

14th September 2018

To Members of The Shadow Executive,

Grants to Voluntary and Community Organisations - Monday 17th September 2018.

Firstly we would like to thank the Shadow Executive for consideration of voluntary and community sector funding before year end to allow organisations much needed time to make any adjustments they need as a result of funding decisions made. We are though writing to outline the impact on Dorset Community Action (DCA) of the proposed funding cuts outlined in this paper, as we do not believe that full evidence has been taken into consideration in assessing potential impacts on multi funded organisations like DCA.

We have two areas of concern:

1. While the given grant income figure for DCA of £101,000 appears to be correct, the paper does not take into account secondary income we earn for our support of Local Area Partnerships (LAP). For 2018/19 we estimate this to be up to £10,752 in support of Bedminster LAP and partnership development work in Sherborne. LAP funding has for years made up an important element of our current funding model, and the paper does not recognise the impact of secondary funding cuts on organisations like DCA.
2. Regarding the figures given for Christchurch disaggregation, the paper does not make it clear how this is calculated. The paper cites that the Christchurch related budget this year is £573,027 which will be reduced by £38,352 (by our calculations a 6.7% cut). This is less than the 11% reduction previously quoted to us by our DCC External Grants Officer.

Working with these figures, for next year we are now looking at a total loss of income ranging from £16,631 to £20,404 depending on which Christchurch percentage we are working from, or between a 14.5% to 17.8% cut in our funding, which will have a disproportionate impact on us, as the main DCC grant does not fully cover the costs of running the county wide service required by DCC.

It is worth noting that we currently also bring in pound for pound match funding from external funders to provide this service, and it is unlikely that we can bring in additional external income to cover further local funding losses. This will leave us with only one realistic option of staff redundancies to make necessary cost savings, resulting in a reduction of the scope of the free service we currently provide to Dorset's Voluntary, Community, and Social Enterprise (VCSE) groups currently funded by these collective grants.

We therefore request that as per the principles expressed in the paper:

1. That a full review/consideration is made of our funding position before a decision is taken;
2. That we receive clarity on the Christchurch disaggregation penalty to be able to fully assess its impact.

On a wider note, while we understand the logic of the proposal, we would request the Shadow Executive consider the wider implications of cutting all funding to remaining LAPs, and how this will impact on determining a new model for community planning that would best meet the needs of the new Unitary Authority. From recent experience in North Dorset, the sudden loss of Community Partnership funding will not necessarily be replaced by town councils, resulting in the subsequent loss of community networks with whom the council can engage and consult on service delivery, with diminished potential for collaborative funding bids bringing money into our market towns to fund projects benefitting both our local economies and communities.

Finally, DCA, as members of the Transition Leadership Group representing the VCSE Sector, have been in recent dialogue with Cllrs Knox and Jespersen on how we can strengthen the relationship between our respective sectors. They asked us to make them aware of any actions being taken operationally, which were to the detriment of the VCSE Sector and the work being done to develop the new relationship, and we trust that this letter will be taken in that spirit.

Yours faithfully



Alan Clevett

DCA Chairman