
To: Finance, Resources and Customer Services Policy Board

On: 8 February 2024

Report by: Director of Finance and Resources

Heading: Paisley and Renfrew Common Good Fund Budgets 2024/25

1. Summary

- 1.1 The level of funding available to disburse annually from the Paisley and Renfrew Common Good Funds is dependent upon the income received by the Funds during the year. For each Fund, income is derived from its respective investment portfolio and is received in the form of property rental payments, interest payments or dividends, with the latter two being particularly sensitive to financial market fluctuations.
- 1.2 The level of income available for 2024/25 has been estimated, along with existing annual commitments and assessments made of the affordability of existing funds delegated to Local Partnerships on an annual basis.
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2. Recommendations

2.1 The Board is asked to:

- i) **Approve** the 2024/25 budget allocations to Local Partnerships as follows:

Common Good Fund	Local Partnership	Budget 2024/25
Renfrew	Renfrew	£84,600
Paisley	Paisley East	£12,400
Paisley	Paisley North, West and Central	£10,900
Paisley	Foxbar / Brediland and Glenburn	£10,200

- ii) **Approve** the continuing funding of project awards, as outlined in Appendix 1.
 - iii) **Approve** the proposed future year allocations to the Cherrie Centre as outlined in paragraph 3.8.
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3. **Background**

- 3.1 The Common Good Funds of both Paisley and Renfrew are used each financial year to fund ongoing projects and commitments made by the Finance, Resources and Customer Services Policy Board. In addition, an annual allocation is made to relevant Local Partnerships, which have delegated authority to disburse grants to local organisations from which they receive bids for funding and/or to use the funding themselves to support appropriate projects. The proposed allocations are based on the current Local Partnership arrangements.
- 3.2 Income received by the Common Good Funds is derived from rental income from Common Good property and, principally, from dividend income and interest payments. Subject to maintaining tenancies, rental income remains fairly stable and predictable on a yearly basis. However, in terms of investment income from dividends and interest, it is necessary to make an informed estimate each year of the income that will be available to the Common Good Funds in the following year.
- 3.3 Rental income receivable by both Common Good Funds is expected to remain unchanged from the current year actual.
- 3.4 The investment income for 2024/25 is based on the estimated figures provided for both the Paisley and Renfrew Common Good funds as at 30 September 2023. The markets and anticipated sustainability of investments will continue to be monitored by both officers and the Investment Review Board.
- 3.5 Taking these projections into account, a forecast Income and Expenditure Statement for each Common Good Fund has been prepared on a cash basis (i.e. excluding non-cash movements, such as depreciation) and is appended for Members' consideration. These forecasts presume that in-year expenditure will not exceed income. There is a requirement to ensure that the ongoing commitments of each Common Good Fund remain affordable and sustainable.
- 3.6 Based on current economic data, inflation has been falling since last year and is expected to continue to fall during 2024/25. The current Bank of England estimated inflation figure is 3.9% (as of 14 December 2023) therefore no inflation uplifts have been proposed for 2024/25.

- 3.7 The proposed awards for Barshaw Gala within Paisley Common Good Fund and for Renfrew Gala within Renfrew Common Good Fund have been increased to £10,000 to reflect the increased costs of running these events.
- 3.8 Officers have been in discussion with representatives from the Cherrie Centre in recent months in order to assess the Centre's considerable reliance on Common Good Funding to maintain their early years service. These discussions have been constructive and agreement has been reached that will allow a staged and manageable reduction in Common Good support over a number of years while the Centre moves to a more commercially sustainable operating and financial model. Officers will maintain ongoing dialogue with representatives from the centre and will provide additional support and advice where required. It is proposed that the funding allocation to the Centre be £70,000 in 2024/25, with the allocation in future years being as follows: 2025/26 £60,000; 2026/27 £50,000; 2027/28 £40,000, and being maintained at £40,000 in subsequent years.
- 3.9 The reduction in funding to the Cherrie Centre in 2024/25 has been added to the Local Partnership allocation for Renfrew Common Good to enable wider distribution of funds into the community, as will the future year reductions outlined in 3.8 above.

