

Common Good of the City of Edinburgh

Resource Management and Audit Scrutiny Panel - 27 April 2006
Summary of Evidence of Andy Wightman on Item 5.1

INTRODUCTION

My name is Andy Wightman, I live in Edinburgh and am a self-employed writer and researcher on issues relating to land and community development. In November 2005, I co-authored a report on Common Good Land in Scotland which was published by the Caledonia Centre for Social Development, an educational not for profit company of which I am a Director. Copies of this report are provided for members.

I have a number of concerns relating to the stewardship of the Common Good Fund of the City of Edinburgh Council and I have prepared a very preliminary report on these concerns. Copies of this report are provided for members. I appear before you in my capacity as a citizen of Edinburgh.

ISSUES

Common Good Funds can, if properly stewarded, generate wealth for communities. Unfortunately, the Common Good Fund of the City of Edinburgh does not seem to have been effectively stewarded over at least the past 25 years. My report provides examples and evidence which can be conveniently summarised as follows.

Common Good assets are not being properly recorded or accounted for.

The Council's records of common good assets are incomplete and thus it is difficult to be confident that all the capital receipts and revenue that are due to the Fund are in fact being received.

Examples of this include East Market Street, 7 Merchiston Park and the rental revenues from Princes Street Gardens and other sites.

Management and administration of the Common Good Fund is flawed and ineffective.

There is no Common Good Committee which can take a strategic overview of the management of the fund and ensure that capital values are sustained and investments prudently made.

An example of this is the tragic story of the Waverley Market (now Princes Mall), a site that forms part of the Common Good. In 2005 the leasehold interest on this site changed hands for £40.5 million with a rental income of £2.3 million. The site represents at least 50% of the value of the property and thus the Common Good Fund should include an asset worth around £20 million and earning around £1.15 million. Instead the Common Good Fund has earned, since 1982, the princely sum of 23p since the site is leased on a 206 year lease for 1p per year (if asked).

RECOMMENDATIONS

An independent review should be conducted into the administration and stewardship of the Common Good Fund and the Council should set a goal of securing a £50 million Fund by 2015