

# **Report**

Report to:	<b>Cambuslang and Rutherglen Area Committee</b>
Date of Meeting:	<b>5 October 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 Rutherglen 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 Rutherglen 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 Rutherglen Common Good Account holds cash balances only. It does not hold physical assets.
- 3.5. This report will provide 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 will provide an up-to-date position for Rutherglen (Section 7).

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

- 4.1. Finance Services administers the Common Good Account. This includes revenue monitoring, preparation of annual accounts and seeking Committee approval for expenditure to be incurred on various projects as and when they are required. It also includes information on consultations on Common Good assets, where appropriate.
- 4.2. If any proposals for common good spend are considered to benefit the local community in Rutherglen, and the level of funding required is feasible, then Finance Services will seek approval from the Finance and Corporate Resources Committee.
- 4.3. A Common Good Update report is presented to the Finance and Corporate Resources Committee at least twice a year. An annual report in August/September updates 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 Finance and Corporate Resources 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 Cambuslang and Rutherglen 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 unaudited Accounts that were approved at the Risk and Audit Scrutiny Committee on 22 June 2021.
- 6.2. The Appendix shows that as at the end of 2020/2021, the Balance Invested in South Lanarkshire Council's Loans Fund for Rutherglen is £0.128m. This is the cash that is held by the Council on behalf of the Common Good fund, and which is readily available to meet expenditure. Table 1 provides the details of the advances to South Lanarkshire Council Loans Fund.

**Table 1 - Advances to South Lanarkshire Council Loans Fund**

<b>Fund</b>	<b>Rutherglen</b>
	<b>£m</b>
Balance	0.128

#### **7. Rutherglen Common Good Fund**

- 7.1. The Rutherglen Common Good Account holds cash balances only. It does not hold any physical assets.
- 7.2. As noted in section 6.2, the unaudited Accounts for 2020/2021 shows that the Rutherglen Common Good Account has cash balances of £0.128m available to spend.
- 7.3. Since there are no assets to maintain, there is little expenditure incurred from the Rutherglen Common Good fund. There was no expenditure during 2020/2021. As there are no assets to generate rental income, the only income received is from the fund balance being invested by South Lanarkshire Council (£180). Therefore, the cash balance does not increase significantly year on year.

## **8. Consultation on Common Good**

- 8.1. The Finance and Corporate Resources Committee are advised of consultation in relation to New Lease Arrangements and Change of Use in relation to Common Good Assets. In the case of Rutherglen Common Good, there are no consultations ongoing.

## **9. Employee Implications**

- 9.1. None

## **10. Financial Implications**

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

## **11. Climate Change, Sustainability and Environmental Implications**

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

## **12. Other Implications**

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

## **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)**

24 August 2021

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

- ♦ 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:-

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## Appendix 1

<b>2020/2021 Annual Accounts</b>	<b>Rutherglen</b>
	<b>£000</b>
<b>Income and Expenditure Accounts</b>	
Income for the Year	0
Expenditure for the Year	0
<b>Surplus / (Deficit) to the Balance Sheet</b>	<b>0</b>
<b>Balance Sheet</b>	
<b>Fixed Assets</b>	
Property, Plant and Equipment	0
<b>Investments</b>	
Advances to South Lanarkshire Council Loans Fund	128
<b>Total Assets</b>	<b>128</b>
<b>Current Liabilities</b>	
Creditors	0
<b>Total Assets less Current Liabilities</b>	<b>128</b>
<b>Represented By:</b>	
Common Good Account	128
Surplus / (Deficit)	0
<b>Total</b>	<b>128</b>