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LETTERS TO THE EDITOR

22 January 2007

Councillors need to take legal advice

I HOPE Glasgow City Council realises that many of the assets that it proposes managed in future by an arm's-length charitable company (Job fears as date set for city future transfer to a charity - January 20) are, in fact, common-good assets belonging to the Common Good Fund. The council has a fiduciary duty to the citizens of Glasgow for the management of this fund and it is highly doubtful, therefore, if such assets can be leased to the proposed company at a peppercorn rent as your report suggests since the Common Good Fund is due a commercial rent in such circumstances.

Since the councillors are the people in law responsible for the exercise of this fiduciary duty, they should ensure they obtain independent legal advice before proceeding further with these plans.

Andy Wightman, Addis Ababa, Ethiopia.

IT IS imperative that the citizens of Glasgow are fully consulted by the city council on proposals for the transfer of cultural assets to a charitable company. Not only jobs may

bestake. Across Scotland, local authorities are using a variety of means to dispose of common good and other assets - land, buildings and moveable property accumulated, purchased and gifted over hundreds of years.

As one of several individuals from across Scotland who are currently using the parliamentary petitions process in an attempt to ensure that local authorities are forced accurately and diligently to account for and manage common good assets and other property such as listed buildings, I urge full disclosure and consultation on what appears to be an unnecessarily hasty and undemocratic procedure. It is crucial, in particular, that the ownership and management of Glasgow's cultural assets - be they buildings, collections or individual artefacts - remain securely in public hands.

David I Harvie, 82 Bonhill Road, Dumbarton.

A charitable trust shrouded in secrecy

THE news that Glasgow City Council is preparing to transfer all museums and libraries to charitable trusts is alarming as far as accountability to the people is concerned and surely questionable in terms of its legality.

As part of a Dunfermline group trying to protect the Pittencrieff Park, which was left in perpetuity by Andrew Carnegie for the people's recreation, I have witnessed the complete disregard of the people's wishes by the charitable trust that stewards this asset (ostensibly at least) on behalf of the public.

No members of the public allowed to attend trustees' meetings. No public access to minutes of trustees' meetings. No public access to details of grants. Exemption from Freedom Of Information legislation. All of these special features of a charitable trust's special status make public access to information and participation a gift of the trustees.

In short, the business of a charitable trust is as open and accessible to the public as the trustees wish and my experiences with the Carnegie Dunfermline Trust would make the workings of Opus Dei seem positively open and transparent by comparison.

Surely much of the land, buildings and moveable assets of the Glasgow City Council's culture and leisure department are common good assets with a special status in law that would prevent them being taken away from the people of Glasgow to whom they were given?

Tom Minogue, 94 Victoria Terrace, Dunfermline.

How can we compete?

IT IS well known that Glasgow's voluntary sector organisations are often those which are committed to providing ground-breaking, regenerative and innovative services in the community, services which often cannot be provided by the statutory sector but seek to complement them. The staff and unpaid boards and volunteers of these organisations are typically highly motivated and dedicated people, working far beyond the call of duty.

It is, therefore, with dismay that I learn of Glasgow City Council's plans to transfer culture and leisure services to a company with charitable status.

The Herald tells us that by becoming a charity, culture and leisure will be able to raise cash from funders which a local authority cannot access and thereby save money.

This makes me wonder how organisations such as the one in which I work, with our limited resources and capacity, can possibly compete with city council departments in applying for funding. If culture and leisure staff have to access funding in order to develop, support and deliver programmes and activities for the citizens of Glasgow, those funds such as the Carnegie Foundation and the lottery are exactly those to which we voluntary organisations turn for support.

This has immense implications for us in our constant struggle for survival. I fear the collapse of many vibrant and vital projects all around the city, many of which will have benefited from partnership working with city council officers in the past, but will now have to compete in a one-sided contest.

Will this really be a cost-saving exercise when the lifeblood of so many excellent

and much-needed community projects dries up?

Rachel Smillie, The Village Storytelling Centre, 183 Meiklerig Crescent, Glasgow.

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A move away from democratic accountability

GLASGOW city councillors' rushed proposal to dispose of much of this royal burgh's heritable and moveable - into a separate new charity will put these centuries of citizens' property totally outside the current democratic accountability of the trustees (all elected Glasgow councillors from the moment they are elected).

Statutorily each of Scotland's 32 councils must maintain a Common Good Fund register and statutorily each council must present for annual audit Common Good Fund accounts (heritable and moveable assets) based on this register, all available for public inspection.

