

The Highland Council

Agenda Item	10c
Report No	CIA/11/25

Committee: City of Inverness Area Committee

Date: 3 February 2025

Report Title: Inverness Common Good Fund Budget Setting for 2025/26

Report By: Assistant Chief Executive - Place

1. Purpose/Executive Summary

1.1 This report invites Members to set the revenue budget for the Inverness Common Good Fund (ICGF/the Fund) for the financial year 2025/2026. It clarifies:

- governance arrangements,
- anticipated income (primarily from tenancy rentals),
- the proposed expenditure split into essentials (for the maintenance of buildings and the provision of basic services) and discretionary spend,
- proposed action on the future investment of any projected surplus funds.

1.2 The proposed budget follows a Member briefing which has informed further refinement of the reprofiling of the budget which was undertaken in the previous two financial years. The budget falls in line with priorities identified during the Member briefing, noting the adjusted levels of income available for distribution. To support Members in their decision making, this report is presented in the following format:

- background and context,
- identified priorities and principles, and
- a budget summary classifying heads of expenditure into essential, discretionary and cost recovery.

2. Recommendations

2.1 Members are asked to consider and approve the Common Good Fund budget for 2025/2026 as detailed within the report and appendices.

3. Implications

3.1 **Resource** - The Budget for 2025/26 shows core revenue expenditure for the year of £2.448m to be met from revenue income of £2.448m, resulting in a balanced budget. It is expected that overall revenue reserves may be in the region of £5.206m at 2024/25 financial year end however this does not take into account any movement in the value of investments from 31 December 2024.

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, funds will remain compliant with all financial regulations. In the event of any unexpected costs, it may prove necessary to sell equity investments.

3.4 **Risk** - There continues to be a risk to the long-term sustainability of the Fund if over reliance is placed on reserves for the financing of revenue and any capital projects. The budget presented in this report is balanced which does not allow any growth of the Fund's revenue reserves in 2025/26.

The budget continues to support plans to develop existing and new uses for the Town House that would generate income for the ICGF.

3.5 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - In applying the budget to address agreed expenditure due consideration is given to meeting all statutory requirements and complying with the Council's own policies, practices and procedures in this regard.

3.6 **Gaelic** - there are no Gaelic implications for this report.

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 **Integrated Impact Assessment - Summary**

4.3.1 An Integrated Impact Assessment screening has been undertaken on the proposed budget and the conclusions have been subject to the relevant Manager Review and Approval.

4.3.2 The screening process has concluded that there are positive impacts identified in relation to equality, socio economic and children's rights impacts as a result of the proposed budget. Members are asked to consider the Integrated Impact Assessment Summary in **Appendix 4** to support the decision-making process.

4.3.3	<table><tr><th>Impact Assessment Area</th><th>Conclusion of Screening/Full Assessment</th></tr><tr><td>Equality</td><td>Age - <i>Positive</i> Disability - <i>Positive</i></td></tr><tr><td>Socio-economic</td><td><i>Positive</i></td></tr><tr><td>Human rights</td><td><i>No impact</i></td></tr><tr><td>Children's rights & well-being</td><td><i>Positive</i></td></tr><tr><td>Island and mainland rural</td><td><i>No impact</i></td></tr><tr><td>Climate change</td><td><i>No impact</i></td></tr><tr><td>Data rights</td><td><i>No impact</i></td></tr></table>	Impact Assessment Area	Conclusion of Screening/Full Assessment	Equality	Age - <i>Positive</i> Disability - <i>Positive</i>	Socio-economic	<i>Positive</i>	Human rights	<i>No impact</i>	Children's rights & well-being	<i>Positive</i>	Island and mainland rural	<i>No impact</i>	Climate change	<i>No impact</i>	Data rights	<i>No impact</i>
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5. Governance Arrangements

5.1 The total value of the ICGF (£31.770m at 31 March 2024) is under the governance of the Council and, through the Scheme of Delegation, devolved to the City of Inverness Area Committee. This is not controlled by a Trust Deed, but by the principles laid down in legislation and case law and covers investments, grants and general expenditure. This results in:

- (i) the principles of Best Value being applied,
- (ii) the principal benefit of resources going to the residents of the former Burgh of Inverness, and
- (iii) funds being allocated against essential expenditure first. Available surplus funds being invested in shares and property so as to consolidate and grow the ICGF for future generations.

