The Highland Council

City of Inverness Area Committee – 5 March 2015

Agenda Item	20(c)
Report No	CIA/20/15

Inverness Common Good Fund Financial Monitoring

Report by the Inverness City Manager

Summary

This report presents the expenditure monitoring position for the Common Good Fund as of 31 January 2015 and the projected year end position.

1. Introduction

- 1.1 This report sets out the financial activity on the Common Good as of 31 January 2015. **Appendix 1** shows expenditure to date, the annual agreed budget, the predicted year end outturn and the predicted variance.
- 1.2 The purpose of the report is to advise members of the anticipated financial position against the agreed budget at the end of financial year 2014/15. Regarding significant variances:
 - (i) Refurbishment 1-5 Church Street Project; a report was provided to the Committee in December 2014. The estimated underspend of £0.717m during the current financial year is to be carried forward to 2015/16 as part of planned expenditure of £1.713m.
 - (ii) Inverness City Arts Project; the estimated underspend of £0.175m relates to planned activities which are to take place during the next financial year.
 - (iii) Inverness Common Good Fund Grants; the estimated underspend of £0.172m relates to projects where funding has been agreed before or during 2014/15 but where the delivery of the project and all or part of the actual expenditure is not expected to take place before the end of the current financial year.
 - (iv) Subventions; the estimated underspend of £0.043m relates to grants for conferences where funding has been agreed before or during 2014/15 but where all or part of the actual expenditure is not expected to take place before the end of the current financial year.
 - (v) BID Partnership; the estimated overspend of £0.022m is due to additional expenditure on approved partnership projects.
 - (vi) Winter Payments; there is an estimated underspend of £0.015m. In September 2014 the Committee agreed to the sum of £0.05m (in addition to the original budget allocation of £0.05m) being ring-fenced within the Grants budget to be used for the additional expenditure required for the changed criteria for payments.
 - (vii) Civic and Conference Hospitality; the estimated underspend of £0.012m relates to hospitality where funding has been agreed during 2014/15 but where all or part of the actual expenditure is not expected to take place before the end of the current financial year. The underspend is to be carried forward to 2015/16
 - (viii) Town House Refurbishment and Victorian Market Windows Replacement; the estimated overspends of £0.009m and £0.008m respectively are the subject of separate monitoring reports for capital projects.
- 1.3 The report is produced in support of the Council's corporate governance process.

2. Overview

- 2.1 The report shows total budgeted expenditure for the year of £2.359m to be met by income of £2.359m (including a transfer from Reserves of £0.385m). Projects totalling £2.133m are budgeted to be met from Reserves in 2014/15.
- 2.2 At this stage in the financial year the overall budget is projected to be underspent by £1.083m mainly due to expenditure on capital projects being delayed. This will reduce the draw on Reserves for 14/15 with existing commitments carrying forward to the next financial year.

3. Implications

3.1 The report details the financial resource implications. There are no other resource implications. There are no Equalities, Climate Change/Carbon Clever, Legal, Gaelic, Risk or Rural Implications.

Recommendation

The Committee is invited to note the financial monitoring report.

