

WEST DUNBARTONSHIRE COUNCIL
Report by Strategic Lead, Resources
Corporate Services Committee
19 June 2019

Subject: Grant Applications

1. Purpose

- 1.1 The purpose of this report is to provide information on two grant applications and to recommend grant awards from the Dumbarton Common Good Fund.

2. Recommendations

- 2.1 The Committee is asked to agree the grant recommendations as per Appendix A.

3. Background

- 3.1 Dumbarton Common Good Fund grants are administered by West Dunbartonshire Council and are reported to the Committee as and when applications are received, once they have been considered for other funding sources by the WD CVS.

- 3.2 The value of the Common Good Fund as at 31 March 2019 was £409,000 (draft). The budgeted net expenditure for 2019/20 is £142,000.

- 3.3 A small grants budget is available for 2019/20 of £7,000 and is held within this budget in addition to a number of specified grants.

Bellsmyre Digital Trust

- 3.4 Bellsmyre Digital Trust has an approved annual grant budget through Dumbarton Common Good of £35,601 in both 2018/19 and 2019/20.

- 3.5 As previously agreed by Council, the organisation had a Service Level Agreement (SLA) for specific services to be made available to residents within the Dumbarton area and specifically to Bellsmyre residents. Currently this SLA is out of date. Discussions have taken place with the group regarding a new SLA with minor changes being discussed to this document, however this has not yet been finalised. On this basis, Council officers are still working within the parameters of the previous SLA.

- 3.6** The previous SLA states that the Common Good Fund will make payment of grant to a maximum of the agreed annual level. The review process undertaken by officers assesses if the full value of the funding is required to allow the services to be provided, depending on available funds held by the organisation (standard approach for all grant applications received). This sometimes identifies that applicants have significant bank balances and don't require the full level of funding applied for. This allows for any funds not released from the Common Good Fund to be realigned and made available for other local organisations to ensure maximum benefit to the residents of Dumbarton, and the group continues to provide the services to residents as intended.
- 3.7** The Dumbarton Common Good Budget 2019/20 report to Council 27 March 2019 noted that the projected outturn for Bellsmyre Digital grant was £2,500 (for rental of premises). The grant update to Corporate Services Committee 22 May 2019 also stated this value as the outturn for 2018/19.

4. Main Issues

4.1 New Grant Applications

A new application has been received requesting funding and details are shown in Appendix A. Members should note that an amount of £4,200 is recommended to be paid from the small grants budget of £7,000.

Ongoing Grant Applications

- 4.2** Following receipt of the information from Bellsmyre Digital for 2017/18, officers identified that the organisation had excess unrestricted funds as at their year end 31 March 2018. This included an in-year surplus of £13,380 and reserves held of £43,905.
- 4.3** The bank balance as at 28 March 2019 was £15,440 and the draft Income and Expenditure outcome for 2018/19 is noted below, together with the budget provided for 2019/20. The 2018/19 draft Financial Statements have not yet been provided (these Statements would not be expected to be provided until later in the year).

	2018/19		2019/20		
	Total Actual	Budget	Variance against Budget	Budget	Change 2018/19 to 2019/20
Total Expenditure	£38,446	£37,544	£902	£51,929	£13,483
Total Other Income	£(993)	£(750)	£(243)	£1,710	£717
WDC grant for rent	£(2,500)		£(2,500)		
Net movement	£34,953	£36,794	£(1,841)	£50,219	£12,766

4.4 The table above shows that the actual net 2018/19 expenditure, including rental costs, (net of the remaining Common Good Fund grant) was slightly lower than that budgeted. The group has funded the 2018/19 expenditure from the reserves held and other income, with the exception of the rent which was paid directly to the Council prior to 31 March 2019.

4.5 The table also identifies movement year on year of expected spend 2019/20 against actual spend 2018/19 of £12,766 increase. The main reasons identified for this increase are:

Training	£5,400
Water	£1,296
IT Consumables	£1,344
IT equipment	£1,907
IT software	£1,000

4.6 As this additional planned spend is higher than the normal level of spend, and no other funding sources have been identified by the group, officers have sought information as to the additional spend, which is effectively a grant application for more funds than are budgeted within the 2019/20 Common Good Fund budget. To date the group has not confirmed the reason for the need for these increases and has not confirmed how the 2019/20 budget would change as a result of their move to new premises.

4.7 Assuming the annual spend for 2019/20 remained at a consistent level similar to the last few years, together with the Common Good grant agreed by Members for 2019/20 (and no further grant for 2018/19), the forecast of funds projected to be held as at 31 March 2020 would be approximately £14,000. If the additional £12,000 budgeted spend was necessary (bearing in mind the outstanding queries), the bank balance would be sufficient to fund this but leave the organisation with minimal prudential reserves going forward.

	Similar spend to previous years	Spend increased per budget
Opening Balance	£15,000	£15,000
Common Good Grant 2019/20	£36,000	£36,000
Less net expenditure forecast	£(37,000)	£(50,000)
Remaining Balance	£14,000	£1,000

4.8 Assuming the annual spend for 2019/20 remained at a consistent level similar to the last few years, together with the full Common Good grant agreed by Members for 2019/20 and 2018/19, the forecast of funds projected to be held as at 31 March 2020 would be approximately

£48,000. If the additional £12,000 spend budgeted was necessary (bearing in mind the outstanding queries), the projected funds held as at 31 March 2020 would be £35,000.

	Similar spend to previous years	Spend increased per budget
Opening Balance	£15,000	£15,000
Common Good Grant 2018/19 (net of rent)	£34,000	£34,000
Common Good Grant 2019/20	£36,000	£36,000
Less net expenditure forecast	£(37,000)	£(50,000)
Remaining Balance	£48,000	£35,000

- 4.9** Regarding potential balances, Bellsmyre Digital has advised that they are aware of the challenges which are currently being presented to the organisation and accordingly have over the last few years positively planned to build up the necessary financial reserves to deliver successful and innovative pilot projects in the community which will enable them to meet the challenges which are being presented to them currently and in the longer term.

5. Option Appraisal

- 5.1** No option appraisal consideration was required for this report.

6. People Implications

- 6.1** There are no people implications.

7. Financial and Procurement Implications

- 7.1** The amount recommended to be paid from the Dumbarton Common Good Fund, per appendix A:

- (a) £4,200 from the small grants budget for Bellsmyre Development Trust (leaving £2,800 for future applications); and
- (b) No further grant award for 2018/19 for Bellsmyre Digital and the full £35,601 for 2019/20 as budgeted.

8. Risk Analysis

- 8.1** The Committee must consider financial and reputational risks when considering grant applications. The financial risk is not only that the Dumbarton Common Good Fund remains financially viable, but also that the organisations funded by the Fund comply with the Conditions of Grant

which cover issues such as discrimination, health and safety, insurance, etc.

9. Equalities Impact Assessment (EIA)

9.1 No issues were identified in a screening of applications.

10. Environmental Sustainability

10.1 No environmental sustainability issues require to be raised in connection with this report.

11. Consultation

11.1 All organisations are consulted regarding recommendations of grant prior to the report being submitted to Committee.

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Date: 12 June 2019

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Appendices:	Appendix A: Detail of application for assessment
Background Paper:	Grant Application Forms and background papers Dumbarton Common Good Budget 2019/20 – Council Report 27 March 2019 2018/19 Grants Update report – Corporate Services Committee 22 May 2019
Wards Affected:	Ward 3