5.2 The Common Good Fund Balance Sheet at 31 March 2024 attached at **Appendix 1** details the assets of the ICGF and their current values.

Asset/(liability)	Value £000	Note
Investments – Adam & Co portfolio	5,022	valuation £5.068m at 31 December 2024; an increase of £0.046m (1%)
Sundry debtors	460	
Loan fund deposits	(2)	
Sundry creditors – value	(100)	
Revenue reserves	5,380	
Heritage assets (pictures and artefacts) ¹	1,785	
Revaluation reserve (unusable reserve)	1784	
Plant & Equipment	65	
Land and property (including Town House)	24,540	
Capital reserves ()	24,605	

5.3 The estimated 2024/25 outturn, including project spend and amounts carried forward from 2023/24, to be funded from revenue reserves per the Q3 24/25 Revenue Monitoring Report is £0.220m. This is detailed within the regular Revenue Monitoring Report also on the Committee Agenda.

5.4 City of Inverness Area Committee. The City of Inverness Area Committee (CIAC) has the power to administer the assets of the Fund, where the individual sum involved does not exceed 10% of the total value of the Fund. The following provisions also apply:

- (i) Land and buildings – management of these is delivered by the Housing and Property and the Economy and Infrastructure Services who advise on investment opportunities in property and manage current property assets.
- (ii) Revenue from investment properties and equity investments – Equity investments are managed by Messrs Adam & Co, through the Council's Investment Sub-Committee. The equity investments made on behalf of the Fund by the Council's agents, Adam & Co, produced income of £0.074m in the financial year to 31 March

¹ A tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

2024 (£0.046m in the current financial year per statements for nine months to 31 December 2024). These sums are reinvested by Adam & Co.

5.5 Statutory requirements. There are certain specific statutory requirements that apply that need to be taken into consideration when property transactions are concerned:

- (i) Section 104 Community Empowerment (Scotland) Act 2015 – requirement to conduct community consultation before a decision to dispose (sale, lease of 10 years or more or provision of beneficial entitlement of 10 years or more) or change the use of an asset is made.
- (ii) Section 75 Local Government (Scotland) Act 1973 – requirement to obtain Court authority when seeking to dispose of or appropriate Common Good land where a question of alienability arises.

5.6 As with all Council budgets, there is a requirement to set a balanced budget for the Common Good Fund for 2025/26.

6. Budget Setting Process

6.1 To support the budget setting process for 2025/26, a briefing was held with CIAC Members reviewing the priorities for the budget for the forthcoming year.

6.2 The briefing explored the existing discretionary elements of the budget; where there were key priorities and where Members felt it was important to continue with areas of support. Members supported the continued application of available budget to focus on the following:

- The importance of addressing poverty and inequality but balancing this with encouraging and attracting investment in the City to support economic development and vibrancy.
- Flexible thematic areas of spend that would allow the ICGF Sub Committee greater flexibility in allocating budget for City promotion and development work.
- That the Winter Payments Budget should be maintained at its existing level, protecting support to the most vulnerable.
- That a proportion (70%) of the ICGF grants budget should be ringfenced for activities that address poverty and inequality. This reflects the current spend on these areas of work but clearly sets out the purpose and intention of the fund for Inverness residents.

6.3 The Briefing supported the development of the proposed budget set out in **Appendix 2** and detailed below in sections 6 and 7 for consideration.

7. Anticipated Revenue

7.1 **Appendix 2 (Budget for 2024/2025)** shows core revenue expenditure for the year of £2.658m to be met by revenue income of £2.290m.

7.2 Rents & Lettings Income – The total income expected to be available in 2024/25 from rents, mostly from industrial estates and the Victorian Market, is expected to be £2.447m.

7.3 Property rents which predominantly comprise of the industrial estates, Inverness Town House and Church Street properties. The different leasing arrangements at these sites

have various review arrangements built into them dependant on lease terms however collectively, property rentals will see a 2% increase in income levels in 2025/26.

