

WEST DUNBARTONSHIRE COUNCIL
Report by the Chief Officer – Resources
Council: 1 March 2023

Subject: Dumbarton Common Good Budget Update 2023/24

1. Purpose

- 1.1** The purpose of this report is to provide Council with an update on the 2022/23 Dumbarton Common Good budget and seek approval for a revised 2023/24 budget and indicative budgets for 2024/25 and 2025/26.

2. Recommendations

- 2.1** Members are asked to:

- i) Note the probable 2022/23 outturn as set out in Appendix 1.
- ii) Approve the revised 2023/24 budget as set out in Appendix 1, including the approval of additional budgets for the Pipe Band Championship of £50,000, £10,000 for resources for Dumbarton Library and an increase in grant of £13,706 for Alcoholics Anonymous.
- iii) Note the indicative budgets to 2025/26 as set out in Appendix 1.
- iv) Note the projected balances available for carry forward of £615,424 at 31 March 2023 and £584,446 at 31 March 2024 (based upon the revised draft 2023/24 budget).

3. Background

- 3.1** At Council on 9 March 2022, Members approved the 2022/23 budget for the Dumbarton Common Good and noted indicative budgets for the period to 2024/25. The 2022/23 budget, as shown on Appendix 1, has since been updated to reflect the actual figures carried forward from 2021/22, as opposed to the estimated figures which were included in the original 2022/23 budget. At the same meeting on 9 March 2022, Council also agreed to increase the charge to the Common Good for the central admin allocation by £10,000 and this has also been reflected in the revised 2022/23 budget as shown on Appendix 1.

- 3.2** The Prudential Reserve of the Common Good remains at £25,000.

4. Main Issues

- 4.1** Appendix 1 details the 2022/23 financial performance of the Common Good. It highlights that the income expected in-year (£321,946) is likely to be more than the anticipated expenditure (£287,835) for 2022/23, resulting in an in-year surplus of £34,111. This means that £34,111 will be added to the reserves brought forward from 2021/22 of £581,313, resulting in a total of £615,424 being carried forward into 2023/24.

- 4.2** Indicative budgets for 2023/24 to 2025/26 are also shown on Appendix 1. The figures indicate that in all 3 years, it is likely that spend will be greater than income which means there will be the need to fund any shortfall from the reserves brought forward.
- 4.3** In terms of the adequacy of reserves, the prudential level of reserves is considered to be adequate to deal with any unforeseen financial pressures on the fund, based on previous experience and future expectations, specifically in relation to income streams. The current level of reserves remains significantly above the prudential level and are therefore judged as being adequate.
- 4.4** Proposed budgets going forward remain at a standstill level with the exception of the following projects, for the following reasons:

PROJECT	REASON
Alcoholics Anonymous	Increase required reflects additional inflationary cost associated with utilities, as explained at paragraph 4.7 below. <ul style="list-style-type: none"> ▪ Increase in 2023/24 £13,706, standstill thereafter with annual amount to be reviewed in line with inflation.
Dumbarton Fireworks	Grant increased in line with the identified inflationary pressure and will continue to do so until such time as it exceeds £20,000 as previously agreed by Members at the Corporate Services Committee on the 2 November 2022. <ul style="list-style-type: none"> ▪ Initial increase in grant 22/23 £2,730, 5% annual increase thereafter.
Town Centre Management	Budget is a declining fund; whatever is not used in one year is carried forward into the next. Balance has been re-profiled annually over the next 5 years.
Bellsmyre Schools Out	Project is no longer operational. <ul style="list-style-type: none"> ▪ £6,000 reduction.

- 4.5** At the meeting of the Corporate Services Committee on 2 November 2022, Members were also asked to note the request from the Chief Officer for Citizen, Culture and Facilities to fund an annual grant of £50,000 to be paid as a contribution to the annual Pipe Band Championships commencing 2023/24. Assuming approval is given, Appendix 1 shows that a budget of £50,000 has been added in for the next 3 years.
- 4.6** Furthermore, the Chief Officer for Citizen, Culture and Facilities has requested approval for the inclusion of an annual budget of £10,000 towards the cost of library resources for Dumbarton Library commencing 2023/24. Assuming approval is given, Appendix 1 shows this additional budget has been included for the next 3 years.
- 4.7** An annual grant has been awarded to Alcoholics Anonymous for the last 10+ years to fund property running costs, namely the rent and utilities at Poplar

Road, Dumbarton. Having previously been awarded £11,700, the grant was reduced to £8,000 in 2020/21 in line with the actual cost at that time. However recent increases in utility costs means an overspend of £13,706 is anticipated in 2022/23 and the budget is no longer sufficient going forward. Assuming approval is given, Appendix 1 shows revised budgets for 2023/24 – 2025/26 of £21,706 which will be subject to review in line with inflationary increases.

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 note 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, however with a robust budget being agreed and ongoing monitoring and review will ensure that this is protected. There is a risk that the voluntary organisations awarded grants do not remain financially sustainable and that grant payments made are not used for the purposes intended. 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.

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Date: 10 February 2023

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Appendices: Appendix 1 – Financial Analysis and Revised Budget

Background Papers: Report to Council – 9 March 2022 – Dumbarton Common
Good Fund Budget 2022/23

Report to Corporate Service Committee – 2 November 2022
– Various Grant Applications to Dumbarton Common Good.

Wards Affected 2 and 3.