

REPORT TO: POLICY & RESOURCES COMMITTEE - 24 MARCH 2008

REPORT ON: COMMON GOOD FUND

REPORT BY: HEAD OF FINANCE

REPORT NO: 142-2008

1.0 PURPOSE OF REPORT

This report provides details of the Council's Common Good Fund Revenue Budget for 2008/09.

2.0 RECOMMENDATIONS

It is recommended that the Committee:-

- 2.1 Approve the Common Good Fund 2008/09 Revenue Budget as detailed in Appendix A.
- 2.2 Note that a further report will be brought back to the Committee on the use of the uncommitted balance of £92,000.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The draft Common Good Fund Revenue Budget for 2008/09 incorporates all known income and committed expenditure for that year. This results in an uncommitted balance of £92,000 within Third Party Payments available. A further report will be brought to the Committee on proposals for the utilisation of these uncommitted balances.

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 Head of Finance will submit a Revenue Budget to the Policy & Resources Committee each year. The Head of Finance will have authority to incur expenditure within the approved budget.

All investments of money shall be made by the Head of Finance 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 Head of Finance."

- 5.2 It has been accepted as custom and practice that the Common Good Fund should not meet expenditure of a recurring nature, 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:

	£
Admiral Duncan 200th Anniversary	20,000
Ward Road Gym	92,000
Whitehall Theatre	50,000
The Brae Riding for the Disabled	10,000
Dundee Heritage Trust - RRS Discovery	10,000
Bharatiya Ashram	20,000

- 5.3 The Common Good Fund assets are invested primarily in the Council's Loans Fund and it is estimated that these will generate approximately £140,000 income in 2008/09. From this income the Council will meet expenditure of a non-recurring nature as agreed by the Council.
- 5.4 The draft Common Good Budget for 2008/09 shows that there is an available balance of £92,000, and this sum has been mainly earmarked for the Botanic Gardens.

6.0 REVENUE BUDGET AND PROPOSED EXPENDITURE FOR 2008/09

- 6.1 The Common Good Fund Revenue Budget for the financial year 2008/09 has been prepared, based on the latest information available. Appendix A details the Common Good Fund Revenue Budget for 2008/09.
- 6.2 A further report will be brought to committee on proposals for utilisation of the available balance of £92,000.

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.

8.0 CONSULTATIONS

- 8.1 The Chief Executive, Depute Chief Executive (Support Services) and Depute Chief Executive (Finance).

9.0 BACKGROUND PAPERS

- 9.1 None.

HEAD OF FINANCE

13 MARCH 2008

APPENDIX A

COMMON GOOD

REVENUE BUDGET 2008/2009

	Final Revenue Budget	
	2007/08 £000	2008/09 £000
<u>EXPENDITURE</u>		
STAFF COSTS	-	-
PROPERTY COSTS		
Property Insurance	3	3
Energy Costs	1	1
Christmas Lights	<u>30</u>	<u>30</u>
TOTAL PROPERTY COSTS	<u>34</u>	<u>34</u>
SUPPLIES & SERVICES		
Other Supplies and Services	<u>9</u>	<u>10</u>
TOTAL SUPPLIES & SERVICES	<u>9</u>	<u>10</u>
TRANSPORT COSTS	-	-
THIRD PARTY PAYMENTS		
Brae Riding For Disabled	10	-
Dundee Heritage Trust - RRS Discovery	10	-
Bharatiya Ashram	20	-
Sundry Payments	<u>56</u>	<u>92</u>
TOTAL THIRD PARTY PAYMENTS	<u>96</u>	<u>92</u>
SUPPORT SERVICES		
Recharge from Central Support Departments	<u>4</u>	<u>4</u>
TOTAL SUPPORT SERVICES	<u>4</u>	<u>4</u>
CAPITAL CHARGES	-	-
<u>TOTAL GROSS EXPENDITURE</u>	<u>143</u>	<u>140</u>
<u>INCOME</u>		
Interest and Dividends	142	140
Other Income	<u>1</u>	<u>-</u>
<u>TOTAL INCOME</u>	<u>143</u>	<u>140</u>
<u>TOTAL NET EXPENDITURE</u>	<u>-</u>	<u>-</u>