7.4 The rental income from the ICGF estate has performed well during 2024 and both demand and rental levels continue to increase. It is widely reported that the retail sector has struggled in recent times. However, the tenants in the Victorian Market and Grant Street have remained and there are no vacant units other than 2 within the newly refurbished Market Hall, which are the subject of an appraisal by the Council's Energy Team to see how best to increase power supply to allow for occupation for Hot Food Retail. The Victorian Market is proving successful in attracting footfall to the City Centre and in supporting the development of new businesses based on this offer. The office sector is also facing some uncertainty but the leases at Church Street and the Town House give some certainty for income in 2025 and 2026.

7.5 Other Income – In previous years the Benevolent Fund has contributed £0.040m from its revenue surplus to the provision of Landward Winter Payments. Due to the reducing levels of revenue surplus within the Benevolent Fund, a contribution of £0.020m will be available 2025/26 towards the costs of Landward Winter Payments. This contribution is discussed in further detail below.

8. **Proposed Expenditure**

8.1 The draft budget for 2025/26 is set out in **Appendix 2**, which also shows the 2024/25 budget. In accordance with Council policy, wherever practicable, no inflationary increase has been applied to budget heads excepting that which is required for wage inflation.

8.2 Competency – principal regard must be given to the interests of the residents of the City who reside within the boundaries of the former Burgh and to the need to maintain property assets. Expenditure has been broken down into: -

- Essential
- Cost recovery
- Discretionary

Additional Category information is also provided in this draft budget as informed by discussions at the Member briefing held in December.

8.3 Essential – this is competent as it is for the upkeep of property either in the ownership or the control of the Fund (Council).

8.4 Cost Recovery – the Council requires to recover costs properly incurred and the management of the ICGF under its own financial regulations. The law on the management of common good funds provides for this.

8.5 Discretionary – this falls into two categories:

- expenditure that is planned but not absolutely essential for the upkeep of the Fund owned/managed properties; and
- grants – the test here is whether or not that expense brings sufficient benefit to the residents of the former Burgh.

8.6 The budgeted expenditure proposed within this report meets the test of competency as detailed, benefiting a broad cross-section of the residents of the City, including residents of the former Burgh.

8.7 **Cost Recovery:**

For the most part, the budget for expenses classified as Cost Recovery have not changed from the levels budgeted for 2024/25. The implementation of the Service Charge within the Victorian Market continues to provide clarity for both the tenants and the ICGF in terms of the split between running costs and rental income. With all tenants paying full rent and service charge from April 2025, the pressure on the ICGF is beginning to reduce.

The operating model for the Victorian Market is under ongoing review and future updates will continue to be provided to CIAC.

8.8 **Essential Spend:**

The budget for expenses classified as Essential show a total anticipated decrease of £0.045m from the levels budgeted for 2024/25. The breakdown of this variance is discussed in 7.10 below.

8.9 Essential spend Variances

Table 2

Area of Spend	Variance	Reason
Victorian Market Marketing	-£0.050m	Now that the Victorian Market (VM) is more established following the refurbishment and relaunch, there will be a switch from marketing to promotion of the Victorian Market and as such this will form part of the activity carried out under the City Promotions budget line. There is no longer a need for a Victorian Market Marketing budget line.
Town House Maintenance	-£0.065m	This budget has been reduced to reflect THC General Fund income in respect of dilapidations in respect of former office space use by THC staff.
Town House Future Planning	-£0.030m	Feasibility study work is underway using a budget line from the agreed 2024/25. This budget line is not required in 2025/26
Town House Enabling Works	+£0.100m	This enables works identified to increase the leasing options for appropriate areas of the Town House and is supported by a contribution of £0.140m to dilapidations from the Council.
Other Properties	-£0.010m	Savings made due to most properties being fully let to third parties therefore reducing running costs.
Town Clerks Office	+£0.015m	This budget line has been added for improved transparency and scrutiny and to avoid these costs being merged within Town House Maintenance.
River Ness Fishings	-£0.005	A reduction in Fishing dues provided for a saving.

8.10 Discretionary spend – General Approach for 2025/26 Budget

All discretionary spend items have been set utilising the framework previously agreed by Members and applied within the 2025/26 budget.

