

The Highland Council

Agenda Item	13c
Report No	CIA/17/26

Committee: City of Inverness Area

Date: 2 February 2026

Report Title: Inverness Common Good Fund Budget Setting for 2026/27

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 2026/2027. 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; and
 - 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 three 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 Inverness Common Good Fund budget for 2026/2027 as detailed within the report and appendices.

3 Implications

- 3.1 **Resource** - The proposed Budget for 2026/27 shows core revenue expenditure for the year of £2.870m to be met from revenue income of £2.917m, resulting in a balanced budget. It is expected that overall revenue reserves may be in the region of £5.264m at 2025/26 financial year end however this does not consider any movement in the value of investments from 31 December 2025.
- 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, the ICGF funds will remain compliant with all financial regulations. In the event of any unexpected costs, it may prove necessary to sell equity investments.
- 3.3 **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 ICGF budget continues to support plans to develop existing and new uses for the Town House that would generate income for the ICGF.

- 3.4 **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.
- 3.5 **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 because of the proposed budget. Members are asked to consider the Integrated Impact Assessment Summary in **Appendix 1** to support the decision-making process.

4.3.3

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>

5 Governance Arrangements

5.1 The total value of the ICGF £32.493m on 31 March 2025 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 to consolidate and grow the ICGF for future generations.

5.2 The Common Good Fund Balance Sheet as of 31 March 2025 attached in **Appendix 2** details the assets of the ICGF and their current values.

Asset/(liability)	Value £000
Investments – Adam & Co portfolio	4,419
Sundry debtors	340
Loan fund deposits	251
Sundry creditors – value	(86)
Revenue reserves	4,925
Heritage assets (pictures and artefacts) ¹	2,204
Revaluation reserve (unusable reserve)	2,204
Plant & Equipment	49
Land and property (including Town House)	25,315
Capital reserves ()	25,364

5.3 The estimated 2025/26 outturn, including project spend and amounts carried forward from 2024/25, to be funded from revenue reserves per the Q3 25/26 Revenue Monitoring Report is £0.205m. This is detailed within the regular Revenue Monitoring Report also on the Committee Agenda.

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.

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 Property and Assets Service 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 Advisory Sub-Committee. The equity investments made on behalf of the Fund by the Council's agents, Adam & Co, produced income of £0.142m in the financial year to 31 March 2025. 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 Maintenance of Common Good assets

The Council has a responsibility to ensure that all assets listed in the Inverness common good fund asset register are properly maintained. As part of these statutory obligations, the Council must prioritise an essential expenditure, as outlined in section 7.1 of the Common Good Fund Policy. This includes maintenance costs necessary to preserve the condition and value of the Common Good assets.

The Council has a duty of care to apply best practice in asset management, ensuring that neglect or damage is avoided, as this could place of financial burden on the fund. Transparency is key to responsible management of the Inverness common good fund. All decisions regarding our set made maintenance, use, and expenditure must be made openly in the best interest of the community. This is in line with statutory obligations.

5.7 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 2026/27, a Member's 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, mental health and wellbeing, and community safety and resilience 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; and
 - that a proportion (70%) of the ICGF grants budget should continue to 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 3** and detailed below in sections 7 and 8 for consideration.

7 Anticipated Revenue

- 7.1 **Appendix 4 (Budget for 2026/2027)** shows core revenue expenditure for the year of £2.870m to be met by revenue income of £2.917m.
- 7.2 Rents & Lettings Income – The total income expected to be available in 2026/27 from rents, mostly from industrial estates and the Victorian Market, is expected to be £2.332m.
- 7.3 Property rents which predominantly comprise of the industrial estates, Inverness Town House, the Victorian Market and 1- 5 Church Street. The different leasing arrangements at these sites have various review arrangements built into them dependant on lease terms however collectively, property rentals will see approximately a 2% increase in income levels in 2026/27.
- 7.4 The rental income from the ICGF estate has performed well during 2025 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 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. It is hoped that once the refurbishment work in the Townhouse is complete further tenants will move in.

- 7.5 Other Income – In the previous year the Benevolent Fund has contributed £0.020m 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 2026/27 towards the costs of Landward Winter Payments. This contribution is discussed in further detail below. The drawdown from revenue balances for the provision of the winter payment scheme remains a significant pressure.

8 **Proposed Expenditure**

- 8.1 The draft budget for 2026/27 is set out in **Appendix 4**, which also shows the 2025/26 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; and
- projects

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).

