



Council Offices
High Street
DINGWALL
IV15 9QN

12 February 2024

Dear Members

Dingwall and Seaforth Area Committee – Monday, 19 February 2024

Further to the agenda and papers that have already been issued for the above meeting, please find attached the undernoted additional item.

**7. Dingwall Common Good Fund
Maoin Math Coitcheann Inbhir Pheofharain**

There is circulated the Dingwall Common Good Fund 2022/23 Annual Accounts and Final Monitoring, 2023/24 Quarter Three Monitoring Statement and 2024/25 Proposed Budget by the Executive Chief Officer, Communities and Place, and Head of Corporate Finance.

Members are asked to:

- i. consider and agree the Dingwall Common Good Fund Statement of Accounts (Appendix 1a) and Quarter 4 monitoring report for 2022/23 (Appendix 1b);
- ii. scrutinise and note the position of the Dingwall Common Good Fund as shown in the 2023/24 Quarter Three monitoring statement at Appendix 2; and
- iii. approve the proposed budget for 2024/25 as set out in Appendix 3

Yours faithfully

Stewart Fraser
Head of Legal and Governance

**Dingwall and Seaforth Area Committee
Membership**

Mr S Kennedy
Mr G MacKenzie

Mrs A MacLean
Mrs M Paterson

Agenda Item	7
Report No	DSA/05/24

The Highland Council

Committee: Dingwall and Seaforth Area Committee

Date: 19 February 2024

Report Title: Dingwall Common Good – 2022/23 Annual Accounts and Final Monitoring, 2023/24 Quarter Three Monitoring Report and 2024/25 Proposed Budget

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

1. Purpose/Executive Summary

- 1.1 This report presents the Dingwall Common Good Fund Statement of Accounts and final monitoring for 2022/23. An overall revenue surplus of £20,640 was achieved which has been added to reserves.
- 1.2 This report also presents the expenditure monitoring position for the Common Good Fund as at 31 December 2023 (Q3) and the projected year end position for 2023/24.
- 1.3 Finally the report sets out the proposed revenue budget for the Fund for the financial year 2024/25.
- 1.4 The report highlights main points regarding the accounts and the strategy in relation to the overall Fund value.

2. Recommendations

- 2.1 Members are asked to:
 - i. Consider and agree the Dingwall Common Good Fund Statement of Accounts (**Appendix 1a**) and Quarter 4 monitoring report for 2022/23 (**Appendix 1b**);
 - ii. Scrutinise and note the position of the Dingwall Common Good Fund as shown in the 2023/24 Quarter Three monitoring statement at **Appendix 2**; and
 - iii. Approve the proposed budget for 2024/25 as set out in **Appendix 3**

3. Implications

- 3.1 **Resource** – The 2022/23 statement of accounts and final monitoring report note a surplus for the year of £20,640, which is recorded in the Usable Revenue Reserves. The Quarter Three monitoring statement highlights predicted income and expenditure against the budget. The proposed Budget for 2024/25 maintains a modest property budget and will again result in a modest surplus on 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 application of funds will comply with all financial regulations.
- 3.3 **Community (Equality, Poverty, Rural and Island)** – The current and proposed budgets do include a small community grants budget. There are no other equality, poverty or rural or island implications as a result of the report.
- 3.4 **Climate Change / Carbon Clever** – None
- 3.5 **Risk:** There is a risk to the long-term sustainability of the CGF given the relatively limited income available. However, key assets such as the Dingwall Town Hall have been recently refurbished and there are no upcoming significant property costs anticipated. Spend is also being managed by limiting non-essential spend such as that on community grants.
- 3.6 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - None
- 3.7 **Gaelic** - None

4. 2022/23 Statement of Accounts and Final Monitoring

- 4.1 **Appendix 1a** of this report shows the final audited statement of accounts with the Income and Expenditure Account and Balance Sheet in respect of the Dingwall Common Good Fund (CCGF) for Financial Year 2022/23.

