

**ASSESSMENT CATEGORY: Bridging Divides - Advice and Support****Tamil Welfare Association (Newham) UK****Adv: Sandra Jones****Base: Newham****Amount requested: £68,000****Benefit: Newham****Amount recommended: £68,000****The Applicant**

Operating since 1986, Tamil Welfare Association (Newham) UK (TWAN) was set up to improve the quality of life for Tamil refugees and migrants living in East London, chiefly through supporting them to adapt and successfully integrate into UK society. Activities include support for older people and children, although the charity's primary project is offering legal advice and representation on debt, welfare benefits, housing, employment and immigration.

**The Application**

This application is for two years' continuation funding for the organisation's debt, welfare and housing advice to support Tamil refugees and migrants. It proposes to undertake this at the charity's office by a full-time advisor and associated running costs.

**The Recommendation**

The applicant has delivered good outcomes for the beneficiaries of this project and the monitoring highlighted the impact of the work undertaken with a vulnerable client group. The organisation continues to have low levels of free reserves, and so it is recommended that the release of each year's payments is subject to the receipt of a satisfactory forecast for the year, until such time that free reserves reach a reasonable level.

***£68,000 over two further and final years (2 x £34,000) towards the costs of a FT Advice Worker and associated running costs. Release of each year's payments is subject to the receipt of a satisfactory management accounts, until such time that free reserves reach a reasonable level.***

**Funding History**

Meeting Date	Decision
18/03/2016	£102,000 (3x £34,000) towards the costs of a FT Advice Worker and associated running costs. Release of quarterly payments are subject to the receipt of a satisfactory forecast each quarter of income and expenditure, until such time that free reserves reach a reasonable level.
08/10/2009	£22,500 over three years (£7,250; £7,500; £7,750) towards weekly befriending and lunch club activities for older members of the Tamil community in East London.

**Background and detail of proposal**

TWAN's Advice Worker is responsible for providing the organisation's advice work on money and debt advice, housing and welfare benefits. This is supported by volunteers who are trained and supervised by the post holder. Although the project is

predominantly for people from the Tamil community, they are open to provide advice to all local people.

This work is undertaken at the charity's premises in Newham and is a lifeline for some of London's poorest people. The charity has Advice Quality Standard accreditation; OISC Level 3 for immigration; and has been awarded the status of one of the London Legal Support Trust's Centre of Excellence.

### Financial Information

During the life of the previous grant, TWAN re-mortgaged its property to finance the purchase of the lease on the remaining part of the same building, which they anticipated would generate rental income to build up reserves over the coming years. However, they expanded their own services and so although they are generating some rental income, it is not as much as they anticipated. As they own the building, they are in a position to relinquish part of the building they currently occupy in order to downsize and remain sustainable.

The figure for unrestricted reserves in the table below does not include fixed assets of £360,718 (2018 examined accounts), relating to the value of the property they own. In the case of real financial need it is possible that these could be released though selling the property and for borrowing against it.

Should a continuation grant be awarded by City Bridge Trust, it is suggested that, until such time that reserves reach a reasonable level, the release of each year's payments is subject to the receipt of satisfactory management accounts.

Year end as at 31 December	2017 Independent Examination £	2018 Independent Examination £	2019 Forecast £
<b>Income &amp; expenditure:</b>			
Income	214,167	282,096	200,000
- % of income confirmed as at 18/12/2018	n/a	n/a	29%
Expenditure	(182,243)	(266,410)	(193,650)
Total surplus/(deficit)	31,924	15,686	6,350
Split between:			
- Restricted surplus/(deficit)	9,931	0	16,250
- Unrestricted surplus/(deficit)	21,993	15,686	(9,900)
	31,924	15,686	6,350
Cost of Raising Funds	0	0	0
- % of income	0.0%	0.0%	0.0%
Total expenditure	182,243	266,410	193,650
<b>Free unrestricted reserves:</b>			
Free unrestricted reserves held at year end	21,992	22,678	12,778
No of months of operating expenditure	1.4	1.0	0.8
Reserves policy target	60,748	88,803	64,550
No of months of operating expenditure	4.0	4.0	4.0
Free reserves over/(under) target	(38,756)	(66,125)	(51,772)