Over the next 12 months, officers will continue to undertake a comprehensive assessment of all assets listed in the ICGF asset register. This exercise will identify the current condition of each asset and determine any necessary works required to ensure their proper upkeep and highlight any potential liabilities.

The findings will inform the development of a proposed maintenance plan, which will support the future budgeting approach and prioritisation of essential expenditure, in line with section 7.1 of the common good fund policy. This approach ensures that maintenance is planned, transparent, and aligned with the council statutory duty to manage common good assets responsibly in the best interest of the community.

Officer will seek any external funding opportunities which could support future works where available.

- 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 – these fall into two categories:-

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

8.6 Projects – works relating to specific project works will be outlined within the budget to add a layer of transparency and separation so that through reporting measures it is clear on the project cost and spend to date through the quarterly reporting.

Projects that are commissioned will have its separate budget code and reporting of the progress of each project will come to the Inverness Common Good Fund Sub Committee.

8.7 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.

8.8 **Cost Recovery**

The Budget has increased due to inflation and wage rises, running costs for the Victorian Market have also grown, with most costs recovered through a service charge applied only to tenants based within the Food Hall area and from Rents charged to Tenants within the Victorian Market Arcade.

For clarity, the items included in the Food Hall Service Charges are listed below:-

- Decorating, maintaining and cleaning the structure, roof, Common Areas and Building services;
- Lighting and heating within Common Areas;
- Water services and maintaining toilets within the Common Areas (we have elected not to recharge on toilets noting that the toilets are seen as 'Public' facility for the city centre);
- Waste Storage, recycling and disposal;
- Maintenance and operation of plant, machinery, security systems, fire detection, CCTV, and other management systems associated with the site;
- Staff costs for management and if necessary, security;
- Compliance works associated with the site which are statutory;
- Managing and administration of service charge;
- Rates (apportioned share to common areas);
- Any accommodation associated with staff on site;
- Pest Control (if required); and
- Snow clearance and gritting.

Within the budget sheet the cost recovery lines are presented below.

1. **Victorian Market Operations** – this covers multiple categories of the day to management of the market which include, staff costs (excluding the market manager), utilities, rates, cleaning, management of the toilets, Market Arcade area, ICT costs, equipment hire, stationery and service charge management costs. Please note the market Arcade Area are not cost recoverable as rents are based on an all-inclusive charge.

2. **Victorian Market Management** – these costs relate to the manager in post within the Victorian Market. The line has cost recovery as a key element which is apportionable shared through a service charge back to Food Hall only area of the Market and recoverable through rents charged to the Victorian Market Arcade tenants.
3. **Victorian Market Maintenance** – this line has a part cost recovery relating to the Food Hall area.

The Council's responsibilities are that we are responsible for the repair of the structure, roof, foundations, exterior, common parts, and shared mechanical and electrical services where applicable within the building.

The tenants' responsibilities are they must keep their premises including fixtures, fittings and internal surfaces in good and substantial repair, clean and tidy and maintain any mechanical and electrical plant serving the premises.

4. **Victorian Market Marketing** – this line has part cost recovery with the marketing costs for the market split 50% between the Common Good Fund and the Food Hall tenants via the service charge.

The Marketing works carried out ensures that the site is promoting its unique heritage, wide ranging food offerings and vibrant local businesses through its digital engagement and promotion of weekly and seasonal events. The marketing is vital to highlight the Victorian Market as destination for locals and visitors. All works being done has strengthened the Market Brand and has seen a rise in footfall year on year since is refurbishment.

5. **TH Commercial Activities** – The pilot project promotes the use of the Inverness Townhouse for weddings, conferences and other third-party bookings continue. Further reports will be provided on the next stages of development to enhance the opportunities, and this budget provides resource for that purpose. In addition, reports will be taken through the townhouse project programme board where appropriate.

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 Food Hall tenants paying full rent and service charge from April 2025, the pressure on the ICGF is beginning to reduce.

8.9 **Essential Spend**

The budget for expenses classified as Essential show a total anticipated decrease of £0.160m from the levels budgeted for 2025/26. The breakdown of this proposed spend for 2026/27 is discussed in 8.10 below.