The statement of accounts has not been individually audited, but the total common good fund balances, comprising all of the Highland Council Common Good Funds, which appear as a note to the Highland Council accounts, have been audited as they appear in the Highland Council accounts.

- 4.2 **Appendix 1b** sets out the 2022/23 final monitoring, which shows the Revenue results for the year against Budget (whereas **Appendix 1a** shows prior year comparatives).
- 4.3 All rental income was received as expected whilst income from interest and investment was significantly higher than anticipated, resulting in income of £33,314 as against the £29,274 expected. In terms of expenditure, slightly higher than anticipated staff costs were incurred, whilst property spend was well below budget. Overall, the expenditure in 2022/23 was £10,033. Included in this spend were awards totalling £6,667 allocated to special projects – however this included £3,000 for furnishing for the Community Hub. As the lease of the Huib was not taken up this sum was repaid and shows as a credit in the current financial year. Usable Reserves increased over the year to £300,465. The £44,359 Dingwall Common Good Fund contribution to projects variance related to the Town Hall refurbishment. This was carried forward and works completed in 2023/24.

The revaluation gains relate to the investment properties of the Fund. This represents the higher rental income the properties are now generating.

5. 2023/24 Quarter Three Monitoring Report

- 5.1 The Quarter Three monitoring report to 31 December 2023, is attached as **Appendix 2**. The rental income of £33,981 has been received – this is £5,417 more than anticipated due to a rent rise of £5,000 plus £417 additional rent relating to March 2023 which was received in the current financial year. Spend on staff costs etc is slightly higher than expected. Spend on property to date is lower than expected, with the main cost being a £6,000 contribution to replacement fencing at Dingwall Jubilee Park. A further £10,000 is set aside to contribute to the essential works required to sections of the access road and parking are at Dingwall Jubilee Park Road. This will be drawn down within the current finance year. This will result in a property spend of approximately £16,000 resulting in a property underspend of just under £6,000. The community grants budget is not yet fully spent and no special project grants have been made to support Common Good assets. The monitoring report also shows the £3,000 grant repaid in respect of the Community Hub.
- 5.2 The refurbishment works to the Town Hall have been completed and the £55,000 contribution for the Common Good drawn down.
- 5.3 Overall spend has been relatively low but with the contribution to the Town Hall refurbishment a deficit on the fund of £33,091 is anticipated over the year, which will reduce Useable Reserves to £267,374.

6. Proposed Budget for 2024/25

- 6.1 The proposed budget for 2024/25 is set out in **Appendix 3** of the report for Committee to consider.
- 6.2 Anticipated Income – Income is due from Highlife Highland for rental of the Town Hall and from the Jubilee Park Caravan site. The total anticipated income from these assets for 2024/25 is £33,564. £5,000 interest income is also anticipated.
- 6.3 Anticipated Expenditure – With the Town Hall refurbished and work carried out at Jubilee Park Road it is suggested that a reduced property budget of £12,000 be set. It is proposed that the community and special grants budget for Common Good assets be retained at the same level as the current year as this has proved sufficient. An allowance for Central Support and Common Good Fund Officer costs has also been made. This will result in a small surplus of £21,364 at year end.

Designation:

Date: 7 February 2024

Author: Helen Ross, Senior Ward Manager (CSER)

Lara Harrison, Accountant

Background Papers: None

STATEMENT OF ACCOUNTS 2022-23
Dingwall Common Good Fund
Income and Expenditure Account

