

Common Good

Projected Out-turn 2025/26

Operationally the Common Good is forecast to be over budget by £35k as at 31 December 2025 with events proceeding as expected this year, and grants payable throughout the year to the wide range of approved organisations. The higher spend has been due to the £35k spent on the AFC Scottish Cup winners parade in May last year.

Budget 2026/27

Income

The Common Good is a highly valuable asset for Aberdeen City. The value of the Common Good is based predominantly on land and buildings, the history of which dates back to King Robert the Bruce.

Today the asset portfolio comprises land, buildings and cash. The position at the start of the year (31 March 2025) was as follows:

	£'000
Land and Buildings	61,632
Investment in ACC Loans Fund	18,916
Long Term Investments	23,440
Total Long-Term Assets	103,988

The income generated from these assets is the basis of expenditure that can be incurred by the Common Good annually. The ground rents, lease income and cash investment returns generate in excess of £5 million per annum in income, which is used to fund a wide range of organisations and their activities in the City of Aberdeen, and this includes some activities undertaken by the Council itself. Further details are shown below.

Cash balances have increased in recent years due to the sale of land for development, and this can reduce annual income. The cash balances are generally set aside to help maintain annual income levels, through investment income, rather than being used to fund expenditure. Cash balances must be maintained for Common Good resilience and operational reasons – ensuring it has access to cash to smooth out in-year income.

In preparing the 2026/27 Common Good budget the assumption is that no additional one-off funding will be withdrawn from the assets it holds.

The multi-asset income fund, approved by Council on 10 March 2021 was implemented during financial year 2021/22. The value of the investment over the four years has risen as well as fallen, this has been reported quarterly. As at 31 December 2025 the value of the investments was £24.283m. The investment with Fidelity remains a long-term investment and should be measured over medium term.

Income from the multi-asset income fund has been made based on previous receipts.

Rental income is received by the Common Good for predominantly ground rent and leases that are in place and is based on projections provided by the Chief Officer - Corporate Landlord. The analysis shows that income is forecast to be stable for the Common Good in 2026/27.

From the minutes of Finance & Resources Committee of 5th November 2025 for the Council Financial Performance – Quarter 2, 2025/26 - CORS/25/243 –

The Committee resolved:-

(ii) to instruct the Chief Officer - Finance as part of the budget process to provide a timeline to Councillors for delivering a review of the long-term assets and investments held by the Common Good.

A full review of the long term assets and investments will be undertaken during 2026/27 and reported back to Council as part of the 2027/28 Budget setting process.

Expenditure

A significant proportion of the expenditure annually is on recurring activities and outcomes and therefore these recurring elements are a continuing feature in building the 2026/27 budget.

The analysis provides a breakdown of the various categories of expenditure that have been included in the draft budget for 2026/27. The recurring nature of a range of activities and outcomes, to support external organisations and the work of the Council is included in these.

As the assets of the Common Good include land and buildings, there are times when expenditure on those assets must be incurred. Continuing investment in its assets is included in the first section of the budget, General Property and Estates, where the core costs of insurance and necessary repair and maintenance are included.

The recurring nature of many of the projects and activities that the Common Good funds means that assumptions have to be included about what their future cost might be. Note that the recurring funding provided by the Common Good is subject to an annual review. The budget includes the impact of inflation based assumptions on pay and prices to provide an insight to the sustainability of the Common Good. An explanation of the various categories of spend has been detailed further in the appendix.

Net Budget

The 2026/27 Net Budget shows that, taking account of the total income that it can reasonably expect, and an estimate of the recurring expenditure that must be met there is a balanced budget. Due to the overall position of the draft budget for 2026/27 we have not sought applications from interested groups/organisations.

<u>Common Good Fund Draft Budget</u>	Draft		Notes
	2025/26	2026/27	
	Budget	Budget	
	£'000	£'000	
<u>General Properties/Estates</u>			
Insurance Costs	18	37	1
Repairs and Maintenance	199	203	2
	217	240	
<u>Grants & Contributions to External Organisations</u>			
Aberdeen Citizen's Advice Bureau	337	337	3
Cultural Investment Framework	1,191	1,191	4
	1,528	1,528	
<u>External Organisations Rents - Paid internally</u>			
			5
Arts Centre Rent	8	8	
Lemon Tree Rent	36	36	
Lemon Tree Office Rental	10	10	
Charity Shop	15	15	
Aberdeen Science Centre	42	42	
	111	111	
<u>Promoting Aberdeen</u>			
			6
Events			
- Armed Forces Day	13	13	
- Celebrate Aberdeen	11	11	
- Fireworks	49	49	
Highland Games	110	110	
Site & Equipment Hire	10	10	
Christmas & Hogmanay Celebrations		0	
- Christmas Village	150	150	
- Sculpture Trail Storage	5	5	
- Stravanger Christmas Tree	3	3	
- Nativity	3	3	
Christmas Illuminations and Festivals	96	96	
Provision for Parades & Marches	35	35	
	485	485	
<u>Grants/Services Provided by Aberdeen City Council</u>			
			7
Youth Activities Small Grant Funding	50	50	
Small Financial Assistance Grants	24	24	
Community Galas	10	10	
Festive Community Grants	25	25	
Maintenance in Parks & Shrubs inc Union Terr Gdns	1,572	1,627	
	1,681	1,736	
<u>Civic Service Funding</u>			
			8
St Nicholas Carillon	6	6	
Armistice Day Expenses	9	9	
Fund Public Clocks	10	10	
Civic Support	231	239	
Civic Support to Burgesses	10	10	
Civic Receptions	100	100	
Civic Hospitality - visitors	5	5	
Civic Hospitality - promoting	4	4	
Archivist Unit	305	316	
Central Support Services	456	472	
Civic Gift Fund	2	2	
Lord Provost & Lord Lieutenant Travel	5	5	
Lord Lieutenancy and other duties	4	4	
Lord Provost Portrait	0	0	
	1,145	1,180	