Legislation ensures legal protection for the people's assets (through the courts), though this legislation requires overhaul, clarification, codification and transparency, in keeping with the reconvening in 1999 of the Scottish Parliament.

Briefly, heritable assets include buildings, land, fishing rights, fountains, museums, parks, statues, golf courses, foreshores and allotments together with annual rents from users. Moveable assets include burgh regalia, chains of office, furniture, furnishings, pictures, gifts from dignitaries, artefacts, silverware, museum contents, books, charters, libraries.

Glasgow has been liberally endowed with centuries of these gifts, including the Burrell and Kelvingrove, and many small memorabilia items, including from ordinary citizens, proudly adding to the whole. Glasgow Museums and Art Galleries have set a splendid standard for

the whole of Scotland in their meticulous record-keeping of the citizens' treasures, much of it common-good assets.

Until the trustees of the common good go through transparent legal process, including application to sheriff or judge before any kind of disposal of Glasgow's common-good assets, together with a proposed constitution and objects of any proposed charity (including approvals after changes in the draft constitution), it is not possible for the trustees to authorise Glasgow Council to "dispose" of the assets of the city's Common Good Fund register and any legal assets which may have escaped inclusion on the register.

Since September 2005 three separate petitions - PE 875, PE 896 and PE 961 - have been presented to the Scottish Parliament's petitions committee, and continued with the local government and transport committee; the three have resulted in consultations with witnesses. On Tuesday, January 23, a further witness is the Deputy Minister of Finance and Public Service Reform. Petition 875 is about "safeguarding common good heritable and moveable, through legislation" and there is now a considerable volume of information, and views, on the Scottish Parliament Petitions website.

The value of Scottish Common Good Fund assets is currently £1.8bn annually.

Until the trustees of Glasgow's Common Good Fund assets go through all legal processes, including notification of intent, and minuted evidence of council minutes where the matter has been discussed and any decision(s) reach or proposed, it is legally incompetent for the council itself to "ratify" any decision on January 22, 2007, or any other date.

M E Mackenzie, Springhill Road, Peebles.

23 January 2007

Glasgow benefactors would be appalled

M E Mackenzie (January 22) is surely correct. How can Glasgow City Council transfer, or even lease, heritable and moveable assets gifted or bequeathed to the citizens of Glasgow and held in the Common Good Fund, to another unallocated body, even if it a charitable trust? As she says, every city councillor is personally responsible to the citizens who elected them for safeguarding their property held in the Common Good Fund.

Sir William Burrell and many other great Glasgow benefactors, and many distinguished lords provosts and councillors, would be appalled if they knew what the current council was proposing. I wonder what that proud Glasgow citizen and devoted supporter of its artistic treasures, Lord Macfarlane, thinks of this plan? Has he even been consulted, and if not, why not? And why the unseemly haste to push through the transfer before the local election in May? Is there some ulterior motive?

Many other questions remain to be answered. How would the trust be set up, and who would define its legal purpose and write its constitution? How and by whom would the trustees be appointed?

To whom would they be accountable? Would the trust's financial accounts and minutes of their proceedings be in the public domain? How could their actions be challenged, and by whom?

Tom Minogue's description of the secrecy surrounding the charitable trust set up to safeguard Dunfermline's Pittencrieff public park, bequeathed to the citizens by Andrew Carnegie, does not instil much confidence.

If the Glasgow trust runs all of the city's art galleries and museums, public parks, golf courses, etc, effectively as a business operation, how long before it starts charging for admission, hiring staff and support services from private companies, and other normal business practices? And if it operates as a business, would it still qualify for VAT relief which is the raison d'etre for the whole scheme?

One assumes that the councillors have thought through all of these matters and have taken legal advice. But I hope that a group of Glasgow citizens will challenge this ill-conceived proposal in the Scottish courts. I'm sure many Glaswegians like myself would be happy to make a contribution towards the costs of such a legal challenge.

Iain A D Mann, 7 Kelvin Court, Glasgow.

I HAVE a public petition currently being considered along with two others in the Scottish Parliament calling for greater protection of Scotland's common good, therefore I was alarmed to read your report, Jobs fear as date set for city culture transfer to a charity (January 20).

Many of the assets involved are in fact common good, thus this hasty decision should be stopped in its tracks, as there are legal issues to be considered. The councillors are

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merely the trustees of the Common Good Fund and have a statutory duty to manage it on behalf of its shareholders - the citizens of Glasgow, who have the right to be consulted.

