

# **WEST DUNBARTONSHIRE COUNCIL**

## **Report by Chief Officer - Resources**

**Council: 22 March 2021**

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**Subject: Dumbarton Common Good Budget Update 2021/22**

### **1. Purpose of Report**

- 1.1** The purpose of this report is to provide Council with an update on the Dumbarton Common Good budget for 2020/21 and seek approval for a revised budget for 2021/22 and indicative budgets for 2022/23 and 2023/24.

### **2. Recommendations**

- 2.1** Members are asked to:

- i) Note the probable outturn for 2020/21 as set out in the Appendix;
- ii) Approve the revised 2021/22 budget as set out in the Appendix;
- iii) Note the indicative budgets to 2023/24 as set out in the Appendix;
- iv) Note the projected balances carried forward of £0.518m at 31 March 2021 and £0.389m at 31 March 2022 (based upon the revised draft budget 2021/22); and
- v) Note that WD HSCP has agreed to fund the grant application from Alternatives.

### **3. Background**

- 3.1** Following a report to Council on 4 March 2020 Members agreed a budget for Dumbarton Common Good for the period from 2020/21 - 2023/24.
- 3.2** The budget agreed at Council on 4 March 2020 (with no additional in-year approvals) has projected annual net expenditure of £0.118m, deducted from a net brought forward balance of £0.454m, resulting in a balance to be carried forward into 2021/22 of £0.336m.
- 3.3** The Prudential Reserve of the Common Good remains at £0.025m.
- 3.4** A grant application from Alternatives was received and reported to Corporate Services Committee on 9 September 2020, requesting a one-off grant of £0.050m. Committee continued the application requesting further action.

### **4. Main Issues**

- 4.1** The Appendix provides details of the financial performance of the Common Good Budget for 2020/21, together with draft budget for 2021/22 for consideration and approval, with indicative budgets updated to 2023/24.

- 4.2 The probable outturn against the revised budget projects a net income of £0.055m – resulting in a favourable variance (underspend) of £0.173m and the main variances are:

Town Centre Management not yet spent	(£0.169m)
Small Grants budget not spent	(£0.007m)
Dumbarton Fireworks event not required	(£0.009m)
Less Rental income due than anticipated	<u>£0.012m</u>
<b>Total</b>	<b><u>(£0.173m)</u></b>

- 4.3 Based upon this expected underspend the brought forward reserves at 31 March 2021 are now projected at £0.493m, and based on the proposed budget are projected at £0.386m by 31 March 2022.
- 4.4 In terms of the adequacy of reserves – the prudential level of reserves is viewed as being an adequate level to deal with any financial shocks to the fund, based on previous experience and future expectations specifically in relation to income streams. As can be seen the level of reserves remains significantly above the prudential level and are therefore judged as being adequate.
- 4.5 Regarding the grant application from Alternatives, the WD HSCP has agreed to fund this request.

## 5. Option Appraisal

- 5.1 No option appraisal was required for this report.

## 6. People Implications

- 6.1 There are no people implications.

## 7. Financial and Procurement Implications

- 7.1 Other than the financial position noted above, there are no financial or procurement implications.

## 8. Risk Analysis

- 8.1 The Council must consider financial and reputational risks when considering funding to external organisations. The financial risk is that the Dumbarton Common Good remains within budget and a robust budgeting being agreed and ongoing monitoring and review will ensure that this is protected. There is a risk that the voluntary organisations awarded grants don't remain financially sustainable and that grant payments made are not used for purposes expected. Organisations funded by the Common Good must comply with conditions of grant which includes providing financial accounts etc. to the Council on a regular basis. This allows officers to monitor spend as being in line with expectations as well as the financial sustainability of the organisations.

