

Agenda Item	7
Report No	DSA/4/23

THE HIGHLAND COUNCIL

Committee: Dingwall and Seaforth Area Committee

Date: 30 January 2023

Report Title: Dingwall Common Good – 2021/22 Annual Audited Accounts and Final Monitoring, 2022/23 Quarter Three Monitoring Report and Proposed Budget for 2023/24

Report By: Executive Chief Officer - Communities and Place
Head of Corporate Finance and Commercialism

1. Purpose/Executive Summary

1.1 This report presents the Dingwall Common Good Fund audited accounts and final Monitoring statement for 2021/22, the Quarter Three monitoring statement for 2022/23 and a proposed budget for 2023/24.

2. Recommendations

2.1 Members are asked to:

- i. Note the Dingwall Common Good Fund Annual Report for 2021/22:
- ii. Note and scrutinise the position of Dingwall Common Good Fund as shown in the 2022/23 Quarter Three monitoring statement:
- iii. Approve the proposed budget for 2023/24.

3. Implications

3.1 Legal, Gaelic – there are no implications.

3.2 Resource Implications: The Quarter Three monitoring statement highlights predicted income and expenditure against the budget which is expected to be on target.

3.3 Community (Equality, Poverty and Rural) Implications – Any current and future major projects for the protection or refurbishment of Common Good assets would seek to improve equality of access.

3.4 Climate Change/Carbon Clever implications: Any current and future projects for protection of Common Good assets would seek to increase energy efficiency where possible.

3.5 Risk implications – as reported to previous Committees, 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 seek to identify appropriate funding sources.

4. Annual Report and Final Monitoring 2021/22

4.1 **Appendix 1** of this report shows the Income and Expenditure Account and Balance Sheet in respect of the Dingwall Common Good Fund for Financial year 2021/22. Usable reserves as at 31 March 2022 were £279,825.

4.2 **Appendix 2** shows the revenue results for the same period compared to budget. Income received was as per budget. There was a variance in property costs giving an underspend of £12,000 which is now included in useable reserves. An underspend of £47,000 in Project Costs relates to an expenditure budget of £55,000 approved by Members on 26 April 2021 towards Town Centre Funded Roof and Rainwater Project in Dingwall Town Hall. The underspend is carried forward to project costs relating to the Dingwall Town Hall Project which is now progressing well.

5. 2022/23 Quarter Three Monitoring Statement

5.1 A monitoring statement showing transactions to the end of December 2022 against budget and estimated year end position is as Appendix 3.

5.2 Income – The income for Dingwall Common Good arises from Highlife Highland for rental of Dingwall Town Hall and from the Camping and Caravanning Club for Jubilee Park Caravan Site. The total income received to Quarter Three 2022/23 for these properties is £24,814. The remainder of income will show in Quarter Four monitoring statement along with income of £700 interest for the year. Income is predicted to be on budget.

5.3 Expenditure - There has been minimal expenditure in Dingwall Common Good Quarter Three statement. This spend relates to property costs for an emergency telephone line for the lift in the Dingwall Town Hall and wi-fi line for the Community Hub. There is committed project expenditure planned relating to Common Good assets property costs for fencing replacement which should be completed by the end of this financial year subject to partner contributions being secured. However, if this is not achievable then the funds will be carried forward to 2023/24 and the budget amended. Total staff and grant costs will show in Quarter Four. Expenditure is expected to be on budget.

6. Property – Project Updates from Property Facilities Management Team

6.1 Dingwall Town Hall

6.1.1 The Dingwall Town Hall Refurbishment Project is comprised of the following: new main hall roof coverings, new lead work, stone repairs, lintel repairs and timber rot works. The project secured capital funding from the Town Centre Fund and Place Based Investment Fund.

6.1.2 With Planning and Listed Building Consent granted the contract which was awarded to Compass Building and Construction Ltd is now well underway with works expected to take 20 weeks. The Hall will remain operational throughout as the vast majority of the work is external. There may however be some days where the Hall is not accessible when timbers internally are being replaced or repaired.

6.2 **Dingwall Community Hub** (former toilets, Cromartie Car Park)

6.2.1 The building works for the repurposing of the former Cromartie car park toilets to a Community Hub, funded from a successful bid to the Town Centre Fund, are now complete with keys handed over to the Highland Council in December 2022.

6.2.2 The construction period for the project was greatly extended due to a combination of various factors outwith the control of the Contractor. In addition to managing the Covid situation these included: issues with the services to and from the building which were only evident once works had commenced; additional internal and external works to deal with floor level discrepancies, again only evident following the internal strip out of the building; and a delay to the Utility Company installing the meter which took several weeks.

6.2.3 The resultant space will fulfil a variety of functions and provide an energy efficient environment for its users. The building will be operational by end of March 2023.

7. **Proposed Budget for 2023/24**

7.1 The proposed budget for 2023/24 is set out in **Appendix 4** of the report for Committee to consider.

7.2 **Anticipated Income**

7.2.1 **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 2022/23 is £28,564.

7.2.2 **Interest and Revenue Balances** – Assuming that current low interest rates continue, it is anticipated that interest receivable on projected surplus balances will be approximately £700 in 2023/24.

7.3 **Anticipated Expenditure**

7.3.1 **Property Costs** – These costs relate to Dingwall Town Hall which is leased on a full repairing and insuring basis to The Highland Council and managed by Highlife Highland and other Common Good assets. It is suggested that a revenue property budget of £12,000 is made for 2023/24 towards urgent repairs/works or other maintenance as required relating to Common Good Assets. Insurance costs are also included in this heading.