The people of Scotland are largely unaware of their rightful inheritance and so it is imperative that it is not squandered before they do become aware. The time running up to the elections should be a time to bring it to their attention, not to take it away.

Sally Richardson, 255 Canongate, Edinburgh.

24 January 2007

Glasgow council's challenge to democracy

THE scope of the proposed transfer of Glasgow's cultural and leisure services to an independent trust goes much wider than Glasgow museums. It covers all the council's museums, libraries and archives, its libraries and community halls, its swimming pools, sports pitches and other facilities, including its golf courses and bowling greens in public parks, its management of festivals and events, and even the appraisal of grant applications. Merely to list the premises to be leased to the trust fills six-and-a-half

pages
in the Outline Business Case (OBC).

If it goes ahead, it will mean that citizens will not be able to hold their elected councillors to account for the quality of these services, as the council will have given the trust a contract that will specify every aspect of the services to be provided. When citizens complain or offer suggestions to their councillors, they will be told the councillors cannot interfere with the trust's implementation of its contract.

The public has not been consulted about this proposal, nor has there been much in the way of open debate. When, in July, I invited the executive member for cultural and leisure services to debate the issues with me in public, he ignored the challenge. Whatever debate the ruling Labour group had last week was held behind closed doors. Although Councillor Purcell has said the council will retain full control over these services, the OBC does not set out how this is to be done, nor does it contain any mechanism for holding the trust directly accountable to the citizens.

So far as I can tell, the main reason why the Labour administration wants the trust to be set up and take over cultural and leisure services by April 1 this year is so that it can put £7.5m "saving" into its budget for 2007-08.

It claims that by 2010-11 this "saving" will have risen to more than £11m, of which £1m will come from fundraising and another £1m from a more commercial exploitation of golf courses.

This "saving" for the Glasgow council taxpayer is the bribe that is supposed to win public approval for the transfer. Before any citizens decide to take the money and keep quiet, they should consider the risks involved. Most of the savings will come from tax avoidance (commercial rates and VAT). None of the government bodies which will have to approve the arrangements has yet confirmed that it will do so, although the council says it is confident that they will. Even if they do approve them now, there is a high risk that future legislative changes or judicial decisions will put these "savings" at risk again. The council

is assuming a stable future regime in the areas of commercial rates, VAT, charity law and European Union law on "state aids". Since all these matters are subject to constant intense political and judicial debate, such an assumption seems to me to be reckless.

It is also irresponsible to ignore the flat contradiction between Councillor Purcell's promise that council control over these services will not be weakened, and the fundamental requirement that a body must be genuinely independent if it is to secure and keep a charitable status. Councillor Purcell's promise is not repeated in the OBC, but it sets out very clearly the need for independence. On page 49, we read that the deal between the Council and the trust must "not afford the council control over the charity's decision-making". How can this be reconciled with Councillor Purcell's promise?

Fundamentally, what Councillor Purcell and his supporters are doing is a challenge to democracy, and the response should come through the democratic process, not the courts.

Christopher Mason, Leader of the Liberal Democrat Group, Glasgow City Council.

25 January 2007

A charity to deliver cultural and sport services

AFTER some correspondence in The Herald this week, I feel some issues should be clarified regarding the proposal by Glasgow City Council to create a charitable company to deliver cultural and sporting services to Glasgow.

First, it should be emphasised that the council will retain the ownership of all property and cultural collections if this company is created.

The move to a charitable company - if approved by the council's executive committee - will mean that funds from charitable bodies can be attracted, ones that a local authority cannot. The success of the Kelvingrove refurbishment appeal showed how such public-private partnerships can work.

The increased funds available will give the new company the opportunity to improve and extend the cultural and sporting services available in Glasgow. Public money would also be saved through - as a charity - not paying nondomestic rates: more than £5.5m in

first year and increasing afterwards. Furthermore, tax will not be paid on ~~corporates~~ by the company's core activities and operating income.

A number of the correspondents to the letters page have raised the issue of the ~~Common~~ Good. For those not familiar with the notion of Common Good property, it is a property that belongs to the council just like any other property - it is not held in trust. However, it is a particular type of property which has to be applied by the council for the benefit of the community. The essential point of Common Good property is that as a general rule it requires to be preserved for the use of the community - in this case, the people of Glasgow.

There is nothing in these proposals that would in any way undermine that principle. The people of Glasgow should be assured that the council is putting into place procedures and

structures to ensure that the Common Good property relating to these proposals is ~~still~~ for the community in compliance with Common Good principles.

