

Report

Report to:	Finance and Corporate Resources Committee
Date of Meeting:	6 December 2023
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Common Good Update Report
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1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ advise members of the Common Good Accounts for the year ended 31 March 2023
- ◆ provide an update on the cyclical spend currently committed against the Common Good Repairs and Maintenance budgets for both Lanark and Hamilton

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 2023 (section 4), be noted;
- (2) that the cyclical spend committed against the Common Good Repairs and Maintenance budgets for Lanark and Hamilton (sections 5.1 and 6.1 respectively), be noted; and
- (3) that the use of the earmarked budget for St Nicholas Church Tower, Lanark Common Good (section 5.6), 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 2023 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 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 per annum 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. On 19 February 2008, Finance and Information Technology Committee approved an annual contribution of up to £2,500 will be made towards the cost of maintaining the tower.
- 3.7. In addition to the accounts position covered in section 4, this report will provide an up-to-date position on the planned maintenance and spend from the Lanark (Section 5) and Hamilton Common Good funds (Section 6).

4. Common Good Annual Accounts 2022/2023

- 4.1. Appendix 1 to the report shows the audited accounts for 2022/2023. These form part of the Council's accounts that were approved at the Risk and Audit Scrutiny Committee on 31 October 2023. The accounts show the income and expenditure made against common good in the last year.
- 4.2. The Appendix shows that as at the end of 2022/2023, the Balance Invested in South Lanarkshire Council's Loans Fund is £0.881 million. 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. Table 1 provides the details across the Funds.

Table 1 - Advances to South Lanarkshire Council Loans Fund

Fund	Lanark	Biggar	Hamilton	Rutherglen	Total
	£m	£m	£m	£m	£m
Balance	0.251	0.025	0.477	0.128	0.881

5. Lanark Repairs and Maintenance Budget – Planned Maintenance 2023/2024

- 5.1. As noted in 3.5. an annual budget of £15,000 is available for the maintenance of Common Good properties in Lanark. There are currently no commitments against this budget for 2023/2024.
- 5.2. **St Nicholas Church Tower:** Refurbishment works to the church and tower were carried out over a prolonged period between 2009 and 2012 to a specification agreed with Historic Environment Scotland (HES). As the recommended redecoration schedule for exterior painter work is between 2 and 5 years, the steeple was redecorated in 2016. After completion of the redecoration project, the steeple was programmed to receive an annual wash down to be implemented following expiry of the guarantee period.
- 5.3. The first annual washdown was carried out in May 2018 by a steeplejack company. However, in 2019 and 2020, tender exercises were unsuccessful either due to lack of market interest or the fact that the quotes did not represent value for money.

- 5.4. As the church and tower are now beyond the recommended 5-year redecoration schedule, it is now intended to seek fresh advice from a Conservation Accredited Architect to identify the areas requiring repair to both the Church and Steeple. Due to past difficulties with obtaining contractors to carry out the annual washdown, the study would look at options for protecting the building in a more effective and economic way, with the aim of working jointly with the church to find a longer-term solution for the building, one that would eliminate the need for an annual wash down.
- 5.5. As noted in section 3.6, Finance and Information Technology Committee approved an annual contribution of up to £2,500 will be made towards the cost of maintaining the tower. As noted in section 5.3, this earmarked budget has not been utilised in recent years and the Common Good contribution to the architect's costs, estimated at around £5,000, will be met from the unused allocation from the past 2 years. The outcome of this work will be brought back to Committee as appropriate.
- 5.6. Local Members and the Community Council have been advised of this proposal.

6. Hamilton Repairs and Maintenance Budget – Planned Maintenance 2022/2023

- 6.1. Again, as noted in 3.5. an annual budget of £15,000 is also available for the maintenance of Common Good properties in Hamilton. There is one commitment of approximately £12,213 for repair to the wall at the bottom of the Town Square (Palace Grounds) and to erect bollards to prevent further damage.
- 6.2. This would leave an unallocated balance of £2,787 in the Hamilton Common Good Maintenance budget for 2023/2024.

7. Employee Implications

- 7.1. None.

8. Financial Implications

- 8.1. All costs identified will be met from the Common Good funds held for Lanark and Hamilton.

9. Climate Change, Sustainability and Environmental Implications

- 9.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.

10. Other Implications

- 10.1. The ongoing repairs and maintenance support the viability of Common Good assets and reduces the Council's risk to increased liabilities in the future.

11. Equality Impact Assessment and Consultation Arrangements

- 11.1. 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.
- 11.2. 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)

15 November 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ None

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

2022/2023 Annual Accounts	Lanark	Biggar	Hamilton	Rutherglen	Total
	£000	£000	£000	£000	£000
Income and Expenditure Accounts					
Income for the Year	97	-	105	2	204
Expenditure for the Year	(54)	-	(113)	(1)	(168)
Surplus / (Deficit) to the Balance Sheet	43	-	(8)	1	36
Balance Sheet					
Fixed Assets					
Property, Plant and Equipment	1,463	-	1,558	-	3,021
Investments					
Advances to South Lanarkshire Council Loans Fund	251	25	477	128	881
Debtors	-	-	-	-	-
Total Assets	1,714	25	2,035	128	3,902
Current Liabilities					
Creditors	(4)	-	(14)	-	(18)
Total Assets less Current Liabilities	1,710	25	2,021	128	3,884
Represented By:					
Common Good Account	1,168	25	1,421	127	2,741
Surplus / (Deficit)	43	-	(8)	1	36
Amortisation of Revaluation Reserve	3	-	7	-	10
Gain / Loss on Revaluation	-	-	-	-	-
	1,214	25	1,420	128	2,787
Revaluation Reserve					
Opening Balance	492	-	530	-	1,022
Gain / Loss on Revaluation	7	-	78	-	85
Amortisation of Revaluation Reserve	(3)	-	(7)	-	(10)
Closing Balance	496	-	601	-	1,097
Total	1,710	25	2,021	128	3,884