0.6 FTE inc. N,I, pension, contingency	£26,309
Travel	£800
Office Rent contribution	£1,140
Mobile phone	£520
Laptop	£500
Design print & circulate Business Plan	£2,605
Website development	£1,500
Open days/consultation	£1,000
Ballot	£4,155
10% Contingency on non-staff costs	£1,225
<b>Total</b>	<b>£39,754</b>

The proposed funding package is as follows

Funder	Status	Amount
Scottish Government (via Scotland's Towns Partnership)	Confirmed	£20,000
Dornoch Common Good Fund	This application	£9,999
HIE and HC (Infrastructure, Environment and Economy)	To be confirmed	£9,755
<b>Total</b>		<b>£39,754</b>

Both HIE and Highland Council have indicated they are supportive, but actual funding has not yet been confirmed.

### 7.4 Dornoch Area Community Council consultation

Dornoch Area Community Council (DACC) has been consulted and discussed the application at the Community Council meeting on Wednesday 20 July. The application was unanimously supported by the six Community Councillors present at the meeting. The application was only submitted to Highland Council, and then passed to DACC, on the day of the Community Council meeting, which led DACC to complain that there was insufficient time to consider the application. Furthermore, a single Community Councillor, who did not attend the meeting, has subsequently expressed concern over the application and has requested the decision is delayed to enable further discussion.

While DACC frustration at the short notice is shared and recognised, it remains the case that the majority of Community Councillors have already expressed their support. Given the issues outlined in Section 6, it is now necessary to seek County Committee consideration of this application. Deferring the decision until Committee on 31 October would delay the recruitment of the BID Coordinator and the project start date.

### 7.5 Recommendation

It is recommended that Sutherland County Committee approves a grant of £9,999 to Dornoch Area Community Interest Company for the Dornoch BID project, subject to match funding being in place.

## 8 **Dornoch Area Community Council application for Asset Maintenance & Improvement Projects (Phase 5)**

### 8.1 Background

Over the past few years DACC has delivered a series of small maintenance and environment projects around Dornoch, including, for example, painting railings, replacing benches, installing posts to control off street parking, repairs to the community run beach toilets. These programmes of small projects have been funded by the Common Good Fund.

### 8.2 Proposal

The latest programme includes the following projects:

Project	Amount
The annual cost for Keep Scotland Beautiful Beach Award	£360.00
Purchase of 360 trees to distribute to local residents as part of the Queen's Green Canopy project.	£443.70
Purchase of 40 new rose bushes for the flower borders in Bridge Street.	£958.00
Amended signage for the Beach Car Parks to ensure consistency with new Highland Council Invitation to Pay parking regulations.	£73.90
<b>Total funding request from Dornoch Common Good Fund</b>	<b>£1,835.60</b>

Given the issues outlined in Section 6 of this report, it is now necessary to seek County Committee approval for this application.

### 8.3 Recommendation

It is recommended that Sutherland County Committee approves a grant of £1,835.60 to Dornoch Area Community Council for the Asset Maintenance & Improvement Projects (Phase 5) project.

Designation: ECO Communities and Place  
ECO Resources and Finance

Date: 2 Aug 2022

Author: Phil Tomalin, Ward Manager Sutherland  
Jackie McLaughlin, Principal Accounting Technician

## Appendix One

### Dornoch Common Good - Quarterly Monitoring Period to June 22

	Actual to date £	Budget £	Estimated Outturn £	Variance £
<b>INCOME</b>				
Rents	20,211	45,890	45,890	0
Sales-Land/Building	2,000	0	2,000	2,000
Interest and investment income	0	2,500	2,500	0
<b>TOTAL INCOME</b>	<u>22,211</u>	<u>48,390</u>	<u>50,390</u>	<u>2,000</u>
<b>EXPENDITURE</b>				
Staff Costs	0	2,500	2,500	0
Grants & contributions	9,922	32,000	32,000	0
Miscellaneous Costs	3,404	13,500	13,500	0
<b>TOTAL EXPENDITURE</b>	<u>13,325</u>	<u>48,000</u>	<u>48,000</u>	<u>0</u>
<b>Income less Expenditure</b>	<u>8,886</u>	<u>390</u>	<u>2,390</u>	<u>2,000</u>

Unaudited Usable Reserves 2021/22

£255,406

## Appendix Two

### Grants and Contributions

Organisation	Project	Amount
Dornoch Trust	Purchase & Maintenance of Earls Wood, Do	3,632.00
Lodge St Gilbert	Handrail Renewal for Bridge Across Burn	500.00
Dornoch Area Community Council	Christmas Tree Lights Refurbishment	5,789.76
<b>Total</b>		<b>9,921.76</b>