Councillor John Lynch, Executive Member

26 January 2007

THERE is a shocking arrogance in the comments by Glasgow council leaders on the issue of charitable status for the city's cultural and recreation services. They appear to ~~assume~~ that if they vote for this, it will automatically be approved as a charity. This is not a decision for them but for the Office of the Scottish Charity Regulator. Many would take the view that OSCR would be failing in its duty if charitable status for this proposal were granted.

All the justifications for this move have made it clear that its main purpose is as a ~~tax~~ scam. The stated objective is to transfer some public money from central government to

the city through tax avoidance. This may, of course, not be successful since it would only fair to reduce Glasgow's grant funding by an equivalent amount in order not to disadvantage citizens of other authorities.

This in no way meets the public benefit criteria under Scottish legislation for charitable status since all it would do is reduce public money going to one part of the public sector which finances services such as health and pensions to pass it on to another providing recreational services in a limited area. It would, in fact, reduce public benefit by restricting public accountability through removing these services from democratic governance.

This is an important test case. If the OSCR approves it, every other local authority in the country could also go down the same route and what then would be left of our already diminished local democracy?

Isobel Lindsay, 9 Knocklea Place, Biggar.

Councillor John Lynch's letter (January 25) failed in its stated purpose to "clarify certain issues" regarding the city council's proposal to create a charitable company to "deliver cultural and sporting services to Glasgow". He also failed to answer any of my specific questions (January 23).

He claims the new company would save having to pay £5.5m in non-domestic rates, rising to £7.6m by 2011. But since these rates would have been paid to Glasgow City Council, it will thus lose that amount of annual income. And if galleries such as Kelvingrove and the Burrell have been charged rates up to now, that can only have been a book-keeping transaction within the council accounts. So this saving is illusory.

It is also claimed that, unlike the council, the charitable company can claim back VAT. But the amount of tax that can be reclaimed is only the difference between VAT paid on expenditure less VAT recovered on income. So even if this relief were available, how is this company with no assets of its own going to pay out and earn such large amounts as to provide millions of VAT savings? If it gets extra income by charging admission fees for running commercial operations, will it still qualify for lottery funding?

Councillor Lynch states: "Common Good property belongs to the city council just like any other property, and is not held in trust." Many of us would like to see that view challenged in the courts. And if, as claimed, legal ownership of Common Good property will remain with the city council, what is actually to be "transferred" to the new company on which it can generate extra income?

Why the secrecy and the mad dash to get the scheme running before the end of April? If it is such a brilliant idea, the council elected in May by PR will give it top priority. Is it to ensure that all six councillors to be nominated by the city council for a four-year term on the board come from Labour?

Iain A D Mann, 7 Kelvin Court, Glasgow.

26 January 2007

Immorality of scheme is what really matters

COUNCILLOR Lynch sets out in his letter the reasons behind Glasgow City Council's proposal to pass to a charitable company its responsibilities as regards culture and sport in the city. These are: attraction of funds from (other and valid) charitable bodies together with relief from non-domestic rate and tax obligations otherwise falling due to the council. There are those, largely represented in recent correspondence, who hold that such a proposal is, or is likely to be, illegal.

This seems to me not to be the overriding consideration. Legality is one thing; morality is yet another, and I should think the more important. I question the morality of this proposal. This seems to me a blatant attempt by the council to pass on to other charitable bodies and on to the rate and taxpayers, not just of Glasgow, responsibilities that rightly fall to itself. Where is the morality in that?

This proposal comes at a time when the charitable status of many Scottish bodies is being questioned as regards their validity and I hope that those charged with this review might ask if the council's proposal is not a calculated and cynical attempt to exploit charitable

status for basically and essentially non-charitable ends. As matters now stand, the council has a clear financial responsibility, partially at least, towards provision of cultural and sporting facilities. To this end it levies charges against that community by way of council tax. There is no suggestion that, relieved of that financial burden, wholly or in part, by this plan the council will grant any concession to that hard-pressed community by partial remit of that tax.

If this proposal is allowed to proceed, it will set a dangerous precedent wherein local government bodies will be emboldened to seek to relinquish their financial burdens to provide good services at reasonable cost to the community by passing them over to others under the cloak of "charity" and simply pocket the "profit". This is deceitfully to rob Peter to pay Paul and to exploit loopholes. It is thus immoral. Coming in this instance from such as Glasgow City Council with the support of an executive member of its Cultural and Leisure Services, this reflects badly upon those charged with the general care of that fair city.