Table 3

Area of Discretionary Spend	Total Budget	Description
Winter Payments Scheme	£0.237m	<p>A payment of £115 per person has been budgeted for 2025/26, being the level agreed for 2023/24 with an inflationary percentage applied. It is expected that there will be around 2,000 applicants in 2025/26. The total costs of the scheme, including administration are expected to be £0.237m.</p> <p>It is expected that the Landward Winter Payments for 2025/26, which are estimated to be £0.059m, will partly be funded from contributions from the Benevolent Funds. This funding of £0.020m (restricted to the available revenue reserves level) is included in the total budget for Winter Payments of £0.237m.</p>
Common Good Fund Grants	£0.160m Poverty and Inequality £0.080m other	The total proposed budget for ICGF grants for 2025/26 is £0.240m
Operation Respect - Community Safety	£0.011 m	<p>As in previous budgets discretionary spend is detailed under various budget headings as shown to allow for effective and transparent budget management and scrutiny, some budget headings have been rebadged this year to better facilitate this.</p> <p>A new budget line for Civic Amenity Spaces has also been included this year, in line with feedback from the Member workshop.</p>
Operation Respects Campaign	£0.025m	
ICG - Civic Hospitality	£0.073m	
ICG - Civic Contingency Fund	£0.020m	
Civic Amenity Spaces	£0.044m	
ICGF- Town Twinning	£0.010m	
City Destination Projects	£0.080m	
City Flowering	£0.075m	

Community Events	£0.220m (plus £0.050m contingency)	The budget proposed for community events in 2025/26 is £0.220m. As in previous years, it will be for the Member Working Group to determine which events are prioritised for 2025/26, based upon the budget agreed. ² Contingency to cover risk around income expectation.
CCTV	£0.050m	Service to support CCTV for the City
Castle Hill Clock Reinstatement	£Nil	At the Budget setting workshop, Members expressed a strong desire for the Castle Hill Clock to be reinstated to coincide with the reopening of the Inverness Castle in 2025. External funding has been sought for this, the outcome of which will be known by March 2025. Further updates will be presented to Committee in due course.

9 Consequences for Revenue Balances

- 9.1 At 31 March 2024, the ICGF had investments with a market value of £5.022m, (valuation as at 31 December 2024 - £5.068m). The investments are managed externally by Adam & Co.
- 9.2 The total Reserves balance at 31 March 2024, as per the Audited Accounts was £31.770m (**Appendix 1**). This reflects Local Authority Accounting Practice where revaluations of assets are treated as “Unusable Reserves”. In reality, the Fund’s assets are all potentially realisable, although this would neither be prudent or practical to do so.
- 9.3 Close expenditure monitoring takes place through regular meetings led by the Senior Community Development Manager for Inverness and South and appropriate officers in support of Common Good Fund Budgets. The governance is also assisted by regular monitoring reports being made to this Committee
- 9.4 There are no planned major capital projects and so whilst always remaining a possibility should unexpected expenditure be necessarily incurred, there are no plans to drawdown from cash held within investments
- 9.5 Following completion of the major projects at the Victorian Market and Town House, care should be taken to allow investments to consolidate and recover. The proposed revenue budget allocations have been prepared with this in mind.

² The 2024/25 Community Events Budget supported the following events with the associated budgets: Inverness Highland Games (£0.036m), Bonfire Night (£0.036m), Christmas Lights Switch On (£0.008m) Red Hot Highland Fling (£0.097m)

- 9.6 The market value quoted is sensitive to market conditions, and while past performance has been positive and allowed for substantial improvements to be made to assets of the Fund, it should not be assumed on as an indicator of future results. The impact of recent global events demonstrate how unpredictable income and the value of investments can be.
- 9.7 The budget proposed for 2025/26 is a balanced budget in terms of forecast income against expenditure and contains no requirement to utilise any of the Fund's revenue reserves.
- 9.8 In order to safeguard the assets of the Fund, and to create some capacity to invest for Fund growth, expenditure in discretionary areas continues to be closely monitored and, wherever practical, every effort will be made to reduce spend with the intention of increasing the in-year surplus.
- 9.9 Noting that Discretionary spend profiles could be subject to change, as with the 2024/25 budget year, a review of the budget may be required later in the year and will be subject to review regularly through the presentation of Revenue Monitoring Reports to the Committee.

