

# **Report**

Report to:	<b>Hamilton Area Committee</b>
Date of Meeting:	<b>8 September 2021</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Common Good Update Report</b>
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## **1. Purpose of Report**

1.1. The purpose of the report is to:-

- ◆ provide background information and update on the Hamilton Common Good fund

## **2. Recommendation(s)**

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

- (1) that the background information and update on the Hamilton Common Good fund be noted.

## **3. Background**

- 3.1. The Common Good is a fund of money or assets, or both, 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 owned by the local authority although it is administered separately from other local authority assets for accounting purposes. Ownership is absolute in the strict sense that the authority holds legal title to it. However, what the authority can do with the asset 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 2021 is detailed in section 6.
- 3.4. The Common Good Account in Hamilton holds 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 (FCR) Committee, at its meeting on 2 October 2013, approved an annual cyclical maintenance plan of £15,000 for 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 the FCR Committee.

- 3.6. This report provides details of the management of the Common Good fund (section 4 and 5). In addition to the accounts position covered in section 6, this report provides an up-to-date position for Hamilton, including planned maintenance (section 7 and 8). It also provides an update on committed projects for Hamilton (section 9). An update on consultations on Common Good assets is provided at section 10.

#### **4. Administration of Common Good**

- 4.1. Finance Services administers the Common Good accounts. This includes revenue monitoring, preparation of annual accounts and seeking FCR Committee approval for expenditure to be incurred on various projects as and when they are required.
- 4.2. If any proposals for common good spend are considered to benefit the local community in Hamilton, and the level of funding required is feasible, then Finance Services will seek approval from the FCR Committee.
- 4.3. A Common Good Update report is presented to the FCR Committee at least twice a year. A report in August/September time will update the Committee on the annual accounts of all Common Good funds.

#### **5. Role of South Lanarkshire Council's Elected Members**

- 5.1. Decisions on the Common Good Accounts are considered by the Council's FCR Committee. Elected Members are kept up to date with any issues affecting the Common Good and are involved in the consideration of approving spend from the Account. A report on the management of the Common Good fund will be provided annually to the Hamilton Area Committee.

#### **6. Common Good Annual Accounts 2020/2021**

- 6.1. Appendix 1 to the report shows the unaudited accounts for 2020/2021. These form part of the Council's accounts that were approved at the Risk and Audit Scrutiny Committee on 22 June 2021.
- 6.2. Appendix 1 shows that as at the end of 2020/2021, the balance invested in South Lanarkshire Council's Loans Fund for Hamilton is £0.348m. 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**

<b>Fund</b>	<b>Hamilton</b>
	<b>£m</b>
Balance	0.348

#### **7. Hamilton Common Good Fund**

- 7.1. The Hamilton Common Good Account holds both assets and funds.
- 7.2. Appendix 2 to the report lists the assets held for Hamilton Common Good Account.
- 7.3. The unaudited annual accounts statement for 2020/2021 (Appendix 1) shows that the balance invested in South Lanarkshire Council's Loans Fund (cash balances available to spend) is £0.348m and is the Hamilton Common Good Account investment balance.

- 7.4. Expenditure is incurred on the upkeep of Hamilton Common Good Assets and funds can be considered for specific projects. Income is generated from rent of particular assets.

7.5. **Table 2 - Hamilton Common Good - Income and Expenditure 2020/2021**

	£000
<b>Income</b>	
Rental Income from various properties	132
Interest Received on Cash Balances	1
<b>Total Income</b>	<b>133</b>
<b>Expenditure</b>	
Expenditure includes:	57
- Property Costs	
- Repairs and Maintenance	
- Ground Maintenance	
- Voluntary Organisations	
Contribution to Hamilton Parking Demand Project	4
Depreciation	14
<b>Total Expenditure</b>	<b>75</b>
<b>Net Surplus for Year</b>	<b>58</b>

8. **Hamilton Repairs and Maintenance Budget – Planned Maintenance 2021/2022**

- 8.1. As noted in 3.5. an annual budget of £15,000 is available for the maintenance of Common Good properties in Hamilton. There are currently no commitments against this for Hamilton Common Good in 2021/2022. Work to identify areas of potential requirements for expenditure is ongoing.

9. **Hamilton Committed Projects**

- 9.1. **Hamilton Town Centre Action Plan:** The Plan, approved by the Community and Enterprise Resources Committee on 30 October 2018, included a project of renewal and maintenance of Hamilton's Town Square including the cleaning and repainting of the "Sails Structure".

- 9.2. This was to be funded from the annual repairs and maintenance budget of £15,000 available for 2020/2021. The work is now complete and costs of £9,373 has been charged to Hamilton Common Good in 2021/2022.

10. **Consultation on Common Good**

- 10.1. **New Lease Arrangements:** There have been no consultations on new lease arrangements for Common Good properties, however, there is a proposal to dispose of part of the Gateway Site, Palace Grounds Road, Hamilton for a substation site to facilitate the Fastned charging site at the same location. This will require consultation under Section 104 of the Community Empowerment (Scotland) Act 2015.
- 10.2. **Change of Use:** A consultation on the proposed change of use at 11 Keith Street, Hamilton (former Vogue Bingo Hall / Cinema) ended on 31 January 2021. The change of use is a development of 23 one and two bedroom flats including retention of the existing façade of the building. There were no responses to the consultation.