		Draft	
	2025/26	2026/27	
	Budget	Budget	
	£'000	£'000	
Duthie Park HLF			9
Duthie Park Capital Charges	56	74	
Recurring Expenditure	5,223	5,354	
Specific Projects			10
Aberdeen Street Pastors	20	0	
Home Start	43	0	
We Too - Tall Ships	39	0	
Cults Library	10	0	
Techfest	35	0	
Specific Projects	147	0	
Non Recurring Expenditure	147	0	
Total Expenditure	5,370	5,354	
Income from Properties and Estates	(3,250)	(2,913)	11
Interest on Invested Funds	(1,550)	(1,445)	12
Interest on Reserve Funds	(500)	(868)	13
Lands of Skene/Torry (Share of Surplus)	(70)	(128)	14
Burgesses of Guild and Trade	0	0	
Growth/Impairment on Invested Funds	0	0	
ORDINARY INCOME	(5,370)	(5,354)	
Net (Surplus)/Deficit	0	(0)	15

Notes to accompany the Common Good Budget 2026/27

Note 1

This budget is used to insure properties owned by the Common Good.

Note 2

This is a budget for repairs and maintenance costs for properties owned by the Common Good to meet legislative standards.

Note 3

This represents the current contribution towards the core funding for Aberdeen Citizen's Advice Bureau.

Note 4

This represents funding for the Cultural Investment Framework this is separately detailed in the Budget Pack.

Note 5

This is a grant to cover the cost of rental of various premises from Aberdeen City Council for external organisations. The external organisations do not receive the money as these are Council Properties therefore there is an internal transfer of funds within the financial ledger.

Note 6

This is funding towards the costs of organising specific events as detailed in the events programme that promote the City as a visitor destination.

Note 7

This funding is for the provision of grants and services administered by the City Council.

Note 8

This is funding for the Civic Services that support the Civic functions within the City Council and services to the citizens of Aberdeen.

This includes grant funding to support the Lord Dean and the Burgesses of Guild.

Note 9

This is a budget for the servicing of the capital debt for the upgrade to Duthie Park.

Note 10

These items are one-off items approved by Council for expenditure in 2025/26.

Note 11

Around 100 properties have registerable leases on land owned by the Common Good. In addition to this, the Common Good owns land at Brimmond Hill, Hazlehead, Hilton, Hillhead of Pitfodels, Kincorth, Kepplehills, Tullos and Mastrick, all of which generate income for the Common Good and which is reflected in this budget.

Note 12

This is a budget for income received on invested funds based on the actual income received in 2024/25 from the Multi Asset Income Fund.

Note 13

This is a budget for income for interest on reserve funds.

Note 14

The Common Good receives 51% of the Lands of Torry Trust and 30% of the Lands of Skene Trust income. These trusts earn income in rents and interest from investment.

Note 15

Due to the forecast position of the 2026/27 budget we took the decision not to ask external organisations to apply for funding. If Council were to decide not to fund specific events or organisations this would free up potential funding and the application process could be opened up at the start of 2026/27.

Tiered trend analysis

Detailed below is the tiered trend analysis for the recurring Budgeted expenditure in the Common Good Budget 2026/27-

Common Good Fund Budget 2026/27	Tiers		
	1	2	3
	£'000	£'000	£'000
General Properties/Estates	240	-	-
Aberdeen Citizen's Advice Bureau	175	115	47
Cultural Investment Framework	1,072	119	-
External Organisations Rents	100	11	-
Promoting Aberdeen	436	48	-
Small Grant Funding	-	109	-
Maintenance in Parks & Shrubs inc Union Terr Gdns	1,191	340	170
Civic Service Funding	1,120		
Total	4,334	742	217

Summary of the tiers

1 – Prevention -Taking action to prevent the occurrence of harm through universal measures

2 - Early intervention - Interventions that ward off the initial onset of harm and create empowered resilient communities and staff (human demand) Intervening before further harm takes place in a way that avoids the later costs in both human and financial terms of handling the consequences of that harm (resource demand)

3 – Response - "Significant harm has occurred or is assessed as being imminent, significant resource is required to provide specialist and / or intensive support to reduce harm and demand.

As you will see above the majority of the expenditure sits within tier 1, with a smaller proportion aligned to both tiers 2 and 3 in the analysis.