Table 1

Area of Spend	Budget	Variance	Reason
Victorian Market Service Charge	£0.200	+£0.026	<p>With an increase in running costs associated with void properties this budget has increased.</p> <p>Please note once void units are occupied then this cost will reduce.</p>
Victorian Market Marketing	£0.050m	+£0.050	<p>Budget applied to the Victorian Market. Previous year budget was originally a zero budget.</p> <p>The costs for marketing will be split of a 50/50 cost recovery basis with the Food Hall area paying the 50% apportioned share.</p>
Town House Maintenance	£0.080m	+£0.005	A small increase has been added to reflect increase in costs and material associated with maintenance works.
Town House Utilities and Cleaning	£0.150m	NIL	No change. After reviewing no anticipated increase in costs.
Other Properties	£0.070m	+£0.005	Small increase to cost and materials costs.
Ness Islands & Bank Maintenance	£0.040m	+£0.004	Small increase to cost and materials costs.
River Ness Fishing	£0.015	NIL	No change. After reviewing no anticipated increase in costs.
ICGF Bowling Clubs	£0.060	+£0.009	After reviewing outturn and potential increase in costs in maintaining the bowling clubs, an increase has been applied.

8.11 Discretionary spend – General Approach for 2026/27 Budget

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

Table 2

Area of Discretionary Spend	Budget	Variance	Reason
Civic Amenity Spaces	£0.048	+£0.004	Works to ICGF high amenity spaces. Cost reflects pay award increases
ICG - Civic Hospitality	£0.069	-£0.004	After reviewing no anticipated increase in costs which has allowed a small reduction.
ICG - Civic Contingency Fund	£0.019	-£0.001	After reviewing no anticipated increase in costs which has allowed a small reduction
ICGF- Town Twinning	£0.010	NIL	No change. After reviewing no anticipated increase in costs.
Community Events	£0.209	-£0.011	Reduced budget will still allow continuation of current events.
Community Events contingency	£0.034	-£0.016	Reduction to aid with balancing of the budget.
Festive Lights	£0.083	+0.010	<p>Increase factors in the payment to the lighting team for the lighting installation which is for current financial year estimates around £0.079</p> <p>Consideration has been given to pay award increase which will increase the recharged amount for the service.</p> <p>The additional cost recognises decorations which can be seen at the Town House and the tree provided to the Inverness Cathedral.</p>

Winter Payments	£0.250	+£0.013	<p>This has been increased to allow continued support to those that benefits from the fund along with any increase from the administration of the fund through the Welfare team.</p> <p>A payment of £120 per person has been budgeted for 2026/27. It is expected that there will be around 2000 applicants in 2026/27.</p>
ICGF Grants - Poverty and inequality	£0.160	NIL	<p>Amount to remain the same as set budget that was included in 25/26 budget setting.</p> <p>Note during the 25/26 financial year it was agreed by committee that £0.030 was transferred to this fund from ICGF other grants.</p>
ICGF Grants – other	£0.080	NIL	Amount to remain the same as set budget that was included in 25/26 budget setting
Conference Support and Hospitality	£0.030	NIL	Amount to remain the same as set budget that was included in 25/26 Budget
City Destination Projects	£0.065	-£0.015	This has been reduced on the basis that this year's costs are lower and the is no expected effect on reducing this figure for the new financial year.
Operation Respect - Community Safety	£0.013	+£0.002	Increase to reflect Community Safety post which is sits with Inverness BID.
Operation Respects Campaign	£0.037	+£0.012	Increase reflects additional Task Team presence through spring, summer and Autumn holiday periods which supports wider community safety for the city centre.

City Flowering	£0.067	-£0.008	The figures show a reduction due to a reduction in the number of baskets which will be on display for 2026/27
ICGF Promotions	£0.018	-£0.032	This figure has reduced as there is not any other major city promotion type events
CCTV	£0.050	NIL	No change. It is recognised that continued funding will support the prevention of crime, enhance community safety, and support incident response.

8.12 Project Spend – Planned projects for 26/27

Discretionary spend to be agreed in relation to planned projects that support the works to assets within the ICGF

Area of Discretionary Spend	Total Budget	Description
Cavell Gardens	£0.013m	Works to improve access for all abilities at the memorial area

9 Consequences for Revenue Balances

- 9.1 On 31 March 2025, the ICGF had investments with a market value of £4.419m (valuation as at 31 December 2025 - £4.930m). The investments are managed externally by Adam & Co.
- 9.2 The total Reserves balance at 31 March 2025, as per the Audited Accounts was £32.493m as in **Appendix 2**. This reflects Local Authority Accounting Practice where revaluations of assets are treated as “Unusable Reserves”. 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 City of 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 At the time of reporting, there are no planned major capital projects. Ongoing review of the Inverness Town House and the proposed project board will seek to identify a programme of works and funding requirements which will be then reported back to this area committee at a future date.
- 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.