7.3.2 **Central Support and Common Good Fund Officer**– Expenditure in this regard relates to support from Corporate Resources and a proportion of the costs of the Common Good Fund Officer. It is proposed that a sum of £1,200 is budgeted to cover these costs.

7.3.3 **Grants and Contributions** – In order to protect the reserves and the likely future requirement for protection or developments of Common Good assets, it is proposed that a budget of £2,000 is made available for small grants to community groups and a budget of £2,000 for special project grants or contributions towards Common Good assets.

7.3.4 Overall, the anticipated income and expenditure as set out below will result in an operating surplus for the year of £12,064, which will be added to usable reserves.

Designation: Executive Chief Officer – Communities and Place
Head of Corporate Finance and Commercialism

Date: 20 January 2022

Authors: Diane Agnew, Ward Manager
Lara Harrison, Accountant

APPENDIX 1

STATEMENT OF ACCOUNTS 2021-22
Dingwall Common Good Fund
Income and Expenditure Account

	2021/22	2020/21
	£	£
<u>Expenditure</u>		
Special grants	3,114	-
Administration charges	103	100
Property costs	141,222	59,083
Staff costs	1,319	3,689
Other costs	103	89
Total expenditure	145,861	62,961
<u>Income</u>		
Rents	28,564	24,814
Interest and investment income	491	1,647
Grants and contributions	134,650	62,463
Total income	163,705	88,924
Surplus/(deficit) for the year	17,844	25,964
Revaluation gains/(losses)	40,000	5,000
Total comprehensive income and expenditure	57,844	30,964
 Balance Sheet		
	31/03/2022	31/03/2021
	£	£
<u>Non current assets</u>		
Investment properties	235,000	195,000
<u>Current assets</u>		
Loans fund deposits	282,225	261,980
<u>Current Liability</u>		
Other creditors	(2,400)	-
Total Net Assets	514,825	456,980
 Usable reserves		
Revenue funds	279,825	261,980
 Unusable reserves		
Capital adjustment account	235,000	195,000
Total reserves	514,825	456,980

APPENDIX 2

Dingwall Common Good - Quarterly Monitoring
Period to Mar 2022

	ACTUAL	BUDGET	Variance
	£	£	£
INCOME			
Rents	28,564	28,564	-
Interest and investment income	491	700	(209)
TOTAL INCOME	<u>29,055</u>	<u>29,264</u>	<u>(209)</u>
EXPENDITURE			
Staff Costs - CGF Officer and Central Support	1,422	1,200	222
Property costs	15	12,000	(11,985)
Other Costs	103	-	103
Community Grants and Donations	1,614	-	1,614
Special Project Grants - CG Assets	1,500	-	1,500
TOTAL EXPENDITURE	<u>4,654</u>	<u>13,200</u>	<u>(8,546)</u>
Surplus/(deficit) for the year before projects	24,402	16,064	8,338
PROJECTS			
Town Centre Fund Grant	134,650	100,000	34,650
Property Special Projects TCF	(141,207)	(155,000)	13,793
	<u>(6,557)</u>	<u>(55,000)</u>	<u>48,443</u>
Surplus/(deficit) for the year after projects	17,844	(38,936)	56,780
Revaluation gains/(losses)	40,000	-	40,000
Total comprehensive income and expenditure	<u><u>57,844</u></u>	<u><u>(38,936)</u></u>	<u><u>96,780</u></u>
Usable reserves (Appendix 1)	<u><u>279,825</u></u>		

Dingwall Common Good - Quarterly Monitoring
Period to December 22

Appendix 3

	Actual to date £	Budget £	Year End Estimate £	Variance £
INCOME				
Rents	24,814	28,564	28,564	-
Interest and investment income	-	700	700	-
TOTAL INCOME	<u>24,814</u>	<u>29,264</u>	<u>29,264</u>	<u>-</u>
EXPENDITURE				
Staff Costs - CGF Officer and Central Support	183	1,200	1,200	-
Property costs	51	12,000	12,000	-
Community Grants and Donations	-	2,000	2,000	-
Special Project Grants - CG Assets	-	2,000	2,000	-
TOTAL EXPENDITURE	<u>234</u>	<u>17,200</u>	<u>17,200</u>	<u>-</u>
PROJECT EXPENDITURE				
DCGF Contribution to projects	<u>764</u>	<u>47,000</u>	<u>47,000</u>	<u>-</u>
Income less Expenditure to be funded by reserves	<u>23,816</u>	<u>(34,936)</u>	<u>(34,936)</u>	<u>-</u>
Audited Usable Reserves 2021/22 (Appendix 2)		£279,825		
Estimated outturn for 22/23		<u>(34,936)</u>		
Estimated Usable Reserves 2022/23		<u>£244,889</u>		

Appendix 4

DINGWALL COMMON GOOD FUND DRAFT BUDGET 2023/24

	Draft 2023/24 £
<u>Income</u>	
Rents	28,564
Interest and investment income	700
Total income	<u>29,264</u>
<u>Expenditure</u>	
Central Support/ Staff costs - CGF Officer	1,200
Property costs	12,000
Community Grants and Donations	2,000
Special Project Grants - CG Assets	2,000
Total expenditure	<u>17,200</u>
Surplus/(deficit) for the year	12,064
PROJECT EXPENDITURE	
DCGF Contribution to projects	<u>-</u>
Income less Expenditure	<u>12,064</u>
Estimated Usable Reserves 2022/23 (Appendix 3)	244,889
Budget surplus/(deficit) for 23/24	<u>12,064</u>
Forecast year end reserves 23/24	<u>256,953</u>