

Report

Report to:	Finance and Corporate Resources Committee
Date of Meeting:	11 December 2019
Report by:	Executive Director (Finance and Corporate Resources Resources)

Subject:	Common Good - Update
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise members of the Common Good Accounts, as at 31 March 2019
- ◆ provide an update on the cyclical spend currently committed against the Common Good Repairs and Maintenance budgets for both Lanark and Hamilton
- ◆ provide an update on projects currently committed from the Common Good budgets for both Lanark and Hamilton
- ◆ provide details of consultations relating to the Common Good

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the accounts for Common Good for the year ended 31 March 2019 (section 4), be noted;
- (2) that the cyclical spend committed against the Common Good Repairs and Maintenance budgets for Lanark (section 5) and Hamilton (section 7), be noted;
- (3) that the projects currently committed outwith Repairs and Maintenance, from the Lanark (Section 6) and Hamilton (Section 8) Common Good Funds, be noted; and
- (4) that details of consultations relating to the Common Good (section 9), be noted.

3. Background

- 3.1. The Common Good is a fund of money / assets and is administered by a Scottish local authority in respect of each former burgh within the area of the local authority.
- 3.2. Common Good property is administered separately from other local authority assets for accounting purposes. What the authority can do with the assets is subject to a system of statutory control. This control has the potential to limit the extent to which the authority can dispose of or deal with the asset and on what terms.
- 3.3. The Common Good funds held within South Lanarkshire Council are Lanark, Biggar, Hamilton and Rutherglen. Accounts are prepared on an annual basis, as part of the Council's year end process. The position for the year ended 31 March 2019 is detailed in section 4.

- 3.4. The Common Good Accounts in Lanark and Hamilton hold a number of properties. A proactive approach to maintenance supports the viability of these assets and reduces the Council's risk to greater liability in the future.
- 3.5. The Finance and Corporate Resources Committee, at its meeting on 2 October 2013, approved an annual cyclical maintenance plan of £15,000 for both Lanark and Hamilton Common Good properties. The Executive Director (Finance and Corporate Resources) has delegated authority to approve maintenance work up to the value of £15,000 for each fund. If inspections highlight requirements to undertake investment which would be beyond routine maintenance, this will be considered separately for approval and will be the subject of a report to this Committee.
- 3.6. In addition to the accounts position covered in section 4, this report will provide an up to date position on the planned maintenance for both Lanark (Section 5) and Hamilton Common Good (Section 7) and will provide an update on projects for consideration for both Lanark (Section 6) and Hamilton (Section 8). An update in relation to recent consultations on Common Good assets will be provided at section 9.

4. Common Good Annual Accounts 2018/2019

- 4.1. Appendix 1 to the report shows the Common Good Accounts for 2018/2019.
- 4.2. The Appendix shows that as at the end of 2018/2019, the Balance Invested in South Lanarkshire Council's Loans Fund is £0.766m. This is the cash that is held by the Council on behalf of the Common Good funds, and which is readily available to meet expenditure.
- 4.3. It should be noted that there are commitments against the funds of Lanark and Hamilton, including those covered at sections 6 and 8.

5. Lanark Repairs and Maintenance Budget – Planned Maintenance 2019/2020

- 5.1. A budget allocation of £15,000 was earmarked for Repairs and Maintenance in 2019/2020. Table 1 shows the spend, so far, in the current year along with the other commitments where spend has not yet been incurred.
- 5.2. **Table 1 – Approved Repairs and Maintenance Projects/Spend – 2019/2020**

Lanark Common Good	Approved Budget
Available Budget 2019/2020	£15,000
Projects where Spend has been Incurred	
Lanark Equestrian Centre - <i>End of lease legal costs</i>	£210
Approved Projects where Spend not yet Incurred	
St Nicholas Church Tower Cleaning (section 5.3)	£3,995
Total Spend/Commitments	£4,205
Balance Remaining	£10,795

- 5.3. The cleaning of St Nicholas Church Tower is an annual project. Due to issues in identifying a suitable contractor to undertake the work, no supplier has been appointed to carry out the cleaning works this year. The works will be tendered again in 2020.