- 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 demonstrates how unpredictable income and the value of investments can be.
- 9.7 The budget proposed for 2026/27 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 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 2026/27 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: 19 January 2026

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Background Papers: None

Appendices: Appendix 1 – Integrated Impact Assessment
Appendix 2 – 2024/25 Monitoring Statement
Appendix 3 – 2024/25 Statement of Accounts
Appendix 4 – Budget 2026/27

Integrated Impact Assessment Screening

About proposal

Inverness Common Good Fund Budget Setting for 2026/27. The budget outlines the essential, cost recovered expenditure, discretionary spend and project costs.

Equality and Poverty Impacts

There are potential positive impacts in relation to key groups and socio-economic impacts as a result of the proposed grants budget for 2026/27. The grants administered by the Inverness Common Good Fund subcommittee supports a broad range of projects, which bring direct benefits the people of Inverness and Area by empowering communities to deliver change whilst providing sustainability. All focussed on facilitating communities to meet their own demands and challenges. Checks are also undertaken to ensure that projects are fully inclusive.

MONITORING STATEMENT 2024/25
INVERNESS COMMON GOOD FUND
FOR PERIOD ENDING MARCH 25

		ACTUALS	ANNUAL BUDGET		
		2024/25	2024/25	Variance	
Cost classification	£000	£000	£000		
EXPENDITURE					
Victorian Market Operations	Cost Recovery	517	165	352	212.9%
Victorian Market Service Charge	Essential	364	174	190	109.1%
Victorian Market Management	Cost Recovery	94	69	25	36.4%
Victorian Market Maintenance	Essential	137	155	(18)	-11.5%
Victorian Market Marketing	Essential	65	50	15	30.9%
Town House Maintenance	Essential	41	95	(54)	-56.5%
Town House Utilities and Cleaning	Essential	170	150	20	13.3%
Town House Future Planning	Essential	39	30	9	30.6%
Other Properties	Essential	147	142	5	3.5%
Town Clerks Office	Essential	15	42	(27)	
ICG - Ness Islands & Bank	Essential	35	36	(1)	-2.8%
River Ness Fishings	Essential	12	20	(8)	-37.8%
ICGF Bowling Clubs	Essential	59	51	8	15.5%
Winter Payments	Discretionary	225	223	2	1.0%
ICGF Grants - Poverty and inequality	Discretionary	126	121	5	4.2%
ICGF Grants - other	Discretionary	237	399	(162)	-40.7%
ICG - Civic Hospitality	Discretionary	78	95	(17)	
ICG - Civic Contingency Fund	Discretionary	12	-	12	
ICG - Town Twinning	Discretionary	7	10	(3)	
ICGF - Conference Support	Discretionary	26	34	(8)	
ICGF Promotions	Discretionary	13	28	(15)	
Partnership working - BID	Discretionary	177	148	29	
Community Events	Discretionary	261	177	84	47.5%
Community Events contingency	Discretionary	-	20	(20)	-100.0%
Commemorative Bedding	Discretionary	-	7	(7)	-100.0%
CCTV	Discretionary	50	50	-	0.0%
Inverness Town Clock & Steeple	Discretionary	2	-	2	
Festive Lights	Cost Recovery	97	73	24	33.1%
Property Management Fees	Cost Recovery	139	143	(4)	-2.7%
Central Support Charge	Cost Recovery	162	97	65	67.5%
Investment Advisor Fees	Cost Recovery	39	10	29	286.1%
Press & Public Relations	Cost Recovery	10	10	(0)	-4.8%
TOTAL EXPENDITURE		3,358	2,824	534	18.9%
FUNDED BY:					
Rents & Lettings					
Industrial Estates		1,885	1,860	25	1.3%
Victorian Market		174	177	(3)	-1.7%
Town House new tenants		71	55	16	28.3%
ICG - Civic Hospitality		5	-	5	0.0%
ICG - 1-5 Church Street		288	95	193	203.6%
River Ness Fishing Rights		7	20	(13)	-64.8%
Other Properties Rents		38	30	8	27.3%
		2,468	2,237	231	
Other Income					
River Ness Fishings Income		12	8	4	53.0%
Investment Income		142	-	142	0.0%
Community Events		89	-	89	
ICGF - Conference Support		2	-	2	
Victorian Market Service Charge		256	181	76	
Refund VAT Invest Mngt Fees		3	4	(1)	-21.8%
Contribution from Benevolent Funds for Landward Winter Payments		40	40	-	0.0%
Int.On Rev. Balance Cr		11	1	10	1031.7%
TOTAL FUNDING		3,024	2,471	554	22.4%
Surplus/(deficit) before projects		(334)	(354)	20	-5.6%
Unspent Commitments included in above					
		c/f 2425			
Other Properties (c/f) **		10	67		
ICGF Grants (c/f) **		121	209		
Conference Development and Hospitality (c/f)		-	10		
City Promotions(c/f)		-	3		
Partnership Working BIDS c/f		5	5		
ICGF Grant - Whin Park		150	150		
		286	444		
Year end accounts adjustments not in Monitoring:					
Deficit (from above)		(334)			
Project/repairs costs capitalised		-			
Depreciation		(16)			
Revaluation gains/(losses) - investment properties		1,194			
Revaluation gains/(losses) - investments		2			
Total comprehensive income and expenditure		846			
Usuable reserves 31 March 2025 (Appendix 2)		4,925			

