

The Highland Council

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| Agenda Item | 11 |
| Report No | CC/17/24 |

Committee: Caithness Committee

Date: 12 August 2024

Report Title: Wick Common Good Q4 Monitoring

Report By: Head of Community Support, Contact and Engagement
Head of Corporate Finance & Commercialism

1 Purpose/Executive Summary

1.1 This report presents the Quarter 4 23/24 (near final) monitoring statement for the Wick Common Good Fund. Income and expenditure are as agreed as part of the budget setting process.

2 Recommendations

2.1 Members are asked to:

- Scrutinise and note the Quarter 4 monitoring statement for the Wick Common Good Fund

3 Implications

3.1 **Resource** – The Q4 monitoring statement highlights predicted income and expenditure against the budget. Members are asked to note that these figures are near final, pending completion of the audit of the Highland Council accounts.

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. Additionally, through the governance being applied by the Finance Service, funds will remain compliant with all financial regulations.

3.5 **Risk** – None

3.6 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – None

3.7 **Gaelic** – None

4. Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights,

Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is a monitoring and update report and therefore an impact assessment is not required.

5 Quarter 4 Monitoring Statement

5.1 A monitoring statement showing transactions to the end of March 2024 against budget and the estimated year end position is attached at Appendix 1. Members are asked to note that these are near final figures, pending the completion of the audit of the Highland Council accounts.

5.2 Income

- Rental income for the year is that received for occupied offices in Wick Town Hall and is as per budget.
- No income for lettings was received in 2023/24.
- The Invitation to Pay income was lower than the forecast which was based on previous year's income.
- The budget did not include interest and investment income which earned £1,737 for the fund.

5.3 Expenditure

- No utilities charges were applied to the fund in 2023/24, although costs were incurred and £20,000 was budgeted. This is being progressed with the relevant service team.
- Staff costs, which comprise the Common Good Officer costs, are more than budgeted due to additional work on the consultation relating to the oversail proposal, as discussed at Caithness Committee on 20 May 2024. Members are asked to note that the Council has an agreement that the developer will reimburse the costs associated with the Common Good consultation and Court proceedings subject to a cap of £2,500. This should be sufficient if uncontested.
- The car parking costs include the costs for 22/23 as well as 23/24, hence the additional costs incurred to the budget.

5.4 Variances

- Members will note that the fund has delivered a surplus at year-end as opposed to the budgeted deficit. This is due to the underspend against utilities charges. Nonetheless, the fund continues to face significant liabilities mostly associated with the Town Hall, and as previously noted to Members, any surplus is required to build up reserves until the fund can sustainably cover its costs.

6 Common Good Update

6.1 Wick Town Hall

The let of additional office space at Wick Town Hall has been agreed by local Members and is being finalised. The remaining unlet offices are being marketed on the Council's website and on commercial property website <https://www.novaloca.com>.

Designation: Head of Community Support, Contact and Engagement
Head of Corporate Finance & Commercialism

Date: 23 July 2024

Author: Phil Tomalin, Community Development Manager
Lara Harrison, Accountant
Sara Murdoch, Common Good Officer

Background Papers:

Appendices:

Appendix 1
Wick Common Good - Quarterly Monitoring
Period to Mar 24 (unaudited)

| | Actual £ | Budget £ | Variance £ |
|----------------------------------|---------------------|-----------------------|----------------------|
| INCOME | | | |
| Rents | 7,700 | 7,700 | - |
| Lettings | - | 700 | (700) |
| Miscellaneous income Car Parking | 8,930 | 12,000 | (3,070) |
| Interest and investment income | <u>1,727</u> | <u>-</u> | <u>1,727</u> |
| TOTAL INCOME | <u>18,357</u> | <u>20,400</u> | <u>(2,043)</u> |
| EXPENDITURE | | | |
| Property costs | - | 20,000 | (20,000) |
| Staff Costs | 4,118 | 2,000 | 2,118 |
| Grants & contributions | - | - | - |
| Car parking costs | 4,551 | 2,200 | 2,351 |
| Central support charges | 300 | - | 300 |
| Miscellaneous Costs | <u>-</u> | <u>1,400</u> | <u>(1,400)</u> |
| TOTAL EXPENDITURE | <u>8,969</u> | <u>25,600</u> | <u>(16,631)</u> |
| Income less Expenditure | <u>9,389</u> | <u>(5,200)</u> | <u>14,589</u> |
| Usable Reserves | | | |
| As at 31.3.23 | 27,181 | | |
| Surplus/(deficit) for year | <u>9,389</u> | | |
| As at 31.3.24 | <u>36,570</u> | | |