Designation: Assistant Chief Executive - Place

Date: 22 January 2024

Author: David Haas, Snr Community Development Manager Inverness & South
Jennifer Johnston, Accountant
Lewis Hannah, Community Development Manager

Background Papers: N/A

Appendix 1 – 2023/24 Monitoring Statement

Appendix 2 – 2023/24 Statement of Accounts

Appendix 3 – Budget 2025/26

Appendix 4 – Integrated Impact Assessment Summary

MONITORING STATEMENT 2023/24
INVERNESS COMMON GOOD FUND
FOR PERIOD ENDING March 24

APPENDIX 1

		ACTUALS 2023/24	ANNUAL BUDGET 2023/24	Variance
	Cost classification	£000	£000	£000
EXPENDITURE				
Victorian Market Operations	Cost Recovery	255	145	110 75.5%
Victorian Market Management	Cost Recovery	99	95	4 4.5%
Victorian Market Maintenance	Essential	439	120	319 265.5%
Victorian Market Service Charge	Essential	116	145	(29) -19.7%
Victorian Market Marketing	Essential	53	50	3 5.5%
Town House Maintenance	Essential	248	100	148 147.7%
Town House Utilities and Cleaning	Essential	120	150	(30) -19.8%
Town House Future Planning	Essential	2	30	(28) -93.7%
Other Properties	Essential	92	155	(63) -40.5%
Ness Islands & Bank Maintenance	Essential	35	36	(1) -2.8%
River Ness Fishings	Essential	12	20	(8) -37.5%
ICGF Bowling Clubs	Essential	52	51	1 1.8%
Winter Payments	Discretionary	208	217	(9) -3.9%
ICGF Grants - Poverty and inequality	Discretionary	52	121	(69) -57.1%
ICGF Grants - other	Discretionary	191	274	(83) -30.4%
City Vibrancy	Discretionary	272	248	24 9.8%
Community Events	Discretionary	204	177	27 15.3%
Commemorative Bedding	Discretionary	-	7	(7) -100.0%
CCTV	Discretionary	50	50	- 0.0%
City Centre - Festive Lights	Discretionary	152	69	83 120.6%
Festive Lights	Cost Recovery	16	73	(57) -77.4%
Property Management Fees	Cost Recovery	133	143	(10) -7.1%
Central Support Charge	Cost Recovery	131	87	44 50.1%
Investment Advisor Fees	Cost Recovery	36	10	26 262.9%
Press & Public Relations	Cost Recovery	10	10	(0) -2.8%
TOTAL EXPENDITURE		2,979	2,583	396 15.3%
FUNDED BY:				
Rents & Lettings				
Industrial Estates		2,017	1,813	204 11.3%
Victorian Market		156	150	6 4.1%
Town House		39	-	39 0.0%
Town House new tenants		-	-	- 0.0%
Town House events		-	-	- 0.0%
Town House car park		41	24	17 69.1%
1-5 Church Street		95	95	0 0.2%
River Ness Fishing Rights		8	8	0 6.2%
Other Properties Rents		39	28	11 38.1%
		2,395	2,118	277
Other Income				
Fishing Assessment Dues		12	20	(8) -38.8%
Investment Income		118	-	118 0.0%
Partnership Working BIDS Town Centre Funding		-	-	- 0.0%
Refund VAT Invest Mngt Fees		3	4	(1) -20.0%
Victorian Market Service Charge		294	-	294 0.0%
Contribution from Benevolent Funds for Landward Winter Payments		55	59	(4) -6.3%
Interest on Revenue Balances		19	1	18 1832.5%
TOTAL FUNDING		2,897	2,202	695 31.6%
Surplus/(deficit) before projects		(81)	(381)	300 -78.7%
PROJECT SPEND				
Town House Refurbishment - Phase 3		-	-	-
Victorian Market - Market Hall Improvements		33	-	33 0.0%
TOTAL		33	-	33 0.0%
Surplus/(deficit) after projects		(115)	(381)	266
Year end accounts adjustments not in Monitoring:				
Project/repairs costs capitalised		384		
Depreciation		(16)		
Revaluation gains/(losses) - investment properties		(215)		
Revaluation gains/(losses) - investments		232		
Total comprehensive income and expenditure		270		
Usuable reserves 31 March 2024 (Appendix 2)		5,380		