Darrell Desbrow, Overholm, Dalbeattie, Kirkcudbrightshire.

Labour leadership guilty of civic vandalism

Councillor John Lynch claims that £5.5m of "public money" will be saved if Glasgow's etc, are transferred to a private trust. It is clear that no public money will be saved. By sleight of hand and exploiting a legal loophole, Glasgow may be better off by £5.5m. But the rest of Scotland will be worse off by the same amount. So the net effect is no change to the public purse but much less public control of Glasgow's cultural assets. Is the rest of Scotland (presumably represented by the executive) going to agree to pay the bill? Is the executive guaranteeing it will not cut Glasgow's grant settlement by an equal amount in future years? We have already lost £7.7m for 2007-08 by Glasgow receiving a poorer settlement than the Scottish average. And will the new Scottish Executive after May continue any commitment by the present one?

With these doubts coming on top of the lack of public consultation and loss of democratic control, it would seem extremely foolish of Glasgow City Council to make a snap decision on this important issue. Why the rush? It seems that the Labour leader, Steven Purcell, is determined to run down and undermine the council as much as he can. This proposed transfer out of public control is only the latest in a whole series in recent months, following on from Building Services and Community Safety. Last spring the Labour group attempted to take 100% of the seats on the controlling executive committee, a move which we strongly resisted and it eventually backed down on. Since then it has dictated to the opposition which opposition councillors should sit on which committees. When you take all of this together, Councillor Purcell is guilty of civic vandalism.

Councillor John Mason, SNP Group Leader, Glasgow City Council.

SURELY SNP Councillor John Mason and LibDem Councillor Chris Mason are the only people in Glasgow who think that council tax is not high enough (your report, January 25). The Labour group on Glasgow City Council is proud that for the second year running it will freeze council tax, while also putting more money into frontline services. We have done this by making changes to back-office functions. This will boost low-income households and pensioners.

It is entirely proper for opposition councillors to ensure decisions taken are in the council's best interests. But it is not acceptable for them to distort their own position in doing so. Chris Mason criticises this tax freeze, yet last year he argued for a tax cut; he should explain his current position. I am confused by John Mason's opinion on this. The SNP's leader in the Scottish Parliament, Nicola Sturgeon, recently said that an SNP administration would force all councils to freeze their council tax levels. Can John Mason confirm what the SNP's position is?

The reforms being put forward by the Labour group will ensure better services, and help those on low incomes in Glasgow, and indeed all local taxpayers. This is a record I will proudly defend in this May's elections.

Councillor Ruth Simpson, City Treasurer, Glasgow City Council.

30 January 2007

Bad stewardship of Edinburgh people's assets

Herbert Coutts (Letters, January 29) extols the virtues of Edinburgh City Council in its stewardship of the people's assets. As a senior official with the council in 1998 he was doubt aware of the shenanigans that took place a few years earlier in 1985 when the Waverley Market site owned by the common good was transferred (by mistake, ECC says) to the council's general asset register.

The Waverley Market site, valued at £40m and with a potential of bringing rental income into the Common Good Fund, was then leased to property developers for 125 years (later increased to 206 years) for one penny a year! Had the Waverley Market site remained in the Common Good Fund it is estimated that rents received would have boosted the Common Good Fund by somewhere in the region of £20m.

The Scottish Parliament's Local Government Committee is currently looking into this matter as part of its review of common good petitions and Edinburgh City Council has admitted its mistake with the Waverley Market site and commissioned a report into the handling of its Common Good Funds.

The latest news is that the paper commissioned, entitled Review of The Common Good in Edinburgh, has gone missing! See: <http://www.caledonia.org.uk/commonweal/edinburgh.html> So Edinburgh City Council's experiences with the private sector have certainly been good news for someone . . . someone in the private sector.

Tom Minogue, 94 Victoria Terrace, Dunfermline.

Hard questions about Glasgow council plan

The Outline Business Case for the charitable company to run Glasgow's cultural and leisure services barely mentions the Common Good Fund, so I don't know what to make of John Lynch's assurance that the council is putting in place measures to safeguard it. Perhaps he could tell us what the measures are and publish a list of the common good assets to be managed or used by the charity if it is set up. It is also good to have his promise that ownership of the assets is to stay with the council, but I don't think that was ever in serious doubt.

Perhaps the Labour leadership in the council could give now some public answers to the hard questions.

How does it reconcile Councillor Purcell's pledge that the council will still have full control of cultural and leisure services, with the legal requirement that to qualify for charitable status an organisation must be truly independent and capable of taking its own decisions? How is the charity to be accountable to citizens? If the charity is truly independent, will the council be able to control any charges it levies for its services to the public?

