

REPORT TO: POLICY & RESOURCES COMMITTEE - 13 MARCH 2006

REPORT ON: COMMON GOOD FUND

REPORT BY: DEPUTE CHIEF EXECUTIVE (FINANCE)

REPORT NO: 205-2006

1 PURPOSE OF REPORT

This report provides details of the Council's Common Good Fund Revenue Budget for 2006/07.

2 RECOMMENDATION

It is recommended that the Committee consider the Common Good Fund Revenue Budget for the financial year 2006/07 and approve the Revenue Budget for that year.

3 FINANCIAL IMPLICATIONS

- 3.1 The draft Common Good Fund Revenue Budget for 2006/07 incorporates all known income and committed expenditure for that year. The net position is an uncommitted balance of £61,000 within Third Party Payments.

4 LOCAL AGENDA 21 IMPLICATIONS

- 4.1 None.

5 EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 None.

6 INTRODUCTION

- 6.1 Common Good is a term synonymous with the creation of Burghs as trading counties. A Burgh became a trading county when the King licensed that Burgh to have markets, and at that time a Burgh Fund was set up and is now referred to as the Common Good Fund. As indicated by its name, the Fund is to be used for the common good of the City. Under Section 222 of the Local Government (Scotland) Act 1973, it stated that the then District Council in administering the Common Good Fund must "have regard to the interests of all inhabitants of the district".

7 FINANCIAL CONSIDERATIONS

- 7.1 In the City Council's Financial Regulations, specific reference is made to the Common Good Fund as follows:-

"The Depute Chief Executive (Finance) will submit a Revenue Budget to the Policy & Resources Committee each year. The Depute Chief Executive (Finance) will have authority to incur expenditure within the approved budget.

All investments of money shall be made by the Depute Chief Executive (Finance) in the name of the Council. Any investments made will be in accordance with the policy determined by the Finance Committee.

All securities which are the property of, or in the name of the Council, shall be held in custody under the supervision of the Depute Chief Executive (Finance)."

- 7.2 It has been accepted as custom and practice that the Common Good Fund should not meet expenditure of a recurring nature, and that it is solely for expenditure of a one-off nature. In recent years the Common Good Fund has contributed to the following initiatives:

	£
Dundee Industrial Heritage	25,000
Queens Jubilee	21,000
University of Dundee Life Science Project	100,000
Admiral Duncan 200th Anniversary	20,000
Ward Road Gym	92,000
Whitehall Theatre	50,000

In addition, £30,000 per annum is earmarked to purchase new and improved Christmas Lights for the City Centre display.

- 7.3 The Common Good Fund assets are invested primarily in the Council's Loans Fund and it is estimated that these will generate approximately £130,000 income in 2006/07. From this income the Council will meet expenditure of a non-recurring nature as agreed by the Council.
- 7.4 The draft Common Good Budget for 2006/07 shows that there is an uncommitted balance of £61,000.

8 REVENUE BUDGET AND PROPOSED EXPENDITURE FOR 2006/07

- 8.1 The Common Good Fund Revenue Budget for the financial year 2006/07 has been prepared, based on the latest information available. The proposed non-recurring expenditure is included under Third Party Payments in the attached Appendix A, which details the Common Good Fund Revenue Budget for 2006/07.
- 8.2 Members' views are sought on proposals for the use of the uncommitted balance of £61,000.

9 CONSULTATION

- 9.1 The Chief Executive and Depute Chief Executive (Support Services) have been consulted in the preparation of this report.

10 BACKGROUND PAPERS

- 10.1 None.

DEPUTE CHIEF EXECUTIVE (FINANCE)

06 MARCH 2006

COMMON GOOD**REVENUE BUDGET 2006/2009**

	Final Revenue Budget 2005/06 £000	Provisional Revenue Budget 2006/07 £000
<u>EXPENDITURE</u>		
STAFF COSTS	<u>-</u>	<u>-</u>
PROPERTY COSTS		
Property Insurance	4	4
Energy Costs	1	1
Christmas Lights	<u>30</u>	<u>30</u>
TOTAL PROPERTY COSTS	<u>35</u>	<u>35</u>
SUPPLIES & SERVICES		
Other Supplies and Services	<u>7</u>	<u>8</u>
TOTAL SUPPLIES & SERVICES	<u>7</u>	<u>8</u>
TRANSPORT COSTS	<u>-</u>	<u>-</u>
THIRD PARTY PAYMENTS		
Whitehall Theatre	25	25
Sundry Payments	<u>47</u>	<u>61</u>
TOTAL THIRD PARTY PAYMENTS	<u>72</u>	<u>86</u>
SUPPORT SERVICES		
Recharge from Central Support Departments	<u>6</u>	<u>7</u>
TOTAL SUPPORT SERVICES	<u>6</u>	<u>7</u>
CAPITAL CHARGES	<u>-</u>	<u>-</u>
<u>TOTAL GROSS EXPENDITURE</u>	<u>120</u>	<u>136</u>
<u>INCOME</u>		
Interest and Dividends	115	130
Other Income	<u>5</u>	<u>6</u>
<u>TOTAL INCOME</u>	<u>120</u>	<u>136</u>
<u>TOTAL NET EXPENDITURE</u>	<u>-</u>	<u>-</u>