

WEST DUNBARTONSHIRE COUNCIL
Report by Strategic Lead, Resources
Council - 27 November 2019

Subject: Dumbarton Common Good Fund - Grant Applications

1.1 The purpose of this report is to provide information on one grant application and to make recommendation regarding grant award from the Dumbarton Common Good Fund (DCGF). The report also updates Members on a further grant award, as considered by Corporate Services Committee on 19 June 2019.

2. Recommendations

2.1 Council is recommended to agree:

- (a) an award of £46,520 be made to Tulloch Trust regarding this application, following a letter of comfort from Tulloch confirming the benefit to Dumbarton residents; and
- (b) to provide for an annual payment of £36,000 to be built into the DCGF budget from 2020/21 onwards and for a Service Level agreement to be progressed based upon this budget provision.

3. Background

General

3.1 DCGF grants are administered by West Dunbartonshire Council and applications are reported to Corporate Services Committee as and when received, once they have been considered for other funding sources by the WDCVS.

3.2 The aim of the DCGF is to provide money to encourage and support one-off community activities within Dumbarton with the benefit of grant funding being reserved for residents of Dumbarton.

3.3 Officers received an application that, due to queries outstanding, was not reported to Corporate Services Committee on 13 November 2019. However, due to the urgency of the application outcome, the application has been brought to Council for consideration.

3.4 The balance held in the DCGF as at 31 March 2019 was £0.469m.

3.5 A small grants budget was available for 2019/20 of £0.007m and grants agreed to date aligned to this budget during 2019/20 total £0.052m. Based

upon the budget set by Council on 27 March 2019 (assuming the remaining Town Centre budget of £0.229m is used or committed) and taking into account the additional grants agreed to date, the projected balance carried forward as at 31 March 2020 is £0.275m. The DCGF Prudential Reserve is £0.025m.

- 3.6** The projected annual income and expenditure for the DCGF budget for the next 3 years is currently:

	2020/21	2021/22	2022/23
	£m	£m	£m
Gross expenditure	0.217	0.217	0.217
Gross income	0.304	0.304	0.304
Net increase to reserves	<u>0.087</u>	<u>0.087</u>	<u>0.087</u>
Projected brought forward reserves	0.275	0.362	0.449
Current projection on reserves as at 31 March	<u>0.362</u>	<u>0.449</u>	<u>0.536</u>

3.7 Bellsmyre Development Trust SCIO

On 19 June 2019 Corporate Services Committee considered a grant application to Dumbarton Common Good from Bellsmyre Development Trust SCIO and agreed to approve the full grant of £19,633 requested and that officers consider Service Level Agreements (SLAs) for the Trust. The Trust's annual budget for 2019/20 is:

	2019/20
	£m
Gross expenditure	0.123
Gross Income	<u>0.116</u>
Net expenditure	<u>0.007</u>

- 3.8** The Trust currently holds unrestricted funds of £0.050m, held for potential redundancy costs and as a prudential reserve.

- 3.9** Bellsmyre Development Trust's year end is 31 January each year. External grant funding is secured until 31 January 2020, from long running multi-year awards (total from Robertson Trust and Big Lottery in 2019/20 is £0.042m). However, these grants are no longer available thereafter, leaving a shortfall of income over expenditure. Other grant applications made during 2019/20 have been unsuccessful to date. The next Corporate Service Committee is February 2020 and therefore it was felt it was appropriate to bring an update to Council for consideration, which will allow the Trust to understand their financial position and consider any appropriate action prior to the start of their new financial year.

4. Main Issues

New Grant Applications

- 4.1 An application has been received requesting funding and details are shown in the Appendix. The requested grant value is approximately 21.8% of the total cost of the project. Members should note that officers are recommending approval of the £46,520, on condition that a letter of comfort from Tulloch confirming that the number of Dumbarton residents benefitting from the project is equal to or greater than 21.8% of the overall number of young persons benefitting from the project.

Bellsmyre Development Trust

- 4.2 Following discussions with the Trust, annual grant funding of a maximum of £0.036m is being requested from DCGF, from 2020/21 onwards, on the basis of a Service Level Agreement being agreed. This funding would be used to fund general running costs of the Trust, allowing current events and activities to continue within the Bellsmyre area. The funding would also be used to try to lever in other grant funding, with a further £0.025m being required to break even each year. The Trust's request for funding assumes that if grant funding is received in excess of £0.025m then the annual DCGF grant would reduce in line with this.
- 4.3 If the funding from DCGF wasn't secured, the likelihood would be that the facility would require to either close or drastically reduce in functionality until (and if) alternative grant sources were identified.

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 If Council agrees the recommendation for grant award in 2019/20, this would result in the projected carried forward balance in the DCGF being reduced by £0.047m.
- 7.2 If the recommendation is agreed for annual funding Bellsmyre Development Trust from 2020/21, the annual net increase reserves will reduce from £0.087m to £0.051m.

8. Risk Analysis

8.1 Council must consider financial and reputational risks when considering grant applications. The financial risk is not only that the DCGF 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 the application.

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 Members for consideration. The report has also been considered by legal colleagues.

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Date: 20 November 2019

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Appendices: 1: Detail of application for assessment

Background Paper: 2018/19 Grants Update report – Corporate Services
Committee 19 June 2019
Dumbarton Common Good Budget 2019/20 – Council
Report 27 March 2019
Dumbarton Common Good Budget Report / Minute –
Council 6 February 2013
Grant Application Forms and background papers

Wards Affected: Ward 1, 2 and 3