Designation: Inverness City Manager Date: 18 November 2014

Authors: Victoria Macdonald, Accountant

Stewart Wardlaw, Ward Manager

NCOME Rents Rent		ACTUAL YEAR TO DATE	ANNUAL BUDGET	ESTIMATED OUTTURN	ESTIMATED VARIANCE
Part		£000	£000	£000	£000
Industrial Estates	INCOME				
Victorian Market 227 282 282 0 Town House 0 253 253 0 Other Properties 30 39 39 0 Other Income Contribution to Grants from Reserves 384 384 384 0 Interest on Revenue Balances 0 5 5 0 TOTAL INCOME 1,521 2,359 2,359 0 EXPENDITURE Industrial Estates 1 5 5 0 Victorian Market 141 185 185 0 Victorian Market 141 185 185 0 Other Properties 8 130 130 0 Chival and an an an an an an	Rents				
Town House Other Properties 0 253 30 253 39 250 30 Other Properties 30 393 39 39 30 Other Income 1,521 1,968 1,969 0 Contribution to Grants from Reserves 384 384 0 Interest on Revenue Balances 0 5 5 0 TOTAL INCOME 1,521 2,359 2,359 0 EXPENDITURE Industrial Estates 1 5 5 0 Victorian Market 141 185 185 0 Orbital Properties 38 130 130 0 Other Properties 38 130 130 0 Use and Conference Hospitality 91 120	Industrial Estates	1,264	1,395	1,395	0
Other Properties 30 39 39 0 Other Income Contribution to Grants from Reserves 384 384 0 Contribution to Grants from Reserves 0 5 5 0 TOTAL INCOME 1,521 2,359 2,359 0 EXPENDITURE Industrial Estates 1 5 5 0 Victorian Market 141 185 185 0 Town House Maintenance 73 100 100 0 Other Properties 88 130 130 0 Civic and Conference Hospitality 91 120 108 (12) Ness Islands & Bank Maintenance 0 27 27 0 Festive Lights 1 65 65 0 Town Twinning 0 9 4 0 Winter Payments 522 100 85 (15) Inverness Common Good Fund Grants 503 772 600 (172)	Victorian Market	227	282	282	0
Other Income Contribution to Grants from Reserves 384 384 0 Interest on Revenue Balances 0 5 5 0 TOTAL INCOME 1,521 2,359 2,359 0 EXPENDITURE Town House Maintenance 1 5 5 0 Victorian Market 141 185 185 0 Other Properties 88 130 130 0 Chic and Conference Hospitality 91 120 108 (12) Ness Islands & Bank Maintenance 0 27 27 0 Festive Lights 1 65 65 0 Town Twinning 0 9 4 0 Winter Payments 52 100 85 (15) Inverses Common Good Fund Grants 503 772 600 (172) City Promotions 38 50 50 0 Subventions 6 63 20 (43) BIP Partership 83	Town House	0	253	253	0
Other Income Contribution to Grants from Reserves Interest on Revenue Balances 0 5 5 0 TOTAL INCOME 1,521 2,359 2,359 0 EXPENDITURE Industrial Estates 1 5 5 0 Victorian Market 141 185 185 0 Town House Maintenance 73 100 100 0 Other Properties 88 130 130 0 Other According to the Maintenance 0 27 27 0 Civic and Conference Hospitality 91 120 108 (12) Ness Islands & Bank Maintenance 0 27 27 0 Civic and Conference Hospitality 91 120 108 (12) Ness Islands & Bank Maintenance 0 27 27 0 6 Festive Lights 1 65 65 0 0 7 27 0 6 65 0 0 10 <td>Other Properties</td> <td>30</td> <td>39</td> <td>39</td> <td>0</td>	Other Properties	30	39	39	0
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Interest on Revenue Balances	Other Income				
Name	Contribution to Grants from Reserves		384	384	0
Industrial Estates	Interest on Revenue Balances	0	5	5	0
Industrial Estates	TOTAL INCOME	1,521	2,359	2,359	0
Victorian Market 141 185 185 0 Town House Maintenance 73 100 100 0 Other Properties 88 130 130 0 Civic and Conference Hospitality 91 120 108 (12) Ness Islands & Bank Maintenance 0 27 27 0 Festive Lights 1 65 65 0 Town Twinning 0 9 4 0 Winter Payments 52 100 85 (15) Inverness Common Good Fund Grants 503 772 600 (172) City Promotions 38 50 50 0 Subventions 6 63 20 (43) BID Partnership 83 70 92 22 Events & Festivals 314 370 365 0 CCTV 92 90 92 0 Property Management Fees 98 118 118 16 <td>EXPENDITURE</td> <td></td> <td></td> <td></td> <td></td>	EXPENDITURE				
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Other Charges 12 14 14 0 Town House Other Costs 5 11 11 0 TOTAL EXPENDITURE 1,658 2,358 2,130 (220) Income Less Expenditure (137) 1 (228) (220) PROJECTS Town House Refurbishment 109 100 109 9 CGF contribution to re-wiring of Town House 51 51 51 0 Refurbishment 1-5 Church Street 119 917 200 (717) Streetscape Riverside Flood Prevention Project 800 800 800 0 Victorian Market Windows Replacement 48 40 48 8 Inverness City Arts Project 19 225 50 (175)		60			
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PROJECTS Town House Refurbishment 109 100 109 9 CGF contribution to re-wiring of Town House 51 51 51 0 Refurbishment 1-5 Church Street 119 917 200 (717) Streetscape Riverside Flood Prevention Project 800 800 800 0 Victorian Market Windows Replacement 48 40 48 8 Inverness City Arts Project 19 225 50 (175)	TOTAL EXPENDITURE	1,658	2,358	2,130	(220)
Town House Refurbishment 109 100 109 9 CGF contribution to re-wiring of Town House 51 51 51 0 Refurbishment 1-5 Church Street 119 917 200 (717) Streetscape Riverside Flood Prevention Project 800 800 800 0 Victorian Market Windows Replacement 48 40 48 8 Inverness City Arts Project 19 225 50 (175)	Income Less Expenditure	(137)	1	(228)	(220)
CGF contribution to re-wiring of Town House 51 51 51 0 Refurbishment 1-5 Church Street 119 917 200 (717) Streetscape Riverside Flood Prevention Project 800 800 800 0 Victorian Market Windows Replacement 48 40 48 8 Inverness City Arts Project 19 225 50 (175)	PROJECTS				
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Refurbishment 1-5 Church Street 119 917 200 (717) Streetscape Riverside Flood Prevention Project 800 800 800 0 Victorian Market Windows Replacement 48 40 48 8 Inverness City Arts Project 19 225 50 (175)					
Streetscape Riverside Flood Prevention Project 800 800 800 0 Victorian Market Windows Replacement 48 40 48 8 Inverness City Arts Project 19 225 50 (175)	ŭ	119	917	200	(717)
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Inverness City Arts Project	·				
	•	19	225	50	(175)
	TOTAL PROJECTS	1,146	2,133	1,258	(875)