Appendix 1a

	2022/23	2021/22
	£	£
<u>Expenditure</u>		
Special grants	6,667	3,114
Administration charges	612	103
Property costs	2,766	141,222
Staff costs	2,527	1,319
Other costs	104	103
Total expenditure	<u>12,675</u>	<u>145,861</u>
<u>Income</u>		
Rents	28,564	28,564
Interest and investment income	4,750	491
Grants and contributions	-	134,650
Total income	<u>33,314</u>	<u>163,705</u>
Surplus/(deficit) for the year	20,640	17,844
Revaluation gains/(losses)	40,000	40,000
Total comprehensive income and expenditure	<u>60,640</u>	<u>57,844</u>
Balance Sheet		
	31/03/2023	31/03/2022
	£	£
<u>Non current assets</u>		
Investment properties	275,000	235,000
<u>Current assets</u>		
Loans fund deposits	300,465	282,225
<u>Current Liability</u>		
Other creditors	-	(2,400)
Total Net Assets	<u>575,465</u>	<u>514,825</u>
Usable reserves		
Revenue funds	300,465	279,825
Unusable reserves		
Capital adjustment account	275,000	235,000
Total reserves	<u>575,465</u>	<u>514,825</u>

**Dingwall Common Good - Quarterly Monitoring
Period to March 23**

**Appendix
1b**

	Actual £	Revised Budget £	Variance £
INCOME			
Rents	28,564	28,564	-
Interest and investment income	4,750	700	4,050
TOTAL INCOME	<u>33,314</u>	<u>29,264</u>	<u>4,050</u>
EXPENDITURE			
Staff Costs - CGF Officer and Central Support	2,974	1,200	1,774
Property costs	393	12,000	(11,607)
Community Grants and Donations	-	2,000	(2,000)
Special Project Grants - CG Assets	6,667	2,000	4,667
TOTAL EXPENDITURE	<u>10,033</u>	<u>17,200</u>	<u>(7,167)</u>
Surplus/(deficit) for the year before projects	23,281	12,064	11,217
PROJECT EXPENDITURE			
DCGF Contribution to projects	2,641	47,000	(44,359)
Surplus/(deficit) for the year after projects	<u>20,640</u>	<u>(34,936)</u>	<u>55,576</u>
Revaluation gains/(losses)	40,000	-	40,000
Total comprehensive income and expenditure	<u>60,640</u>	<u>(34,936)</u>	<u>95,576</u>
Usable reserves (Appendix 1a)	<u>300,465</u>		

**Dingwall Common Good - Quarterly
Monitoring
Period to Dec 23**

APPENDIX 2

	Actual to date £	Revised Budget £	Year End Estimate £	Variance £
INCOME				
Rents	28,981	28,564	33,981	(5,417)
Interest and investment income	-	700	5,000	(4,300)
TOTAL INCOME	<u>28,981</u>	<u>29,264</u>	<u>38,981</u>	<u>(9,717)</u>
EXPENDITURE				
Staff Costs - CGF Officer and Central Support	1,637	1,200	2,000	(800)
Property costs	6,072	22,000	16,072	5,928
Community Grants and Donations	1,732	2,000	2,000	-
Special Project Grants - CG Assets	(3,000)	2,000	(3,000)	5,000
TOTAL EXPENDITURE	<u>6,441</u>	<u>27,200</u>	<u>17,072</u>	<u>10,128</u>
Income less Expenditure before Projects	22,540	2,064	21,909	(19,845)
PROJECT EXPENDITURE				
DCGF Dingwall Town Hall	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>	<u>-</u>
Income less Expenditure to be funded by reserves	<u><u>(32,460)</u></u>	<u><u>(52,936)</u></u>	<u><u>(33,091)</u></u>	<u><u>(19,845)</u></u>
Unaudited Usable Reserves 2022/23 (Appendix 1b)		£300,465		
Estimated outturn for 23/24		<u>(33,091)</u>		
Estimated Usable Reserves 2023/24		<u><u>£267,374</u></u>		

**Appendix
3**

**DINGWALL COMMON GOOD FUND
DRAFT BUDGET 2024/25**

	Draft 2024/25 £
<u>Income</u>	
Rents	33,564
Interest and investment income	5,000
Total income	<u>38,564</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>
Income less Expenditure	<u><u>21,364</u></u>
Estimated Usable Reserves 2023/24 (Appendix 2)	267,374
Budget surplus/(deficit) for 24/25	<u>21,364</u>
Forecast year end reserves 24/25	<u>288,738</u>