I really do not understand John Lynch's assertion that the charity will be able to access funds that the council cannot. He refers to the Kelvingrove Regeneration Appeal and it "showed how such public-private partnerships can work". Indeed it did: a body of trustees led brilliantly by Lord Macfarlane raised millions of pounds on the clear

understanding that it was going to pass on the money to Glasgow City Council for it to spend on Kelvingrove. Why should this system not work equally well for other projects?

The hardest questions are about the high level of risk involved in exposing Glasgow's cultural and leisure services to the uncertainties of ever-changing legal regimes regarding charitable status, VAT, procurement and state aids.

I would urge your readers to ask for a copy of the Outline Business Case and study it particularly the last two paragraphs on pages 61 and 62, written by the project

helpers.

The passage starts: "This project raises a number of highly challenging issues arising from EU law in the fields of procurement and state aid." Later we find: "There is an increasing trend towards greater scrutiny and an increasing awareness (particularly among private-sector players) of the potential for raising challenges by reference to procurement and/or state-aid principles."

It emphasises that the law is susceptible to differing interpretations, that it is impossible to give advice that can safely be regarded as definitive, that the law is subject to ongoing review and development, but concludes (a trifle optimistically, I think) that it is reasonably safe to proceed, "albeit the possibility of legal challenge cannot be entirely excluded".

Indeed, it would be a very good idea if the rank-and-file Labour councillors were now to read this document (they all have copies) and ask Steven Purcell exactly why he thinks it is essential to expose our cultural and leisure services to these risks and uncertainties.

Christopher Mason, Leader of the Liberal Democrat Group, Glasgow City Council.

Common good is property of the community

I WOULD question Councillor John Lynch's statement (January 25) that common good is property that belongs to the council just like any other property". This is not so. While it remains common good, it is the property of the community - ie, the inhabitants of the local authority area. The title is taken in the council's name as guardian of the common good as the inhabitants cannot as such be directly vested in the common good. The council holds the property in trust for the benefit of the community and must maintain it for its public use.

This is not to be confused with a public trust. Being the proprietors of the common good the inhabitants are entitled to protect their rights in it against encroachment by third parties or by the council itself.

If they form part of the common good, properties such as museums, parks, common open ground for recreation and golf links, to mention a few examples, are inalienable common good. Alienation is depriving the community of any enjoyment or use they are entitled to have in the property. This may be done by the council selling, leasing or destroying the property or transferring it to another function. So if inalienable common property is leased and the terms allow the lessees to take control so that they are able to infringe the community's rights, such a lease would probably constitute alienation.

So it is reasonable for the citizens of Glasgow to be concerned about their council's proposed leases and to be looking to the council to allay their concerns by consulting them and explaining how it will comply with its obligations regarding their rights in their common

good properties.

James Francis, 33 Worsley Crescent, Newton Mearns.

31 January 2007

Common good revenue used for junketing

I NOW have a copy of a recent set of accounts for Glasgow's Common Good Fund. Not surprisingly they are distinctly unhelpful in providing useful information, but let me give your readers some brief details. The preamble states: "They represent funds set up by various individuals and organisations for the benefit of the community . . .". Needless to say, no list of these bequests and donations is provided.

The 2005 balance sheet includes the value of the fund's fixed assets - ie, land and buildings - at £2.4m, being the lower of current replacement cost or realisable value. The notes give no details of which properties are included in fixed assets, but if they include the buildings of Kelvingrove, the Burrell, etc, and some city parks and golf courses, that seems an incredibly low valuation. There may be a complete register of all common good properties somewhere, but I have not yet managed to locate it.

Moveable assets are not mentioned at all in the accounts, and one wonders where the value of all the artistic treasures left to the citizens of Glasgow is reflected. Long-term investments - again undefined - are shown as £7.65m, with a current market value of £8.59m. Total net assets of the fund, including short-term investments and temporary loans (to whom?) were £10.621m, surely a very small sum for the Common Good Fund of

a city like Glasgow?

The Revenue Account also surprised me. Total income of the fund in 2004-05 was £839,000 - made up of income from properties and feu duties £226,000, interest from investments £277,000 and "customer and client receipts" £336,000, unexplained, of course. Astonishingly, most of this income was spent on "Council Buffet and Civic Hospitality" costs of £779,000. The small remaining surplus was turned into a massive deficit of £560,000 by "Supplies and Services" - yet again unspecified.

