

Agenda Item	8a
Report No	BI/10/23

THE HIGHLAND COUNCIL

Committee: Black Isle Committee

Date: 15 August 2023

Report Title: Cromarty Common Good Fund – Quarter One Monitoring Report

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

1. Purpose/Executive Summary

- 1.1 This report presents the Cromarty Common Good Fund Quarter One monitoring statement for 2023/24 and provides an update on matters relating to the Cromarty Common Good Fund.

2. Recommendations

- 2.1 Members are asked to:
- i. Note and scrutinise the position of Cromarty Common Good Fund as shown in the 2023/24 Quarter One Monitoring Statement.

3. Implications

- 3.1 Resource Implications: The Quarter One Monitoring Statement highlights predicted income and expenditure against the budget. As a result of the reclassification of property, as outlined in Section 4 will result in a loss of income to the Cromarty Common Good fund.
- 3.2 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.
- 3.3 Climate Change/Carbon Clever implications: Any current and future projects for protection of Common Good assets would seek to increase energy efficiency where possible.
- 3.4 Legal, Risk, Gaelic – None.

4. Review of Cromarty Common Good Asset Register

- 4.1 As well as establishing the Common Good Asset Registers, the Council is required to maintain and update its registers. It is now good practice for the Authority to review Asset Registers regularly and at no longer an interval than 5 years.
- 4.2 When the Community Empowerment Act consultation leading to publication of the Common Good asset registers took place, the Council was not required to re-investigate every asset if it had robust reasons for believing them to be Common Good. Resources and community pressure resulted in the Council proceeding to consultation on the historic understanding of what made up the existing asset registers. This included an understanding that Victoria Hall was Common Good
- 4.3 Cromarty Common Good Asset Register has now been reviewed. Details investigated include the Common Good title (Charter, disposition, gift) in the Asset Register as confirmation of the basis of title.
- 4.4 Following analysis, it has been confirmed that East Hall and Chapel Brae are correctly identified as Common Good properties. However, after investigating the ownership details for Victoria Hall, it has been determined that this is not considered to be a Common Good property. The title details are that a Feu Charter was granted by Walter Charteris Ross in favour of the Trustees for the 8th Battery of the 1st Inverness Artillery Volunteers (registered 8 November 1887). This deed specifically provided that in the event of the Volunteer Corps becoming extinct or ceasing to exist at Cromarty as a battery, title would pass to the Magistrates and Town Council of the Burgh of Cromarty **as Trustees** for the benefit of the inhabitants of the Burgh in all time coming. If property is held on Trust, it cannot also be Common Good. Therefore, Victoria Hall is no longer considered to be a Common Good asset of Cromarty and will be recognised as one of the Trust properties managed by the Council.
- 4.5 The consequences of this are currently being worked through and will be reported to a future Committee.
- 4.6 The immediate anticipated implication is that the Cromarty Common Good Fund will no longer receive any rental income for this property and this would impact upon this year's budget and proposed spend which will need to be considered by a future Committee.

5. Quarter One Monitoring Statement

- 5.1 A Monitoring Statement showing transactions to the end of June 2023 against budget and estimated year end position is as **Appendix 1**.
- 5.2 **Income** – As a result of the circumstances outlined in section 4, the income for Cromarty Common Good now arises from East Hall only. The consequences of the determination of Victoria Hall not being a Common Good property will have an impact on this year's income budget and therefore potential implications on budget and spend.
- 5.3 It is anticipated that interest on projected surplus balances will be approximately £100 in 2023/04. A variation to income budget will show in Quarter Two Monitoring Statement to reflect the reduction in income relating to Victoria Hall.

- 5.4 **Expenditure** - There has been minimal expenditure in Cromarty Common Good Fund Quarter One Monitoring Statement. Expenditure relating to Common Good asset property costs will show in Quarters Three and Four. Total staff and any small grant costs will show in Quarter Four. Expenditure will need to be examined due to implications on budget and spend as a result of the reduction in income. Any changes will be agreed by a future Committee.

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

Date: 25 July 2023

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**Cromarty Common Good - Quarterly Monitoring
Period to June 23**

**Appendix

	Actual to date £	Budget £	Year End Estimate	Variance £
INCOME				
Rents	2,420	6,020	6,020	-
Interest and investment income	-	100	100	-
TOTAL INCOME	2,420	6,120	6,120	-
EXPENDITURE				
Property costs	-	3,000	3,000	-
Grants and Donations	-	1,000	1,000	-
Central support	-	300	300	-
TOTAL EXPENDITURE	-	4,300	4,300	-
Income less Expenditure	<u>2,420</u>	<u>1,820</u>	<u>1,820</u>	<u>-</u>
unaudited Usable Reserves 2022/23		52,181		
Estimated outturn for 23/24		<u>1,820</u>		
Estimated Usable Reserves 2023/24		<u>54,001</u>		