Implications of the Report

1. **Financial** – The proposed budgeted allocation is based on a general principle of only spending the available income in each year.
2. **HR & Organisational Development** – None arising directly from this report.
3. **Community Planning:**
 - Our Renfrewshire is well*** – Many of the projects funded by Local Partnerships contribute to the promotion of more active pursuits for all age groups.
 - Our Renfrewshire is thriving*** - The funding allocated from the Common Good Funds supports local community groups and projects.
 - Our Renfrewshire is safe*** – The community projects funded by Local Partnerships, as well as recurring funding for events and community services supports communities to be safer and stronger.
4. **Legal** – None arising directly from this report.
5. **Property/Assets** – None arising directly from this report.
6. **Information Technology** – None arising directly from this report.

7. **Equality & Human Rights** – None arising directly from this report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – None arising directly from this report.
9. **Procurement** – None arising directly from this report.
10. **Risk** – There is a risk investment income will not be realised as forecast, however this risk will be monitored through regular discussion with the Council's investment manager and adviser.
11. **Privacy Impact** – None arising directly from this report.
12. **COSLA Policy Position** – N/A.
13. **Climate Risk** – None arising directly from this report.

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Paisley Common Good - Income & Expenditure Forecast

	Approved 2023/24 £	Proposed 2024/25 £
Estimated Net Annual Income available:		
Income receivable from Loans Fund	(1,000.00)	(10,000.00)
Investment Income	(155,000.00)	(155,000.00)
Property Rental Income	(49,000.00)	(49,000.00)
	(205,000.00)	(214,000.00)
Less costs:		
Investment Management Fees	24,000.00	19,000.00
Council Administration Fee	14,000.00	14,000.00
Property Costs	1,000.00	1,000.00
Total Available for Disbursement	(166,000.00)	(180,000.00)
Proposed Recurring Projects:		
Christmas lights	55,000.00	55,000.00
Repair to War Memorial	500.00	500.00
Barshaw Gala	5,300.00	10,000.00
CCTV Operations	19,500.00	19,500.00
Total Cost of Recurring Projects	80,300.00	85,000.00
Proposed Non-recurring Projects:		
Oakshaw Church Steeple Repair	50,000.00	0.00
Paisley Mòd 2023 Organising Committee	15,000.00	0.00
	65,000.00	0.00
Proposed Local Partnership Allocations:		
Paisley East, Ralston, Hawkhead/Lochfield, Hunterhill and Charleston	12,400.00	12,400.00
Paisley North, Gallowhill, Ferguslie, Paisley West and Central	10,900.00	10,900.00
Foxbar / Brediland and Glenburn	10,200.00	10,200.00
	33,500.00	33,500.00
(Surplus)/Deficit on cash basis	12,800.00	(61,500.00)

Renfrew Common Good - Income & Expenditure Forecast

	Approved 2023/24 £	Proposed 2024/25 £
Estimated Net Annual Income available:		
Income receivable from Loans Fund	(5,000.00)	(5,000.00)
Investment Income	(560,000.00)	(560,000.00)
Property Rental Income	(270,000.00)	(280,000.00)
	(835,000.00)	(845,000.00)
Less costs:		
Investment Management Fees	85,000.00	70,000.00
Council Administration Fee	45,000.00	45,000.00
Renfrew Town Hall - lifecycle maintenance	8,000.00	8,000.00
Property Costs	15,000.00	15,000.00
Total Available for Disbursement	(682,000.00)	(707,000.00)
Proposed Recurring Projects:		
Christmas lights: operating costs	16,700.00	16,700.00
Christmas lights: switch-on event	10,000.00	10,000.00
Renfrew Pipe Band Competition	10,000.00	10,000.00
Repair to War Memorial	300.00	300.00
Repair to Public Clocks	220.00	220.00
Bench Maintenance - Robertson Park	700.00	700.00
Cherrie Centre Support	79,300.00	70,000.00
Renfrew Gala Week	5,300.00	10,000.00
CCTV Operations	11,600.00	11,600.00
Total Cost of Recurring Projects	134,120.00	129,520.00
Proposed Local Partnership Allocations:		
Renfrew	75,300.00	84,600.00
(Surplus)/Deficit on cash basis	(472,580.00)	(492,880.00)