APPENDIX 2

STATEMENT OF ACCOUNTS
Inverness Common Good Fund

Income and Expenditure Account				
Year ended 31 March				
2022/23 £000		2023/24 £000	Mvmt £000	Mvmt %
	<u>Expenditure</u>			
299	Staff costs	314	15	5.0%
277	Property costs	502	225	81.2%
1,108	Other costs	1,059	(49)	-4.4%
818	Grants and contributions	629	(189)	-23.1%
245	Administration charges	237	(8)	-3.3%
16	Depreciation	16	-	0.0%
2,763	Total expenditure	2,757	(6)	-0.2%
	<u>Income</u>			
2,455	Rents	2,196	(259)	-10.5%
431	Miscellaneous income	622	191	44.3%
14	Interest on revenue balances	19	5	35.7%
117	Income on investments	118	1	0.9%
-	Capital Grants and contributions	-	-	0.0%
-	Grants and contributions - INC	55	55	0.0%
157	Realised gain on sale of investments	36	(121)	-77.1%
3,174	Total income	3,046	(128)	-4.0%
	Other Operating Income and Expenditure			
-	Gain on disposal of asset	-		
411	Surplus/(deficit) for the year	289	(122)	-29.7%
(774)	Revaluation gains/(losses)	(215)	559	-72.2%
(249)	Unrealised gains/(losses) on investments	232	481	-193.2%
(157)	Realised gains recycled through CIES	(36)	121	-77.1%
(769)	Total comprehensive income and expenditure	270	1,039	-135.1%
	Balance Sheet			
	As at			
31/03/2023 £000		31/03/2024 £000	Mvmt £000	Mvmt %
	<u>Non current assets</u>			
24,371	Investment properties	24,540	169	0.7%
4,947	Investments at valuation	5,022	75	1.5%
-	Community Assets	-	-	0.0%
1,785	Heritage Assets	1,785	-	0.0%
81	Plant and Equipment	65	(16)	-19.8%
31,184		31,412	228	0.7%
	<u>Current assets</u>			
159	Sundry debtors	460	301	189.3%
-	Inventories	-	-	0.0%
-	Cash	-	-	0.0%
407	Loans fund deposits	-	(407)	-100.0%
566		460	(106)	-18.7%
	<u>Current liabilities</u>			
(250)	Sundry creditors	(100)	150	-60.0%
-	Loans fund deposits	(2)	(2)	0.0%
(250)		(102)	148	-59.2%
31,500	Total assets	31,770	270	0.9%
5,264	Revenue funds	5,380	116	2.2%
24,452	Capital funds	24,606	154	0.6%
1,784	Revaluation reserve	1,784	-	0.0%
31,500	Total reserves	31,770	270	0.9%

