

# Report

Report to:	<b>Finance and Corporate Resources Committee</b>
Date of Meeting:	<b>1 September 2021</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Common Good - Update</b>
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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 2021
- ◆ 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 Lanark, Hamilton and Biggar
- ◆ advise members of a request for funding from Lanark Community Development Trust from the Lanark Common Good Fund
- ◆ 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 2021 (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 6), be noted;
- (3) that the projects currently committed from the Lanark (Section 7), Hamilton (Section 8), and Biggar (Section 9) Common Good Funds, be noted; and
- (4) that the potential request for funding from Lanark Community Development Trust from the Lanark Common Good Fund (Section 10) is noted.
- (5) that the details of consultations relating to the Common Good (Section 11) are 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 2021 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 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 6). It will also provide an update on committed projects and those for consideration for Lanark (Section 7), Hamilton (Section 8) and Biggar (Section 9). Information on a request for funding from Lanark Community Development Trust update is provided in Section 10, while an update on consultations on Common Good assets will be provided at section 11.

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

- 4.1. 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.
- 4.2. The Appendix shows that as at the end of 2020/2021, the Balance Invested in South Lanarkshire Council's Loans Fund is £0.841 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**

<b>Fund</b>	<b>Lanark</b>	<b>Biggar</b>	<b>Hamilton</b>	<b>Rutherglen</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Balance	0.333	0.032	0.348	0.128	0.841

- 4.3. It should be noted that there are commitments against the funds of Lanark, Hamilton and Biggar including those covered at sections 5 to 9.
- #### **5. Lanark Repairs and Maintenance Budget – Planned Maintenance 2021/2022**
- 5.1. As noted in 3.5. an annual budget of £15,000 is available for the maintenance of Common Good properties in Lanark. For 2021/2022, £10,180 has been set aside to carry out remedial works for dampness at Lanark Tolbooth, with work expected to commence in September 2021. This leaves a remaining budget of £4,820.

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

- 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 are currently no commitments against this for Hamilton Common Good in 2021/2022. Work to identify areas of potential requirements for expenditure is ongoing.

## **7. Lanark Committed Projects**

- 7.1. **Lanark Loch Pipe Repair:** As previously reported to Committee, a contract to repair the pipe, reconstruct the gabion baskets and carry out the remaining footpath works was awarded. The projected completed in April, at a total cost of £107,052.
- 7.2. This Committee had previously approved budgets for the reconstruction of the gabion baskets and the remaining footpath repairs totalling £68,894. These budgets have been allocated against the overall project which leaves a balance of £38,158 for the pipe repair to be funded equally from the Lanark Common Good and the Council's Property Investment Fund as agreed by this Committee on 19 August 2020.
- 7.3. **Tote Building, Lanark Racecourse:** In order to prevent the Tote building becoming structurally unsound and to remove health and safety risks, a number of repairs had to be carried out. Total approved funding for this project was £43,691. The project is now complete, and the final costs of £46,266 will be met from the Lanark Common Good Fund.

## **8. Hamilton Committed Projects**

- 8.1. **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".
- 8.2. 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.

## **9. Biggar Committed Projects**

- 9.1. Funding for lighting units was approved by this Committee in June 2021, at a cost of £8,000. The works on the path between Campsie's Garage on Coulter Road and the Boghall Estate should commence late summer. It is expected that the costs will be charged during 2021/2022.

## **10. Future Projects – Clydesdale Horse Sculpture**

- 10.1. The Lanark Community Development Trust (LCDT) wrote to the Council around funding for a commemorative sculpture of a Clydesdale Horse to be sited beside Lanark Auction market and had requested consideration of a contribution of up to £10,000 from the Lanark Common Good Fund.
- 10.2. LCDT has now advised that they have secured project funding of £48,000 against a target of £55,000 and that they are continuing to seek further external funding. This is before any contribution is sought from the Common Good. If they reach the conclusion of their fundraising, and there is still a shortfall in their project funding, then they may reinstate their request for a contribution from the Lanark Common Good Fund.

10.3. The Royal Burgh of Lanark Community Council (RBLCC) were consulted for their views on this project and the original request to consider funding. RBLCC supported the project and fed back that they believed that fundraising by the LCDT should continue, and an approach made to Common Good if a shortfall remains.

10.4. Any request for funding will be brought to a future meeting of this Committee for consideration.

## **11. Consultation on Common Good**

11.1. **New Lease Arrangements:** There have been no consultations on new lease arrangements for Common Good properties since the last update on 20 January 2021, 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.

11.2. **Change of Use:** As previously reported, a consultation on the proposed change of use at 11 Keith Street, Hamilton (old Vogue 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.

11.3. 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 has advised that consultation under Section 104 of the Community Empowerment (Scotland) Act 2015 is required.

## **12. Employee Implications**

12.1. None.

## **13. Financial Implications**

13.1. All costs identified will be met from the Common Good funds held within Lanark, Hamilton and Biggar.

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

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

## **15. Other Implications**

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

## **16. Equality Impact Assessment and Consultation Arrangements**

16.1. 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.

16.2. 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)**

1 August 2021

**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, 20 June 2018
- ◆ Finance and Corporate Resources Committee, 19 August 2020
- ◆ Finance and Corporate Resources Committee, 20 January 2021
- ◆ Finance and Corporate Resources Committee, 2 June 2021

**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

2020/2021 Annual Accounts	Lanark	Biggar	Hamilton	Rutherglen	Total
	£000	£000	£000	£000	£000
<b>Income and Expenditure Accounts</b>					
Income for the Year	14	-	133	-	147
Expenditure for the Year	(22)	-	(75)	-	(97)
<b>Surplus / (Deficit) to the Balance Sheet</b>	<b>(8)</b>	<b>-</b>	<b>58</b>	<b>-</b>	<b>50</b>
<b>Balance Sheet</b>					
<b>Fixed Assets</b>					
Property, Plant and Equipment	1,500	-	1,464	-	2,964
<b>Investments</b>					
Advances to South Lanarkshire Council Loans Fund	333	32	348	128	841
Debtors	-	-	53	-	53
<b>Total Assets</b>	<b>1,833</b>	<b>32</b>	<b>1,865</b>	<b>128</b>	<b>3,858</b>
<b>Current Liabilities</b>					
Creditors	(3)	-	(13)	-	(16)
<b>Total Assets less Current Liabilities</b>	<b>1,830</b>	<b>32</b>	<b>1,852</b>	<b>128</b>	<b>3,842</b>
<b>Represented By:</b>					
Common Good Account	1,364	32	1,257	128	2,781
Surplus / (Deficit)	(8)	-	58	-	50
Amortisation of Revaluation Reserve	4	-	1	-	5
Gain / Loss on Revaluation	-	-	-	-	-
	<b>1,360</b>	<b>32</b>	<b>1,316</b>	<b>128</b>	<b>2,836</b>
<b>Revaluation Reserve</b>					
Opening Balance	469	-	532	-	1,001
Gain / Loss on Revaluation	5	-	5	-	10
Amortisation of Revaluation Reserve	(4)	-	(1)	-	(5)
Closing Balance	<b>470</b>	<b>-</b>	<b>536</b>	<b>-</b>	<b>1,006</b>
<b>Total</b>	<b>1,830</b>	<b>32</b>	<b>1,852</b>	<b>128</b>	<b>3,842</b>