## **9. Equalities Impact Assessment (EIA)**

**9.1** No equalities impact assessment was required in relation to this report.

## **10. Environmental Sustainability**

**10.1** No assessment of environmental sustainability was required in relation to this report.

## **11. Consultation**

**11.1** Legal and Financial Officers have been consulted in preparing this report.

## **12. Strategic Assessment**

**12.1** Good financial governance is essential to the delivery of each of the Council's Strategic Priorities.

**Stephen West**  
**Strategic Lead, Resources**  
**Date: 9 March 2021**

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**Person to Contact:** Gillian McNeilly, Finance Manager,  
Council Offices, Church Street, Dumbarton,  
Email: Gillian.mcneilly@west-dunbarton.gov.uk

**Appendices:** Appendix: Financial Analysis and Revised Budget

**Background Papers:** Minute of Council – 6 February 2013 – *Dumbarton Common Good Fund budget 2013/14*  
Report to Council – 4 March 2020 – *Dumbarton Common Good Fund budget 2020/21*  
Report to Corporate Services Committee – 9 September 2020 – *Grant Application*  
Minute of Corporate Services Committee – 9 September 2020 – *Grant Application*

**Wards Affected:** 2 and 3.

**DUMBARTON COMMON GOOD FUND**  
**Estimates 2021/22**

**Appendix 1**

<b>Description</b>	<b>2019/20 Actual Outturn £</b>	<b>2020/21 Budget £</b>	<b>2020/21 YTD £</b>	<b>2020/21 Projected Outturn £</b>	<b>2021/22 Draft Budget £</b>	<b>2022/23 Indicative Budget £</b>	<b>2023/24 Indicative budget £</b>
Alcoholics Anonymous - Grant for Property repairs & maintenance of CG property	8,176	8,000	225	8,000	8,000	8,000	8,000
Alternatives	227	0	(7)	(7)	0	0	0
Bellsmyre Digital Project	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Bellsmyre Schools Out	61,241	35,601	33,102	35,601	35,601	35,601	35,601
Bellysyre Development Trust	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Christmas Lights	25,633	36,000	24,000	36,000	36,000	36,000	36,000
Dumbarton Senior Citizens	15,000	15,000	0	15,000	15,000	15,000	15,000
Dumbarton Fireworks	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Town Centre Management - Capital	9,050	9,050	0	0	9,050	9,050	9,050
Rockvale Rebound - Rent	37,633	191,548	0	22,777	168,771	0	0
Scottish Maritime Museum	2,600	2,630	0	2,630	2,630	2,630	2,630
Small Grants	50,000	50,000	50,000	50,000	50,000	50,000	50,000
West Dunbartonshire Citizen's Advice Bureau	0	7,000	0	0	7,000	7,000	7,000
Central Admin Allocation	40,000	40,000	0	40,000	40,000	40,000	40,000
Estates Dept - Management Fee	14,000	14,000	0	14,000	14,000	14,000	14,000
Tullochan Trust	10,840	10,840	0	10,840	10,840	10,840	10,840
	46,520	0	0	0	0	0	0
<b>Total Expenditure</b>	<b>341,919</b>	<b>440,669</b>	<b>128,320</b>	<b>255,841</b>	<b>417,892</b>	<b>249,121</b>	<b>249,121</b>
Interest on Revenue Balance / Investments	(3,121)	(1,100)	0	(1,100)	(1,100)	(1,100)	(1,100)
Rental Income	(308,217)	(321,525)	(142,497)	(309,674)	(310,000)	(310,000)	(310,000)
<b>Total Income</b>	<b>(311,338)</b>	<b>(322,625)</b>	<b>(142,497)</b>	<b>(310,774)</b>	<b>(311,100)</b>	<b>(311,100)</b>	<b>(311,100)</b>
<b>Net Expenditure</b>	<b>30,582</b>	<b>118,044</b>	<b>(14,177)</b>	<b>(54,933)</b>	<b>106,792</b>	<b>(61,979)</b>	<b>(61,979)</b>
Balance b/fwd	(468,676)	(454,585)	(438,094)	(438,094)	(493,027)	(386,235)	(448,214)
Balance c/fwd	<b>(438,094)</b>	<b>(336,541)</b>	<b>(452,271)</b>	<b>(493,027)</b>	<b>(386,235)</b>	<b>(448,214)</b>	<b>(510,193)</b>