Such unhelpful accounts are, frankly, a disgrace, and would not be tolerated if produced by a public limited company. Do the citizens of Glasgow know that most of the annual income earned by their community assets is spent on junketing? Perhaps Councillor Lynch or some of his silent colleagues might give Glasgow citizens some answers, before handing over control of these valuable public assets to a private charitable company.

Iain A D Mann, 7 Kelvin Court, Glasgow.

2 February 2007

Full debate should precede any transfer

WE have been engaged through the Scottish Parliament Petitions Committee and

the Local Government and Transport Committee in discussing "safeguarding common good assets - heritable and moveable - throughout Scotland, by legislation," together with a variety of other witnesses and consultees, from responsible organisations.

So it is of concern to learn that the City of Glasgow Council executive is so far advanced in removing the common good assets of the city from the responsibilities of administration by the current trustees (all the elected councillors) to an arm's-length charity today (February 2), but without normal processes of transparent public discussions and debate with Glasgow citizens and their representatives.

Normally, the drawing-up of a charity constitution involves a legal check on the assets together with legal scrutiny of all the titles, including particular conditions included with bequests, gifts, acquisitions; in addition, detailed discussions with the Inland Revenue Office and consultations with the Office of the Scottish Charity Regulator.

This week the names of trustees have been divulged in the press; somewhat surprisingly, monies have been collected for Kelvingrove's rehabilitation without divulging that it, the Burrell, the Mitchell Library, parks, playing fields and many more assets are to be put into a "charity", outwith the common good.

We can have no concern or objection re wise administration of the people's heritage (common good funds), but we do have the greatest doubts about removing them from the current trustees (all elected councillors) into a separate charity, particularly as the current stakeholders (Glasgow citizens) have been given no opportunities publicly to debate and evaluate best value.

We urge the executive of Glasgow City Council to step back from any hasty and irrevocable decisions today, which, as the agenda indicates - Items III 3 (1-7) and Item V will deprive the community of Glasgow citizens of their ancient and current heritage of common good assets, all of which statutorily must be recorded in the Common Good Fund register, and statutorily audited annually for public scrutiny.

At the Local Government and Transport Committee on January 23, in his capacity as a witness, the Deputy Minister for Finance and Public Services Reform, Mr George Lyon MSP, stated: "I have followed this debate with interest and I acknowledge the value that communities throughout Scotland place on common good funds. The presence of common good assets can be a source of civic pride that binds communities together and creates a link between the generations - our ancestors and our descendants. Communities that are

in receipt of common good assets are grateful for the chance to benefit from the gifts that were bequeathed in the past. We acknowledge our responsibility to ensure that future generations have the opportunity to benefit in the same way."

M E Mackenzie (PE 875), Springhill Road, Peebles; David I Harvie (PE 896); Sally Richardson (PE 961).

What a Glasgow citizen would like to know

GLASGOW City Council's proposals to lease the Glasgow citizens' common good assets as a charity trouble me greatly. I do not know the full background but believe there is a statutory duty for all councils to have and maintain a register of all common good assets, heritable and moveable, to have this register audited annually and be available at all times to the citizens of the city or district concerned.

There would appear to be confused thinking when Lord Macfarlane suggests that Glasgow Council "owns" these assets, while Councillor Purcell mentions "ensuring that the people of Glasgow continue to own every piece of art, along with all the city's museums, libraries and sports facilities." If I, as a Glasgow citizen, own these assets, I would very much like to know what and where they all are.

So far I have been unable to find Glasgow's asset register or find where it can be viewed. Before any assets can be transferred to anyone or any body a full list of such assets must be readily available to the owners, the custodian and the recipient together with their current values and where they are located. The owners must also be given the right to approve these plans.

The rush to set up this arrangement seems to be in unseemly political haste and without the owners", the citizens of Glasgow, having any opportunity to discuss or debate the issue. The external trustees are independent reputable figures but the "rest of the

brand' political nominees who would not satisfy many people as trustees in the long term.

Nigel Dewar Gibb, 15 Kirklee Road, Glasgow.

IAIN Mann writes of the disgraceful state of Glasgow's Common Good Fund (January 21). It is not an isolated example. Here, in Edinburgh, the city council has faced damning criticism over its management of ancient common good assets. Assets slip on and off the balance sheet; accounting for them is shoddy; valuation of assets is selling the citizens of Edinburgh short; and there is a persistent confusion between what are public and community or common assets. Independent experts describe Edinburgh's Common Good Fund as being "in a state of crisis". Greens have asked twice now for a progress report on the city's common good assets but have so far received no reply.

