

Agenda Item	9
Report No	BSA/05/23

HIGHLAND COUNCIL

Committee: Badenoch & Strathspey Area Committee

Date: 6 February 2023

Report Title: Grantown on Spey Common Good Fund – General Update and Proposed Budget 2023/24

Report By: Executive Chief Officer Communities and Place
Head of Corporate Resources

1. Purpose/Executive Summary

- 1.1 This report presents a general update for Grantown on Spey Common Good Fund (GCGF/the “Fund”) and Statement of Accounts for 2021-22. The Fund contains almost no useable revenue funds in reserves and very limited unusable reserves.
- 1.2 This report also presents ‘Invitation to Pay’ short term ground let proposals in respect of the Grantown Square which is an asset of the Fund.
- 1.3 The report further sets out the proposed revenue budget for the Fund for the financial year 2023/2024.

2. Recommendations

- 2.1 Members are asked to:
- Consider and agree the Grantown on Spey Common Good Fund Statement of Accounts for 2021/22 (**Appendix 1**);
 - Agree the ‘Invitation to Pay’ short term ground let proposals in respect of Grantown Square for a trial period of 12 months (**Appendix 2**);
 - Agree the Grantown on Spey Common Good Fund budget for 2023/24 detailed within the report (**Appendix 3**).

3. Implications

- 3.1 **Resource** – Financial implications are as outlined in this report. This Fund was reactivated in 2022 and work is required to develop an approach to income generation and development of the GCGF asset portfolio. Proposals are contained in this report to begin to develop a source of revenue income for the Fund.

- 3.2 **Legal** – 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 operation of an invitation to pay scheme at Grantown Square, as set out within this report, is not considered a statutory change of use which would require a statutory consultation to be carried out with the community as any payment is voluntary. A mandatory charging scheme would be considered a statutory change of use.

- 3.3 **Community (Equality, Poverty and Rural)** – There are no specific implications associated with this report however, any proposed change of use of Common Good assets falling within the requirements of Community Empowerment legislation or regulations, will be subject to community consultation.

- 3.4 **Risk** – None

- 3.5 **Gaelic and Climate Change** – None

4. 2021/22 Audited Statement of Accounts

- 4.1 **Appendix 1** of this report shows the Income and Expenditure Account in respect of the Grantown on Spey Common Good Fund (GCGF) for the Financial Year 2021/22.

- 4.2 This Fund was recently reactivated and the Statement of Accounts shows almost nil income and expenditure, accordingly there is no income and expenditure monitoring statement for the Fund.

5. Grantown Square

- 5.1 Grantown Square was reclassified as a GCGF property and added to the Asset Register of the Fund in 2022??? which resulted in the Fund being reactivated. The reclassification of this asset and the reactivation of the Fund was agreed at Full Council on 10 March 2022.

- 5.2 Each year there are multiple events held at Grantown Square by community partners which are well supported by the community and visitors alike, these events bring a high footfall to Grantown on Spey and the wider valley area providing much welcomed support for local businesses.

- 5.3 Historically these events have been supported by the Council by allowing them to take place free of charge on the Square. Given that this asset has now been identified as a Common Good asset, it is important to reassess this position. It is proposed to continue to allow these events to continue free of charge and to introduce an invitation to pay scheme in respect of stall holders who attend these events and use Grantown Square as a place to trade.

- 5.4 The proposed invitation to pay scheme will invite stall holders at the Square to contribute to local community projects and good causes through a donation to the Fund, a framework of suggested invitation to pay donations is attached at **Appendix 2**.

- 5.5 Discussion has taken place with some community partners around these proposals and further discussion will take place in the run up to this scheme being implemented if approved.

5.6 It is recommended that this invitation to pay scheme is approved for a trial period of 12 months from 1st April 2023 following which a report will be brought back to this Committee to evaluate the scheme's success in terms of income generation for the Fund as well as engagement from stall holders.

5.7 If approved a pitch application process and conditions of let will be developed based on existing Common Good Fund short term let schemes in operation elsewhere in Highland.

6. Proposed 2023/24 Budget

6.1 **2023/24 Budget** – The proposed budget for 2023/24 is set out in **Appendix 3**. This is the first annual budget for the GCGF.

6.2 **Available funds** – This budget plans for a zero-expenditure budget to allow GCGF to build reserves for future projects and development of GCGF Assets.

6.3 Anticipated Revenue

6.3.2 **Lettings Income** – Lettings income relates to forecasted income from the Invitation to pay scheme set out above; a budget income of £1,000 is projected for 2023/24 based on conservative levels of stall holders taking up the invitation to pay.

Designations: Executive Chief Officer Communities and Place
Head of Corporate Resources

Date: 10 January 2023

Author: Lewis Hannah, Nairnshire Ward Manager
Lara Harrison, Accountant
Sara Murdoch, Common Good Fund Officer

Appendix 1: 2021/22 Statement of Accounts

Appendix 2: Grantown Square 'Invitation to Pay' ground let proposal

Appendix 3: 2023/24 Budget

Appendix 1

STATEMENT OF ACCOUNTS 2021-22

Grantown Common Good Fund

Income and Expenditure Account

	2021/22 £
<u>Expenditure</u>	
Total expenditure	-
 <u>Income</u>	
Interest and investment income	1
Total income	1
Surplus/(deficit) for the year	1
Revaluation gains/(losses)	10,000
Total comprehensive income and expenditure	10,001

Balance Sheet

	31/03/2022 £
<u>Non current assets</u>	
Investment Properties	10,000
 <u>Current assets</u>	
Loans fund deposits	251
Total assets	10,251
 Usable reserves	
Revenue funds	245
 Unusable reserves	
Capital adjustment account	10,005
Total reserves	10,251

Appendix 2

Grantown on Spey Common Good Fund	
Suggested donation amounts Grantown Square short term let invitation to pay pilot scheme.	
Rate	Charge
Hourly	£10.00
3 Hour Block	£25.00
Daily	£50.00
Weekend	£100.00

Local Charities	50% reduction in charge
Local Schools/Nurseries	Free of Charge

**Grantown Common Good Fund
Budget 2023/24**

Appendix 3

**Draft
Budget
2023/24
£**

INCOME

Rents	-
Lettings	-
Invitation to Pay	1,000
Interest and investment income	-
TOTAL INCOME	<u>1,000</u>

EXPENDITURE

Staff Costs	-
Grants & contributions	-
Miscellaneous Costs	-
TOTAL EXPENDITURE	<u>-</u>

Income less Expenditure 1,000

Audited Usable Reserves 2021/22 (Appendix 1)	£245
Expected surplus/(deficit) for 2022/23	-
Forecast year end reserves 2022/23	<u>£245</u>
Budget surplus/(deficit) for 2023/24	1,000
Forecast year end reserves 2023/24	<u><u>£245</u></u>