6. Lanark Committed Projects / Projects for Consideration

- 6.1. Table 2 lists all the current committed projects against Lanark Common Good Fund outwith the repairs and maintenance budget allocation, as approved by this Committee.

6.2. Table 2 – Approved Projects from Lanark Common Good Fund

Project	Date of Approval	Approved Budget	Spend Incurred to Date
Lanark Loch – replacement of gabion baskets (section 6.3)	14 September 2016	£25,000	£0
Springbank Cemetery – provision of shelter (section 6.4)	20 June 2018	£10,000	£10,564
Tote Building of Lanark Racecourse – Repair Works (section 6.5)	20 June 2018	£28,000	£0
Lanark Loch and Lanark Moor – Path Repairs (section 6.6)	28 November 2018	£76,960	£33,066

- 6.3. **Lanark Loch, Gabion Baskets:** As previously reported to Committee, the replacement of gabion baskets at Lanark Loch cannot be carried out until the repair of the pipe is complete.
- 6.4. **Springbank Cemetery Shelter:** The provision of a shelter with seating at Springbank Cemetery is now complete. Expenditure totalling £10,564 has been incurred in 2019/2020, however, this is offset by contributions of £1,500 received last year, resulting in net expenditure of £9,064. Costs for commemorative plaques remain outstanding.
- 6.5. **Tote Building, Lanark Racecourse:** In order to prevent the Tote building becoming structurally unsound and to remove health and safety risks, various repairs are required. Approval was obtained at this Committee (20 June 2018) to fund the works, estimated at £28,000. The lowest tender submission received was for £36,691. The additional requirement of £8,691 will be met from the repairs budget for 2019/2020
- 6.6. **Lanark Loch and Lanark Moor Paths:** Approval was given at this Committee (28 November 2018) to repair the paths at an estimated cost of £76,960. Repairs to the path infrastructure are now complete, as far as possible, at a cost of £33,066. As previously reported, some works could not be completed due to its proximity to the area where further repairs on the pipe are outstanding. The final repair costs will be funded from the balance of the original funds approved (£43,894).
- ## 7. Hamilton Repairs and Maintenance Budget – Planned Maintenance 2019/2020
- 7.1. A budget allocation of £15,000 was earmarked for Repairs and Maintenance in 2019/2020. Table 3 shows the spend, so far, in the current year along with the other commitments where spend has not yet been incurred.

7.2. **Table 3 – Approved Repairs and Maintenance Projects/Spend – 2019/2020**

Hamilton Common Good	Approved Budget
Available Budget 2019/2020	£15,000
Allocated Budget carried forward from 2018/2019	£13,249
Total Budget Available	£28,249
Spend Incurred to date	£8,708
Approved Projects where Spend not yet Incurred	
Hamilton Town Centre Action Plan Projects (c/fwd from 2018/2019)	£13,249
Total Spend/Commitments	£21,957
Balance Remaining	£6,292

- 7.3. **Hamilton Town Centre Action Plan:** The Plan, approved by the Community and Enterprise Resources Committee on 30 October 2018, identified a project of renewal and maintenance of Hamilton's Town Square. The project to include works around the 'sails' structure is currently at the tender process.

8. Hamilton Committed Projects / Projects for Consideration

- 8.1. Table 4 lists all the current committed projects against Hamilton Common Good Fund outwith the repairs and maintenance budget allocation, as approved by this Committee.