Gavin Corbett, 3 Lyne Street, Edinburgh.

[5 February - More letters but I missed them.]

7 February 2007

Scotland's common good assets belong to the inhabitants

I WISH to correct Councillor Christopher Mason's belief (Letters, February 5) that the ownership of Glasgow's common good assets, which have been the subject of much recent correspondence, "stays with the council". Sadly, he misleads himself, and probably others, by so stating. The basic point is that common good assets belong to the inhabitants of the city, town or burgh to whom they were granted, endowed or bequeathed, and not to a local authority council. Scots law is perfectly clear on that. Elected councillors, as trustees of common good funds, have a duty to protect these assets on behalf of the

community, a trusteeship that enjoys a higher legal status and obligation than their

~~other~~ council duties.

It is therefore sad that in Glasgow, as elsewhere, the management of common good funds is beset by ignorance and confusion as to what the duties of trustees to common good funds are to these assets and to the community at large. It seems to be up to the ordinary voting public to try to protect their fellow citizens' rights in this area when their elected and paid representatives are unable to grasp even the basic concepts of what the trusteeship involves.

Dr Lindsay Neil, Selkirk.

I HAVE just been sent details from an official Scottish Home Department report produced 60 years ago, but which may still be relevant to the current debate about common good funds. It lists the assets of all such funds across Scotland as at May 1948, and the key figures for Glasgow are: fund value including capital assets £953,000, annual receipts £148,000 and expenditure £101,000.

Today's equivalent figures, applying official RPI indices and assuming no additions or removals from the fund, should be fund value £22.4m, annual receipts £3.5m and expenditure £2.4m. The actual amounts given in the 2004-05 annual accounts are only £10.8m, £839,000 and £1.2m - less than half what they should be.

What has happened to reduce Glasgow's Common Good Fund so drastically over the past 60 years? Have no assets been added, has no income been reinvested, and have assets been quietly sold off or transferred to other city resources?

The fund is held in trust by the city council for the benefit of the whole community, and I think the councillors and officials responsible for its administration owe the citizens of Glasgow some answers. And if such answers are not forthcoming, the hasty transfer to a separate charitable company of the management of these common good assets, along with other council assets, should be delayed pending further investigation.

Iain A D Mann, 7 Kelvin Court, Glasgow.

I WOULD be more impressed by Green MSP Mark Ballard's criticism of LibDem proposals to remove Scottish Water from the public sector if he had shown an ability to keep up with events (Letters, February 6). While the LibDem proposal for privatisation of the Post Office was stalled by the LibDem conference in autumn 2005, their spring conference passed the motion.

In similar vein, while I welcome the unity of the small band of LibDem, SNP and SSP councillors in opposing Glasgow City Council's removal of leisure and recreation facilities from democratic control, it is ironic that a LibDem councillor is one of the most vehement critics of this while his party pursues a privatisation agenda over much larger and more important sectors of the economy.

David Stevenson, 47 Cairns Road, Cambuslang.

8 February 2007

Law on common good is not simple

I CANNOT agree with Dr Lindsay Neil of Selkirk (Letters, February 7) that the law on common good is simple. For example, property may be part of the common good because the title deeds say that it is; but even when a local authority holds a clear title to property, a property may arguably be subject to common good law because it has been available for the unfettered use and enjoyment of the citizens since time immemorial.

But I do agree that common good has not been sufficiently considered in recent times and the Liberal Democrats will, in the council to be elected in Glasgow on May 3, do their best to ensure that the council's trusteeship of the common good is the subject of a rigorous review.

My immediate concern, however, is to stop the present Labour administration in the council from transferring the management of Glasgow's cultural and leisure services to an independent company. This debate focuses on the democratic accountability of the new management company. Common good law is about trusteeship rather than democracy. I

should be very glad if the council's plan were challenged successfully in the Court of Session on grounds relating to common good. But I fear there is a danger that the Court might approve Labour's scheme as an acceptable exercise of a council's trusteeship which would leave the question of democratic accountability unresolved.

I agree most heartily with Dr Neil of Selkirk that the citizens of Glasgow will have a remedy in their hands on May 3. They will be able to choose whether the accountability for the management of their cultural and leisure services should remain with the councillors they elect, or whether it should be transferred to a company that will not be directly accountable to them. That will be a very clear and simple choice.

Christopher Mason, Leader of the Liberal Democrat Group, Glasgow City Council.