

Agenda Item	9
Report No	DSA/07/25

The Highland Council

Committee: Dingwall and Seaforth

Date: 10 February 2025

Report Title: Dingwall and Seaforth Common Good Fund – 2023/24 Annual Accounts and Final Monitoring, 2024/25 Q3 Monitoring Report and 2025/26 Proposed Budget

Report By: Assistant Chief Executive – Place

1. Purpose/Executive Summary

- 1.1 This report presents the Dingwall and Seaforth Common Good Fund Statement of Accounts and final monitoring for 2023/24. An overall revenue deficit of £18,000 (met from reserves) was recorded in the annual accounts.
- 1.2 This report also presents the expenditure monitoring position for the Common Good Fund at 31 December 2024 (Q3) and the projected year end position for 2024/25.
- 1.3 The report further sets out the proposed revenue budget for the Fund for the financial year 2025/26.
- 1.4 The report highlights main points regarding the accounts and the strategy in relation to the overall Fund value.

2. Recommendations

Members are asked to:

- i. **CONSIDER** and **AGREE** the Dingwall and Seaforth Common Good Fund Statement of Accounts (**Appendix 1a**) and Q4 monitoring report for 2023/24 (**Appendix 1b**).
- ii. **SCRUTINISE** and **NOTE** the position of the Dingwall and Seaforth Common Good Fund as shown in the 2024/25 Q3 monitoring statement at **Appendix 2**; and
- iii. **APPROVE** the proposed budget for 2025/26 as set out in **Appendix 3**.
- iv. **AGREE** to delegate to the Community Support and Engagement Team power to approve expenditure up to £10,000 in relation to Dingwall and Seaforth Common Good within the annually set budget and following consultation with Ward

Members. This delegated power will be reviewed annually as part of the budget setting process.

3. Implications

- 3.1 **Resource** – The 2023/24 statement of accounts and final monitoring report notes a deficit for the year of £18,000 (met from reserves). The Q3 monitoring statement highlights predicted income and expenditure against the budget. Costs incurred so far are lower than anticipated but are expected to be in line with budget by the year end. The proposed budget for 2025/26 maintains current budget levels and, with no additional costs expected a surplus of £18,564 to the Fund is anticipated. The fund supports a small community grants budget, and this is proposed to continue in 2025/26 helping to support the local community.
- 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 **Risk** – None
- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – None
- 3.5 **Gaelic** - None.

4 Integrated Impact Assessment Screening - Summary

- 4.1 An Integrated Impact Assessment screening has been undertaken, the conclusions have been reviewed and approved by the relevant Manager.
- 4.2 The Screening process has concluded that there are no direct impacts identified by the Common Good budget itself and recognises that any potential projects funded by Common Good grants may have a positive impact in relation to equalities, poverty and human rights, children’s rights and wellbeing, mainland rural communities and climate change.

4.3

Impact Assessment Area	Conclusion of Screening/Full Assessment
Equality	<i>No impact</i>
Socio-economic	<i>No impact</i>
Human Rights	<i>No impact</i>
Children’s Rights and Well-being	<i>No impact</i>
Island and Mainland Rural	<i>No impact</i>
Climate Change	<i>No impact</i>
Data Rights	<i>No impact</i>

5. 2023/24 Statement of Accounts and Final Monitoring

- 5.1 **Appendix 1a** of this report shows the Income and Expenditure Account and Balance Sheet in respect of the Dingwall and Seaforth Common Good Fund for Financial Year 2023/24.
- 5.2 **Appendix 1b** sets out the 2023/24 final monitoring, which shows the revenue results for the year against Budget (whereas **Appendix 1a** shows prior year comparatives).
- 5.3 Expenditure on the fund in 2023/24 was higher than the income received, resulting in a deficit of £18,000 at year end. The increased expenditure related predominantly to property costs for Dingwall Town Hall. As a result, the revenue reserves decreased over the year from £300,465 to £282,465.
- 5.4 **Revaluation gains/(losses)**
The Income and Expenditure Account in **Appendix 1** reports that there was revaluation gain of £155,000 which relates predominantly to the caravan park.
- 5.5 **Changes to Leases in 2023/24**
There were no changes to leases in 2023/24.
- 5.6 **Disposal and Acquisitions 2023/24**
There were no disposals or acquisitions in 2023/24.

6. 2024/25 Q3 Monitoring Report

- 6.1 The Q3 monitoring report to 31 December 2024, attached as **Appendix 2**, shows income to date is £32,502 and is expected to be on budget at year end.
- 6.2 Actual expenditure to date is low in relation to property costs and is expected to be on budget at year end. Expenditure at year end is anticipated to be slightly higher than originally budgeted in relation to staff costs and community grants. The increase in staff costs follows a review of all central support costs of all Common Good Funds. At Dingwall and Seaforth Area Committee on 11 November 2024 Members agreed to increase the approved Dingwall Common Good Fund Budget line for Community Grants and Donations to £3,500 for 2024/25. A year end surplus of £18,564 is anticipated.

7. Proposed Budget for 2025/26

- 7.1 The proposed budget for 2025/26 is set out in **Appendix 3** of the report for Committee to consider.
- 7.2 Anticipated Income – Income from rents, interest and investment remains anticipated at the same level as in 2024/25.
- 7.3 Anticipated Expenditure – It is proposed that the property budget of £12,000 is retained. It is proposed to increase the budget to £2,500 for Central Support and Common Good Fund Officer costs following a review of central support costs. It is proposed to retain the budget of £3,500 for community grants and £2,000 for special

grants. It is anticipated this will result in a surplus of £18,564 at year end, which will be added to reserves.