8.2. **Table 4 – Approved Projects from Hamilton Common Good Fund**

Project	Date of Approval	Approved Budget	Spend Incurred to Date
Parking Demand Management Review	20 February 2019	£30,000	£0

9. Consultation on Common Good

- 9.1. **Common Good Register:** Section 102 of the Community Empowerment (Scotland) Act 2015 requires each local authority to establish and maintain a register of property which is held by the authority as part of the common good (a "common good register").
- 9.2. Before establishing a common good register the authority must publish a list of property that it proposes to include in the register. South Lanarkshire Council has prepared a proposed common good register containing the properties which it considers should be included.
- 9.3. South Lanarkshire Council must notify elected members and community groups of consultations regarding the common good asset register and invite them to make representations in respect of those consultations.
- 9.4. On 21 October 2019, a consultation on the Common Good Register was issued to members of this Committee, Hamilton and Lanark elected members and community councils in Hamilton and Lanark. The consultation has also been issued to community groups in the areas. The period for consultation is from 21 October 2019 to 31 January 2020.

- 9.5. An update on the consultation process for the Common Good Register will be provided to this Committee, following completion of the process.
- 9.6. **New Lease Arrangements:** On 20 August 2019, consultations were issued on new lease arrangements in respect of the following Common Good assets:-
- ◆ Equestrian Centre, Lanark Racecourse, Hyndford Road, Lanark
 - ◆ Moorpark Stadium, Hyndford Road, Lanark
 - ◆ Gateway Site, Palace Grounds Road, Hamilton
- 9.7. The consultation period has now closed and there were no objections received regarding the new lease arrangements.
- 10. Employee Implications**
- 10.1. None
- 11. Financial Implications**
- 11.1. All costs identified will be met from the Common Good funds held within both Lanark and Hamilton.
- 12. Other Implications (Including Environmental and Risk Issues)**
- 12.1. The ongoing repairs and maintenance support the viability of Common Good assets and reduce the Council's risk to increased liabilities in the future.
- 12.2. The recommendations within this report link to the Council's objectives in relation to physical, environmental, social and cultural sustainability.
- 13. Equality Impact Assessment and Consultation Arrangements**
- 13.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy, and therefore, no impact assessment is required.
- 13.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

Paul Manning
Executive Director (Finance and Corporate Resources Resources)

8 November 2019

Link(s) to Council Values/Ambitions/Objectives

- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ Finance and Corporate Resources Committee, 2 October 2013
- ◆ Finance and Corporate Resources Committee, 14 September 2016
- ◆ Finance and Corporate Resources Committee, 25 April 2018
- ◆ Finance and Corporate Resources Committee, 20 June 2018
- ◆ Community and Enterprise Resources Committee, 30 October 2018 – Hamilton Town Centre Strategy and Action Plan
- ◆ Finance and Corporate Resources Committee, 28 November 2018
- ◆ Community and Enterprise Resources Committee, 22 January 2019 – Parking Demand Management Review
- ◆ Finance and Corporate Resources Committee, 20 February 2019

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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Appendix 1

2018/2019 Annual Accounts	Lanark	Biggar	Hamilton	Rutherglen	Total
	£000	£000	£000	£000	£000
Income and Expenditure Accounts					
Income for the Year	27	-	85	1	113
Expenditure for the Year	(21)	-	(92)	-	(113)
Surplus / (Deficit) to the Balance Sheet	6	-	(7)	1	-
Balance Sheet					
Fixed Assets					
Property, Plant and Equipment	1,499	-	1,487	-	2,986
Investments					
Advances to South Lanarkshire Council Loans Fund	347	32	260	127	766
Total Assets	1,846	32	1,747	127	3,752
Current Liabilities					
Creditors	-	-	(5)	-	(5)
Total Assets less Current Liabilities	1,846	32	1,742	127	3,747
Represented By:					
Common Good Account	1,373	32	1,217	126	2,748
Surplus / (Deficit)	6	-	(7)	1	-
Amortisation of Revaluation Reserve	3	-	-	-	3
Gain / Loss on Revaluation	-	-	-	-	-
	1,382	32	1,210	127	2,751
Revaluation Reserve					
Opening Balance	450	-	532	-	982
Gain / Loss on Revaluation	17	-	-	-	17
Amortisation of Revaluation Reserve	(3)	-	-	-	(3)
Closing Balance	464	-	532	-	996
Total	1,846	32	1,742	127	3,747