

**REPORT TO: POLICY & RESOURCES COMMITTEE – 11 MARCH 2013**

**REPORT ON: COMMON GOOD FUND**

**REPORT BY: DIRECTOR OF CORPORATE SERVICES**

**REPORT NO: 137-2013**

## **1.0 PURPOSE OF REPORT**

This report provides details of the Council's Common Good Fund Revenue Budget for 2012/13 and makes recommendations for the disbursement of funds for the financial year.

## **2.0 RECOMMENDATIONS**

It is recommended that the Committee:-

- 2.1 Approve the Common Good Fund 2013/14 Revenue Budget as detailed in Appendix A.
- 2.2 Approve the payment of £30,000 to Whitehall Theatre.
- 2.3 Note that a further report will be brought back to the Committee on the use of the uncommitted balance of £85,000, following an assessment process by the Director of Corporate Services.

## **3.0 FINANCIAL IMPLICATIONS**

- 3.1 The draft Common Good Fund Revenue Budget for 2013/14 incorporates all known income and committed expenditure for that year. This results in a budget of £115,000 available for distribution. The proposal detailed in Paragraph 6.2, amounting to £30,000, can be met from this provision.

## **4.0 INTRODUCTION**

- 4.1 Common Good is a term synonymous with the creation of Burghs as trading counties. A Burgh became a trading county when the King licensed that Burgh to have markets, and at that time a Burgh Fund was set up and is now referred to as the Common Good Fund. As indicated by its name, the Fund is to be used for the common good of the City. Under Section 222 of the Local Government (Scotland) Act 1973, it stated that the then District Council in administering the Common Good Fund must "have regard to the interests of all inhabitants of the district".

## **5.0 FINANCIAL CONSIDERATIONS**

- 5.1 In the City Council's Financial Regulations, specific reference is made to the Common Good Fund as follows:-

"The Director of Corporate Services will submit a Revenue Budget to the Policy & Resources Committee each year. The Director of Corporate Services will have authority to incur expenditure within the approved budget.

All investments of money shall be made by the Director of Corporate Services in the name of the Council. Any investments made will be in accordance with the policy determined by the Policy & Resources Committee.

All securities which are the property of, or in the name of the Council, shall be held in custody under the supervision of the Director of Corporate Services."

- 5.2 It has been accepted as custom and practice that the Common Good Fund should not meet expenditure of a recurring nature other than the replacement of Christmas Lights, and that it is solely for expenditure of a one-off nature. In recent years the Common Good Fund has contributed to the following initiatives:

	£
The Brae Riding for the Disabled	10,000
Dundee Heritage Trust - RRS Discovery	10,000
Bharatiya Ashram	20,000
Botanic Gardens	90,000
Tay Sail Training Association	20,000
Winter Nights at the Zoo	20,000
Unicorn Preservation Trust	10,000

- 5.3 In recent years, the low level of interest rates has meant that the investment income for the Common Good only covered the ongoing operating costs of the Common Good and the replacement of Christmas Lights. The draft Common Good Budget for 2013/14 shows a surplus income of £115,000 and consequently this will be available for distribution during 2013/14.
- 5.4 The Common Good Fund assets are invested in Alliance Trust Monthly Income Bond Fund and the Council's Loans Fund. It is estimated that these will generate approximately £150,000 income in 2013/14.

## 6.0 REVENUE BUDGET AND PROPOSED EXPENDITURE FOR 2012/13

- 6.1 The Common Good Fund Revenue Budget for the financial year 2012/13 has been prepared, based on the latest information available. Appendix A details the Common Good Fund Revenue Budget for 2013/14.
- 6.2 Following approval of interim funding to pay for a Venue Co-ordinator, the Whitehall Theatre Trust has successfully completed a significant refurbishment programme within the Theatre. Further assistance is now required to re-establish the customer base and build up the business of this local venue.

It is therefore proposed that a one-off contribution of £30,000 is made from the Common Good Fund to assist with the funding of the Venue Co-ordinator for a further year.

- 6.3 It is proposed that officers bring forward further proposals for the use of the uncommitted balance of £85,000. These proposals will be subject to an assessment process by the Director of Corporate Services.

**7.0 POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

**8.0 CONSULTATIONS**

- 8.1 The Chief Executive and Head of Democratic and Legal Services have been consulted .

**9.0 BACKGROUND PAPERS**

- 9.1 None.

**MARJORY M STEWART**  
**DIRECTOR OF CORPORATE SERVICES**

**25 January 2013**

## **APPENDIX A**

### **COMMON GOOD**

#### **REVENUE BUDGET 2012/2013**

	<b>2012/13 £000</b>	<b>2013/14 £000</b>
<b><u>EXPENDITURE</u></b>		
<b>STAFF COSTS</b>	-	-
<b>PROPERTY COSTS</b>		
Property Insurance	-	-
Energy Costs	-	-
Christmas Lights	<u>30</u>	<u>30</u>
<b>TOTAL PROPERTY COSTS</b>	<u>30</u>	<u>30</u>
<b>SUPPLIES &amp; SERVICES</b>		
Other Supplies and Services	<u>1</u>	<u>1</u>
<b>TOTAL SUPPLIES &amp; SERVICES</b>	<u>1</u>	<u>1</u>
<b>THIRD PARTY PAYMENTS</b>		
Tay Sail Training Association	20	-
Winter Nights at the Zoo	20	-
Unicorn Preservation Trust	10	30
Whitehall Theatre		
Sundry Payments	<u>25</u>	<u>85</u>
<b>TOTAL THIRD PARTY PAYMENTS</b>	<u>75</u>	<u>115</u>
<b>SUPPORT SERVICES</b>		
Recharge from Central Support Departments	<u>4</u>	<u>4</u>
<b>TOTAL SUPPORT SERVICES</b>	<u>4</u>	<u>4</u>
<b><u>TOTAL GROSS EXPENDITURE</u></b>	<u>110</u>	<u>150</u>
<b><u>INCOME</u></b>		
Interest and Dividends	110	150
Other Income	-	-
<b><u>TOTAL INCOME</u></b>	<u>110</u>	<u>150</u>
<b><u>TOTAL NET EXPENDITURE</u></b>	-	-