STATEMENT OF ACCOUNTS
Inverness Common Good Fund

2023/24	Income and Expenditure Account	2024/25	Mvmt	Mvmt
£000	Year ended 31 March 2025	£000	£000	%
	<u>Expenditure</u>			
314	Staff costs	338	24	7.6%
502	Property costs	535	33	6.5%
1,059	Other costs	1,241	182	17.2%
629	Grants and contributions	823	194	30.8%
237	Administration charges	278	41	17.2%
16	Depreciation	16	(0)	-2.3%
2,757	Total expenditure	3,230	473	17.2%
	<u>Income</u>			
2,196	Rents	2,225	29	1.3%
622	Miscellaneous income	603	(19)	-3.1%
19	Interest on revenue balances	11	(8)	-40.4%
118	Income on investments	142	24	20.3%
55	Grants and contributions	40	(15)	-27.3%
36	Realised gain on sale of investments	123	87	240.6%
3,046	Total income	3,144	98	3.2%
	Other Operating Income and Expenditure			
-	Gain on disposal of asset	-	-	0.0%
289	Surplus/(deficit) for the year	(86)	(375)	-129.8%
(215)	Revaluation gains/(losses)	1,053	1,268	-589.8%
232	Unrealised gains/(losses) on investments	(121)	(353)	-152.2%
(36)	Realised gains recycled through CIES	-	36	-100.0%
270	Total comprehensive income and expenditure	846	576	213.3%

31/03/2024	Balance Sheet	2024/25	Mvmt	Mvmt %
£000		£000	£000	
	<u>Non current assets</u>			
24,540	Investment properties	25,315	775	3.2%
5,022	Investments at valuation	4,419	(603)	-12.0%
1,785	Heritage Assets	2,204	419	23.5%
65	Plant and Equipment	49	(16)	-24.0%
31,412		31,988	576	1.8%
	<u>Current assets</u>			
460	Sundry debtors	340	(120)	-26.1%
-	Cash	0	0	0.0%
-	Loans fund deposits	251	251	0.0%
460		592	132	28.6%
	<u>Current liabilities</u>			
(100)	Sundry creditors	(86)	14	-14.3%
(2)	Loans fund deposits	-	2	-100.0%
(102)		(86)	16	-16.0%
31,770	Total assets	32,493	723	2.3%
5,380	Revenue funds	4,925	(455)	-8.5%
24,606	Capital funds	25,364	758	3.1%
1,784	Revaluation reserve	2,204	420	23.6%
31,770	Total reserves	32,493	723	2.3%