8. Approvals for Common Good Fund Expenditure

- 8.1 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 Dingwall and Seaforth Common Good Fund, in recent years a small 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. The arrangements require to be formalised and will be reviewed as part of the annual budget setting process.

9. Issues – Dingwall Town Hall

- 9.1 Members will note the additional expenditure on property costs during 2023/24 financial year which created pressure on the budget in year, resulting in an unexpected deficit budget out turn which was met by reserves.

Designation: Assistant Chief Executive – Place

Date: 20 January 2025

Authors: Lynn Bauermeister, Community Development Manager
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Appendices: 1a., Statement of Accounts 2023-24
1b. Dingwall and Seaforth Common Good - Quarterly Monitoring
Period to March 24
2. Dingwall and Seaforth Common Good - Quarterly Monitoring
Period to Dec 24
3. Dingwall and Seaforth Common Good – Budget 2025-26

Appendix 1a

STATEMENT OF ACCOUNTS 2023-24 Dingwall Common Good Fund Income and Expenditure Account

	2023/24	2022/23
	£	£
<u>Expenditure</u>		
Special grants	(1,268)	6,667
Administration charges	600	612
Property costs	61,887	2,766
Staff costs	3,567	2,527
Other costs	108	104
Total expenditure	<u>64,893</u>	<u>12,675</u>
 <u>Income</u>		
Rents	33,981	28,564
Interest and investment income	12,913	4,750
Grants and contributions	-	-
Total income	<u>46,894</u>	<u>33,314</u>
Surplus/(deficit) for the year	(18,000)	20,640
Revaluation gains/(losses)	155,000	40,000
Total comprehensive income and expenditure	<u>137,000</u>	<u>60,640</u>
 Balance Sheet		
	31/03/2024	31/03/2023
	£	£
<u>Non current assets</u>		
Investment properties	430,000	275,000
 <u>Current assets</u>		
Loans fund deposits	282,465	300,465
Total Net Assets	<u>712,465</u>	<u>575,465</u>
Revenue funds	282,465	300,465
Capital funds	430,000	275,000
Total reserves	<u>712,465</u>	<u>575,465</u>

Appendix 1b

Dingwall Common Good - Quarterly Monitoring Period to Mar 24

	Actual £	Budget £	Variance £
INCOME			
Rents	33,981	28,564	5,417
Interest and investment income	12,913	700	12,213
TOTAL INCOME	<u>46,894</u>	<u>29,264</u>	<u>17,630</u>
EXPENDITURE			
Staff Costs - CGF Officer and Central Support	4,167	1,200	2,967
Property costs	6,995	22,000	(15,005)
Community Grants and Donations	(1,268)	2,000	(3,268)
Special Project Grants - CG Assets	-	2,000	(2,000)
TOTAL EXPENDITURE	<u>9,893</u>	<u>27,200</u>	<u>(17,307)</u>
Income less Expenditure before Projects	37,000	2,064	34,936
PROJECT EXPENDITURE			
DCGF Dingwall Town Hall	<u>55,000</u>	<u>55,000</u>	<u>-</u>
Income less Expenditure to be funded by reserves	<u>(18,000)</u>	<u>(52,936)</u>	<u>34,936</u>
Usable Reserves			
As at 31.3.23	300,465		
Surplus/(deficit) for year	<u>(18,000)</u>		
As at 31.3.24	<u>282,465</u>		

Appendix 2

Dingwall Common Good - Quarterly Monitoring Period to Dec 24

	Actual to date £	Revised Budget £	Year End Estimate £	Variance £
INCOME				
Rents	32,502	33,564	33,564	0
Interest and investment income	0	5,000	5,000	0
TOTAL INCOME	<u>32,502</u>	<u>38,564</u>	<u>38,564</u>	<u>0</u>
EXPENDITURE				
Staff Costs - CGF Officer and Central Support	0	1,200	2,500	(1,300)
Property costs	72	12,000	12,000	0
Community Grants and Donations	0	2,000	3,500	(1,500)
Special Project Grants - CG Assets	2,250	2,000	2,000	0
TOTAL EXPENDITURE	<u>2,322</u>	<u>17,200</u>	<u>20,000</u>	<u>(2,800)</u>
Income less Expenditure before Projects	30,180	21,364	18,564	2,800
Income less Expenditure to be funded by reserves	<u>30,180</u>	<u>21,364</u>	<u>18,564</u>	<u>2,800</u>
Unaudited Usable Reserves 2023/24 (Appendix 1b)		282,465		
Estimated outturn for 24/25		18,564		
Estimated Usable Reserves 2024/25		<u>301,029</u>		

Appendix 3

Dingwall Common Good Fund Draft Budget 2025/26

	Draft 2025/26 £
<u>Income</u>	
Rents	33,564
Interest and investment income	5,000
Total income	38,564
<u>Expenditure</u>	
Staff Costs - CGF Officer and Central Support	2,500
Property costs	12,000
Community Grants and Donations	3,500
Special Project Grants - CG Assets	2,000
Total expenditure	20,000
Income less Expenditure	18,564
INCOME	
Town Centre Fund Grant	0
Dingwall Common Good Contribution	0
	0
EXPENDITURE	
Essential projects	0
	0
Estimated Revenue Reserves 2024/25	304,029
Budget surplus/(deficit) for 25/26	18,564
Forecast year end reserves 2025/26	322,593