

REPORT TO: FINANCE COMMITTEE - 16 APRIL 2007

REPORT ON: HOSPITAL FUND AND JOHNSTON BEQUEST

REPORT BY: HEAD OF FINANCE

REPORT NO: 231-2007

1 PURPOSE OF REPORT

This report advises Members of the additional income likely to be available in 2007/2008 from the above funds for distribution to pensioners in financial need.

2 RECOMMENDATIONS

The Committee are asked to approve the increase of the annual payment from £50 to £60 and the issue of one application form per elected member in order that they may identify appropriate constituents within their ward for receipt of a pension from the above funds. The new forms will be issued to elected members after 3 May 2007.

3 FINANCIAL IMPLICATIONS

It is anticipated that the income from the above funds in 2007/2008 will support a further 29 annual payments of £60 (£1,740) giving a total disbursement of £21,420.

4 SUSTAINABILITY IMPLICATIONS

None.

5 EQUAL OPPORTUNITIES IMPLICATIONS

None.

6 BACKGROUND

The Hospital Fund and Johnston Bequest were vested in and administered by the Lord Provost, Magistrates and Councillors of Dundee under a special Act of Parliament entitled "The Dundee Churches and Hospital Act 1864" for the benefit of the poor of the town. The funds are now vested and administered by the Council under The Local Government Etc (Scotland) Act 1994.

The income from these funds is available principally for distribution to pensioners in financial need. Inclusion in the fund is by means of the prescribed application form which when completed should be signed by a member of the Council representing the wards comprising the former Corporation of Dundee boundaries. This will include each ward of the Dundee City Council.

The balance of capital available at 31 March 2007 is estimated to be £452,600, represented by property in Reform Street owned by the Hospital Fund and funds held on deposit with the Council's Loans Fund.

There are currently 328 pensioners in receipt of payments from the Fund and in 2006/2007 the annual payment made to each pensioner was £50, making a total of £16,400 for the year. The estimated net income available to the Fund in 2007/2008 will support the issue of an additional one-application form to each elected member and an increase in the annual payment from £50 to £60 for all recipients.

7 CONCLUSION

The above Fund can accommodate the payment of a further 29 pensions of £60 per annum in 2007/2008 and this would be achieved by the issue of one application form per elected member for the identification of appropriate constituents within each of their wards.

8 CONSULTATION

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

9 BACKGROUND PAPERS

None.

MARJORY M STEWART
HEAD OF FINANCE

05 APRIL 2007