INVERNESS COMMON GOOD FUND
DRAFT BUDGET 2025-26

APPENDIX 3

	Classification	Category	Draft Budget 2025/26 £000	Annual Budget 2024/25 £000	Variance £000
Victorian Market Operations	Cost Recovery	Property Costs - Victorian Market	35	35	-
Victorian Market Management	Cost Recovery	Property Costs - Victorian Market	65	65	-
Victorian Market Service Charge	Essential	Property Costs - Victorian Market	174	174	-
Victorian Market Maintenance	Essential	Property Costs - Victorian Market	120	120	-
Victorian Market Marketing	Essential	Property Costs - Victorian Market	-	50	(50)
Town House Maintenance	Essential	Property Costs - Town House	75	140	(65)
Town House Utilities and Cleaning	Essential	Property Costs - Town House	150	150	-
Town House Future Planning	Essential	Property Costs - Town House	-	30	(30)
Town House Enabling Works	Essential	Property Costs - Town House	100	-	100
Town Clerks office	Essential	Property Costs - Town House	15	-	15
Other Properties	Essential	Property Costs - General	65	75	(10)
Ness Islands & Bank Maintenance	Essential	Property Costs - General	36	36	-
River Ness Fishings	Essential	Property Costs - General	15	20	(5)
ICGF Bowling Clubs	Essential	Property Costs - General	51	51	-
Civic Amenity Spaces	Discretionary	Civic Costs	44	-	44
Castle Hill clock	Discretionary	Civic Costs	-	-	-
ICG - Civic Hospitality	Discretionary	Civic Costs	73	75	(2)
ICG - Civic Contingency Fund	Discretionary	Civic Costs	20	20	-
ICGF- Town Twinning	Discretionary	Civic Costs	10	10	-
Community Events	Discretionary	Civic Costs	220	177	43
Community Events contingency	Discretionary	Civic Costs	50	20	30
Commemorative Bedding	Discretionary	Civic Costs	-	7	(7)
Festive Lights	Cost Recovery	Civic Costs	73	73	-
Winter Payments	Discretionary	Grant Expenditure	237	223	14
ICGF Grants - Poverty and inequality	Discretionary	Grant Expenditure	160	121	39
ICGF Grants - other	Discretionary	Grant Expenditure	80	40	40
ICGF - Conference Support	Discretionary	Grant Expenditure	30	24	6
City Destination Projects	Discretionary	Resilient Inverness	80	-	80
Operation Respect - Community Safety	Discretionary	Resilient Inverness	11	-	11
Operation Respects Campaign	Discretionary	Resilient Inverness	25	-	25
City Flowering	Discretionary	Resilient Inverness	75	-	75
ICGF Promotions	Discretionary	Resilient Inverness	50	25	25
Partnership Working	Discretionary	Resilient Inverness	-	143	(143)
CCTV	Discretionary	Resilient Inverness	50	50	-
Property Management Fees	Cost Recovery	Administrative & Central Support	142	143	(1)
Central Support Charge	Cost Recovery	Administrative & Central Support	97	97	-
Investment Advisor Fees	Cost Recovery	Administrative & Central Support	10	10	-
Press & Public Relations	Cost Recovery	Administrative & Central Support	10	10	-
TOTAL EXPENDITURE			2,448	2,214	234
FUNDED BY:					
Rents & Lettings					
Industrial Estates			1,897	1,860	37
Victorian Market			197	177	20
Town House new tenants			56	55	1
ICG - 1-5 Church Street			98	95	3
River Ness Fishing Rights			5	8	(3)
Town House dilapidations			124	-	124
Other Properties Rents			30	30	-
			2,408	2,226	182
Other Income					
Fishing Assessment Dues			15	20	(5)
Refund VAT Invest Mngt Fees			4	4	-
Contribution from Benevolent Funds for Landward Winter Payments			20	40	(20)
Interest on Revenue Balances			1	1	-
TOTAL FUNDING			2,448	2,290	157
Surplus/(deficit) before projects			(0)	77	(77)
Estimated Revenue Reserves 24/25			5,206		
Budget surplus/(deficit) for 25/26			-		
Forecast Year-End Reserves 25/26			5,206		
	Cost Recovery		432	433	(1)
	Essential		801	846	(45)
	Discretionary		1,215	935	280
			2,448	2,214	234

Integrated Impact Assessment Summary**Equality and Poverty**

Grants provision (Winter Payments) contained within the ICGF 2025/26 Budget has a primary focus of reducing poverty and fuel poverty for the most vulnerable in the Inverness community, this Grant provision proposal therefore will have a direct positive impact on those who meet qualifying benefits eligibility criteria. The eligibility criteria relate to the most elderly and those with a qualifying welfare benefits disability. The grant award will assist qualifying applicants to live a full life with dignity and independence. The ring fencing of the community grants budget for poverty and inequality related projects is also anticipated to have a positive impact on specific groups.

Children's Rights & Wellbeing – No Children's rights will be negatively affected. Grants provision (Winter Payments) contained within the Budget provides a positive impact for qualifying applicants, this includes families with children which have a qualifying welfare benefits disability. The grant award will assist qualifying applicants to live a full life with dignity and independence.

Climate Change –

- a) The wider community grants provision contained in the 2025/26 Budget could potentially receive funding applications for project activity impacting on greenhouse gas emissions or the potential to affect the environment, wildlife or biodiversity. In order to mitigate risks around this all funding applications made under the ICGF grants scheme for projects will be subject to individual impact assessment screening as part of the application assessment process on a case by case basis for consideration by the Sub Committee.
- b) The ICGF 2025/26 Budget contains provision for the Property Maintenance and Management of ICGF physical assets. Provision is in place to ensure there is no negative impact on Climate Change and in order to mitigate risks around this all works carried out on the physical ICGF assets are assessed on a case by case basis by to ensure these works are 'carbon clever' and whenever possible have a positive impact or contain no negative Climate Change impacts whenever practicable.