

MEETING: 25/07/2019

Ref: 15208

ASSESSMENT CATEGORY: Bridging Divides - Connecting the Capital

Headway East London

Adv: Gilly Green

Base: Hackney

Benefit: London-wide

Amount requested: £119,151

(Revised request: £102,229)

Amount recommended: £102,230

The Applicant

Headway East London (HEL), established 18 years ago, is a registered charity and works with over 675 survivors of brain injury each year, plus an additional 200 family members. HEL offers a range of specialist services across 13 boroughs in London, including: therapy; family support; community services; and day services, including the Artist's Studio (the subject of this application). HEL is the only provider of its kind in inner London and places an emphasis on peer support and on members taking responsible roles within the organisation. Over 25% of its volunteers are survivors of brain injury.

The Application

The applicant seeks continuation funding towards the cost of its flagship art studio, run as part of the Headway Centre. Your support over the last three years has helped establish a creative and safe space for people whose lives are changed through brain injury. Last year the studio worked with over 70 individuals. During this time it has also focused on further developing its partnerships, including with the Barbican and Shoreditch-based Autograph, both of which seek closer collaboration with HEL and offer exhibition space and professional development. Additionally, some of the artists' work has been sold and there have been several corporate commissions. Funds are requested over the next two years towards the continued running costs of the studio including contributions to key salaries, management cost and artist materials.

The Recommendation

The Artist's Studio at HEL is a forward looking, creative arts space which can demonstrate significant therapeutic and physical benefits to those with brain injury. As it develops high profile partnerships it also offers a great opportunity to showcase the work of disabled artists. It meets your outcomes of the Connecting the Capital programme by enabling disabled people to have improved access to the arts. A revised budget was submitted to keep the funding broadly in line with the first three years support and funding is advised as follows:

£102,230 over two further and final years (£50,300, £51,930) towards the costs of the Artist Studio, including salaries, on costs, art materials, marketing the work and enhancing public awareness. Year two funding is conditional on receipt of a business plan that shows longer term improved financial viability.

Funding History

Meeting Date	Decision
18/03/2016	£146,000 over three years (£46,600, £48,600, £50,800) towards the costs of establishing a flagship studio, marketing the work and enhancing public awareness.
09/09/2010	£114,000 over three years (£43,000; £35,000; £36,000) for the

salary of a f/t Project Leader and some running costs of a project supporting people into employment and greater independence.

Background and detail of proposal

The Artist's Studio creates a nurturing and creative environment for people with brain injury who are referred to the Headway Centre. Some members participate in the art studio for therapeutic benefits; others are developing as professional artists. The studio also receives private and corporate commissions, participants have acted as spokespersons and visiting artists have run workshops. More broadly, and especially through its emerging partnerships with high profile galleries, HEL aims to raise the bar for disabled artists and to become a leading advocate in this field. Service users in the studio number around 70 each year; about 2/3 are male, aged between 25-50 (the demographic of brain injured people) and are referred by statutory health and social care agencies.

Financial Information

Whilst 2018 saw an improved financial position as a result of an unexpected legacy, the forward projections are not so positive. HEL expects to report deficits for 2019 and 2020, eating into reserves. HEL's key source of funding is through fees for service users paid by statutory authorities. It currently has contracts with 13 different boroughs through spot purchasing, individual budgets and block contracts. However, HEL has received no statutory uplift in service fees for 8 years due to constraints on social care budgets and the annual deficits must be met by increased charitable funding or other means. HEL is aware that this is not a sustainable model.

Under the leadership of a new Chair, HEL is undertaking a strategic review in order to establish longer-term viability. It recognises it must diversify its income sources and/or offer services to more people. It will likely consider developing patronages with high net worth individuals in the arts world, raising funds to purchase a building and increase funding from Trusts and Foundations. The organisation is not in immediate crisis, but it does need a sustainable business plan going forwards and a condition, aimed at being helpful, has been attached to the grant to this effect.

Year end as at 31 MARCH	Audited Accounts	Forecast	Budget
	2018	2019	2020
	£	£	£
Income & expenditure:			
Income	1,905,177	1,823,764	1,881,052
- % of income confirmed as at 8th April 2019	n/a	100%	77%
Expenditure	(1,730,269)	(1,914,674)	(1,975,280)
Total surplus/(deficit)	174,908	(90,910)	(94,228)
Split between:			
- Restricted surplus/(deficit)	(16,121)	12,407	(44,406)
- Unrestricted surplus/(deficit)	191,029	(103,317)	(49,822)
	174,908	(90,910)	(94,228)
Cost of Raising Funds	51,091	54,000	46,000
- % of income	2.7%	3.0%	2.4%
Operating expenditure (unrestricted funds)	1,405,709	1,603,198	1,780,834
Free unrestricted reserves:			
Free unrestricted reserves held at year end	431,303	327,986	278,164
No of months of operating expenditure	3.7	2.5	1.9
Reserves policy target	297,600	297,600	297,600
No of months of operating expenditure	2.5	2.2	2.0
Free reserves over/(under) target	133,703	30,386	(19,436)