

**REPORT TO: POLICY & RESOURCES COMMITTEE – 10 DECEMBER 2012**  
**REPORT ON: COMMON GOOD FUND**  
**REPORT BY: DIRECTOR OF CORPORATE SERVICES**  
**REPORT NO: 388-2012**

## **1.0 PURPOSE OF REPORT**

This report provides details of the Council's Common Good Fund Revenue Budget for 2012/13 and makes recommendations for the disbursement of funds for the financial year.

## **2.0 RECOMMENDATIONS**

It is recommended that the Committee:-

- 2.1 Approve the Common Good Fund 2012/13 Revenue Budget as detailed in Appendix A.
- 2.2 Agree the following funding proposals from the Common Good Fund for 2012/13:-

Tay Sail Training Association	£20,000
Winter Nights at the Zoo	£20,000
Unicorn Preservation Trust	£10,000

## **3.0 FINANCIAL IMPLICATIONS**

- 3.1 The draft Common Good Fund Revenue Budget for 2012/13 incorporates all known income and committed expenditure for that year. This results in a budget of £75,000 available for distribution. The proposals detailed in Paragraph 6.2, amounting to £50,000, can be met from this provision.

## **4.0 INTRODUCTION**

- 4.1 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".

## **5.0 FINANCIAL CONSIDERATIONS**

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

"The Director of Corporate Services will submit a Revenue Budget to the Policy & Resources Committee each year. The Director of Corporate Services will have authority to incur expenditure within the approved budget.

All investments of money shall be made by the Director of Corporate Services in the name of the Council. Any investments made will be in accordance with the policy determined by the Policy & Resources 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 Director of Corporate Services."

- 5.2 It has been accepted as custom and practice that the Common Good Fund should not meet expenditure of a recurring nature other than the replacement of Christmas Lights, 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:

	£
Ward Road Gym	92,000
Whitehall Theatre – new seating	50,000
The Brae Riding for the Disabled	10,000
Dundee Heritage Trust - RRS Discovery	10,000
Bharatiya Ashram	20,000
Botanic Gardens	90,000

- 5.3 In recent years, the low level of interest rates has meant that the investment income for the Common Good only covered the ongoing operating costs of the Common Good and the replacement of Christmas Lights. The draft Common Good Budget for 2012/13 shows a surplus income of £75,000 and consequently this will be available for distribution during 2012/13.
- 5.4 The Common Good Fund assets are invested in Alliance Trust Monthly Income Bond Fund and the Council's Loans Fund. It is estimated that these will generate approximately £110,000 income in 2012/13.

## 6.0 REVENUE BUDGET AND PROPOSED EXPENDITURE FOR 2012/13

- 6.1 The Common Good Fund Revenue Budget for the financial year 2012/13 has been prepared, based on the latest information available. Appendix A details the Common Good Fund Revenue Budget for 2012/13.
- 6.2 The following projects are proposed for inclusion in the 2012/13 Revenue Budget:-

### Tay Sail Training Association - £20,000

The Tay Sail Training Association provides sail training opportunities for the community and since its establishment in 2003, the number of activities has grown significantly year on year. Activities are provided by a strong group of volunteers for both able bodied and disabled adults and young people. Over the past 9 years, around £90,000 has been raised through donations and grants towards the work of this organisation.

To date the organisation has used the shore facilities of the Royal Tay Yacht Club. A project is underway to develop its own shore based facilities to enable expansion as a training organisation. This will include an expansion to slipways, provision of boat houses and changing accommodation, including disabled access, at an estimated cost of £224,000. A total of £100,000 has been raised to date from various charitable organisations and a further bid has been made to Sportscotland.

The City Engineer is providing engineering support to the slipway project and it is recommended that a contribution of £20,000 is made from the Common Good Fund towards this specific element of the project.

In recognition of this funding, the Tay Sail Training Association will provide training and support for pupils attending the City Council's off site Education provision.

#### Winter Nights at the Zoo - £20,000

It is proposed that the Camperdown Wildlife Centre would be ideally suited for some form of after dark illumination of the type successfully promoted at Pitlochry (The Enchanted Forest) and two years ago in the Botanic Gardens.

Selective installation of a lighting system would create a unique atmosphere in the zoo which would allow the facility to open on a late night basis, one or two evenings, per week for a selected period during the winter.

Visitors would still be charged an admission fee and the grant is required to cover the capital costs of the installation of a lighting system which would illuminate the trees and general environment of the zoo.

A one-off grant of £20k would be matched by reserves from Leisure & Culture Dundee and would create a semi-permanent installation which would be used for several years.

#### Unicorn Preservation Society - £10,000

The Unicorn Preservation Society is currently developing a bid to Heritage Lottery Fund for the refurbishment of the Unicorn. It is proposed that a contribution of £10,000 is made from the Common Good Fund to assist with this project.

## 7.0 **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

## 8.0 **CONSULTATIONS**

8.1 The Chief Executive and Head of Democratic and Legal Services have been consulted .

## 9.0 **BACKGROUND PAPERS**

9.1 None.

**DIRECTOR OF CORPORATE SERVICES**

**3 December 2012**

## APPENDIX A

### COMMON GOOD

#### REVENUE BUDGET 2012/2013

	2011/12 £000	2012/13 £000
<b><u>EXPENDITURE</u></b>		
<b>STAFF COSTS</b>	-	-
<b>PROPERTY COSTS</b>		
Property Insurance	-	-
Energy Costs	-	-
Christmas Lights	<u>30</u>	<u>30</u>
<b>TOTAL PROPERTY COSTS</b>	<u>30</u>	<u>30</u>
<b>SUPPLIES &amp; SERVICES</b>		
Other Supplies and Services	<u>1</u>	<u>1</u>
<b>TOTAL SUPPLIES &amp; SERVICES</b>	<u>1</u>	<u>1</u>
<b>THIRD PARTY PAYMENTS</b>		
Tay Sail Training Association		20
Winter Nights at the Zoo		20
Unicorn Preservation Trust		10
Sundry Payments	-	<u>25</u>
<b>TOTAL THIRD PARTY PAYMENTS</b>	-	<u>75</u>
<b>SUPPORT SERVICES</b>		
Recharge from Central Support Departments	<u>4</u>	<u>4</u>
<b>TOTAL SUPPORT SERVICES</b>	<u>4</u>	<u>4</u>
<b><u>TOTAL GROSS EXPENDITURE</u></b>	<u>35</u>	<u>110</u>
<b><u>INCOME</u></b>		
Interest and Dividends	-	<u>110</u>
Other Income		-
<b><u>TOTAL INCOME</u></b>	<u>35</u>	<u>110</u>
<b><u>TOTAL NET EXPENDITURE</u></b>	<u>35</u>	-