10.3. The Council has identified a number of sites for designation and use as local nature reserves. Two of these sites are held in the Hamilton Common Good Account and Legal Services have advised that consultation under Section 104 of the Community Empowerment (Scotland) Act 2015 is required.

**11. Employee Implications**

11.1. None

**12. Financial Implications**

12.1. All costs identified will be met from the Common Good fund held within Hamilton.

**13. Climate Change, Sustainability and Environmental Implications**

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

**14. Other Implications**

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

**15. Equality Impact Assessment and Consultation Arrangements**

15.1. 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.

15.2. 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)**

18 August 2021

**Link(s) to Council Objectives/Values**

Accountable, effective, efficient and transparent

**Previous References**

None

**List of Background Papers**

- ◆ Finance and Corporate Resources Committee, 1 September 2021

**Contact for Further Information**

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

Jackie Taylor, Head of Finance

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## Appendix 1

<b>2020/2021 Annual Accounts</b>	<b>Hamilton</b>
	<b>£000</b>
<b>Income and Expenditure Accounts</b>	
Income for the Year	133
Expenditure for the Year	(75)
<b>Surplus / (Deficit) to the Balance Sheet</b>	<b>58</b>
<b>Balance Sheet</b>	
<b>Fixed Assets</b>	
Property, Plant and Equipment	1,464
<b>Investments</b>	
Advances to South Lanarkshire Council Loans Fund	348
Debtors	53
<b>Total Assets</b>	<b>1,865</b>
<b>Current Liabilities</b>	
Creditors	(13)
<b>Total Assets less Current Liabilities</b>	<b>1,852</b>
<b>Represented By:</b>	
Common Good Account	1,257
Surplus / (Deficit)	58
Amortisation of Revaluation Reserve	1
Gain / Loss on Revaluation	-
	<b>1,316</b>
<b>Revaluation Reserve</b>	
Opening Balance	532
Gain / Loss on Revaluation	5
Amortisation of Revaluation Reserve	(1)
Closing Balance	<b>536</b>
<b>Total</b>	<b>1,852</b>

## Hamilton Common Good Assets

Asset Name	Address
Bothwell Road Public Park	Bothwell Road, Hamilton, ML3 0DW
Common Green	Back Row, Hamilton, ML3 6BW
Former Vogue Bingo Hall / Cinema (Note 1)	11 Keith Street, Hamilton, ML3 7BL
Gatehouse	65 Bothwell Road, Hamilton, ML3 0DW
Sculptural Walls	Old Cross, Hamilton, ML3 6DS
Glass Blocks	Old Cross, Hamilton, ML3 6DS
Floral Trumpets	Cadzow Glen, Hamilton, ML3 6BW
Library Gates	Cadzow Glen, Hamilton, ML3 6HQ
Pyramid	Cadzow Glen, Hamilton, ML3 6H
Entrance Feature	Cadzow Glen, Hamilton, ML3 6BJ
Watson Fountain	Cadzow Street, Hamilton, ML3 6HP
Hamilton Racecourse	Bothwell Road, Hamilton, ML3 0DW
Stairwell	92-94 Cadzow Street, Hamilton, ML3 6DS
Hamilton Towers	Castle Street, Hamilton, ML3 6BU
Cinema	Palace Grounds Road, Hamilton, ML3 6AD
Asda Stores Ltd	Palace Grounds Road, Hamilton, ML3 6AD
Retail Park	Palace Grounds Road, Hamilton, ML3 6AD
Express by Holiday Inn	Keith Street, Hamilton, ML3 7BL
Esporta Ground Lease	Mote Hill, Hamilton, ML3 6BY
Gateway Site	Palace Grounds Road, Hamilton, ML3 6AD
Backmuir Plantation	Bothwell Road, Hamilton, ML3 0EF
Grand Avenue	Palace Grounds Road, Hamilton, ML3
Cythera	Palace Grounds, Hamilton, ML3 6BY
David Cooper Memorial	Palace Grounds, Hamilton, ML3 6BY
Railing Design	Back Row, Hamilton, ML3 6BW
Sandstone Abstract	Cadzow Glen, Hamilton, ML3 6B
Sandstone Tomb	Cadzow Glen, Hamilton, ML3 6BA
Wash Day	Cadzow Glen, Hamilton, ML3 6BL
The Cadzow Cow	Cadzow Glen, Hamilton, ML3 6B
Railing Design	Cadzow Glen, Hamilton, ML3 6PA
Union Street Entrance Gate	Cadzow Glen, Hamilton, ML3 6PA
Art Trail Direction Plaque	Cadzow Glen, Hamilton, ML3 6BJ
Four Youths	Quarry Street, Hamilton, ML3 7AR
Music Project	Quarry Street, Hamilton, ML3 7AH
Red Measures	Quarry Street, Hamilton, ML3 6AH
Railing Design	Quarry Street, Hamilton, ML3 7DT
Gazebo	Quarry Street, Hamilton, ML3 7AH
Light Heavyweight	Town Square, Hamilton, ML3 6AD
Totem	Town Square, Hamilton, ML3 6AD
Square Stars	Town Square, Hamilton, ML3 6BU

Note 1 – The former Vogue Bingo Hall / Cinema will be removed from the asset register during 2021/22 due to sale of the property