APPENDIX 4

INVERNESS COMMON GOOD FUND DRAFT BUDGET 2026/27

	Classification	Category	Draft Budget Adj	Annual Budget	Variance
			2026/27 £000	2025/26 £000	£000
Victorian Market Operations	Cost Recovery	Property Costs - Victorian Market	440	215	225
Victorian Market Management	Cost Recovery	Property Costs - Victorian Market	97	73	24
Victorian Market Service Charge	Essential	Property Costs - Victorian Market	200	174	26
Victorian Market Maintenance	Part Cost Recovery	Property Costs - Victorian Market	142	135	7
Victorian Market Marketing	Part Cost Recovery	Property Costs - Victorian Market	50	-	50
Town House Maintenance	Essential	Property Costs - Town House	80	75	5
Town House Utilities and Cleaning	Essential	Property Costs - Town House	150	150	-
Town House Future Planning	Essential	Property Costs - Town House	-	-	-
Town House Enabling Works	Essential	Property Costs - Town House	-	100	(100)
Town Clerks office	Essential	Property Costs - Town House	-	15	(15)
TH Commercial Activities	Cost Recovery	Civic Costs	-	-	-
Other Properties	Essential	Property Costs - General	70	65	5
Other Properties c/f	Essential	Property Costs - General	-	94	(94)
Ness Islands & Bank Maintenance	Essential	Property Costs - General	40	36	4
River Ness Fishings	Essential	Property Costs - General	15	15	-
ICGF Bowling Clubs	Essential	Property Costs - General	60	51	9
Civic Amenity Spaces	Discretionary	Civic Costs	48	44	4
Castle Hill clock	Discretionary	Civic Costs	-	-	-
ICG - Civic Hospitality	Discretionary	Civic Costs	69	73	(4)
ICG - Civic Contingency Fund	Discretionary	Civic Costs	19	20	(1)
ICGF- Town Twinning	Discretionary	Civic Costs	10	10	(1)
ICGF- Town Twinning c/f	Discretionary	Civic Costs	-	1	(1)
Community Events	Discretionary	Civic Costs	209	220	(11)
Community Events contingency	Discretionary	Civic Costs	34	50	(16)
Festive Lights	Discretionary	Civic Costs	83	73	10
Winter Payments	Discretionary	Grant Expenditure	250	237	13
ICGF Grants - Poverty and inequality	Discretionary	Grant Expenditure	160	190	(30)
ICGF Grants - Poverty and inequality c/f	Discretionary	Grant Expenditure	-	66	(66)
ICGF Grants - other	Discretionary	Grant Expenditure	80	50	30
ICGF Grants - other c/f	Discretionary	Grant Expenditure	-	21	(21)
Conference Support and Hospitality	Discretionary	Grant Expenditure	30	30	-
Conference Development and Hospitality c/f	Discretionary	Grant Expenditure	-	10	(10)
City Destination Projects	Discretionary	Resilient Inverness	65	80	(15)
Operation Respect - Community Safety	Discretionary	Resilient Inverness	13	11	2
Operation Respects Campaign	Discretionary	Resilient Inverness	37	25	12
City Flowering	Discretionary	Resilient Inverness	67	75	(9)
ICGF Promotions	Discretionary	Resilient Inverness	18	50	(33)
ICGF Promotions c/f	Discretionary	Resilient Inverness	-	8	(8)
CCTV	Discretionary	Resilient Inverness	50	50	-
Property Management Fees	Cost Recovery	Administrative & Central Support	146	142	4
Central Support Charge	Cost Recovery	Administrative & Central Support	104	97	7
Investment Advisor Fees	Cost Recovery	Administrative & Central Support	25	10	15
Press & Public Relations	Cost Recovery	Administrative & Central Support	10	10	-
TOTAL EXPENDITURE			2,870	2,851	2,851
FUNDED BY:					
Rents & Lettings					
Industrial Estates			1,936	1,898	38
Industrial Estates - lease premiums			-	-	-
Victorian Market			200	197	3
Town House new tenants			60	56	4
TH Commercial Activities			-	-	-
ICG - 1-5 Church Street			100	98	2
River Ness Fishing Rights			5	5	(0)
Town House dilapidations			-	124	(124)
Other Properties Rents			31	30	1
			2,332	2,409	2,409
Other Income					
Fishing Assessment Dues			15	15	-
Investment Income			-	-	-
Victorian Market Service Charge			545	204	341
Refund VAT Invest Mngt Fees			4	4	-
Contribution from Benevolent Funds for Landward Winter Payments			20	20	-
Interest on Revenue Balances			1	1	-
TOTAL FUNDING			2,917	2,653	2,653
Surplus/(deficit) before projects			47	(200)	(200)
Projects					
Cavell Gardens			13		
Surplus/(deficit) after projects			34		
Revenue Reserves 25/26					
Budget surplus/(deficit) for 26/27					
Forecast Year-End Reserves 26/27					