

**MEETING: 26/09/2019**

**Ref: 15294**

**ASSESSMENT CATEGORY: Bridging Divides - Advice and Support**

**Trussell Trust**

**Adv: Tim Wilson**

**Base: Camden**

**Amount requested: £317,715**

**Benefit: London-wide**

**Amount recommended: £317,700**

**The Applicant**

Trussell Trust is a registered charity. It was established in 1997 to deliver work in Bulgaria but is today more commonly known for its focus on the eradication of food poverty. Today it runs a network of 428 foodbanks via a social franchising model. Donated goods come largely from the public, but the charity also benefits from the support of corporate partners including Asda and Tesco. Whilst Trussell works to ensure that acute food needs are met, it also looks to address the underlying reasons why food poverty occurs in the UK. At client level, this involves referrals to advice agencies such as Citizens Advice, whilst at national level Trussell engages with policymakers to advocate change. Trussell's goal is to end the need for foodbanks in the UK.

**The Application**

Trussell seeks funding over five years for one of its two London Area Managers. This is an incumbent post-holder who will work to build the capacity of 40 London foodbanks to both meet emergency food demands and to refer clients to relevant sources of advice and support. The post-holder will support foodbanks to implement more systematic processes, to publish impact data and case studies, and to increase the profile of food poverty.

**The Recommendation**

Widely regarded as the UK's food poverty expert, Trussell Trust work to combat hunger and poverty is delivered through a network of local foodbanks, typically established by community-based organisations who wish to respond to otherwise unmet need. Trussell provides the expertise to ensure these foodbanks run effectively, both in their management of stock but also in the ways they refer clients to other support-providing organisations. The charity gathers data on why clients access foodbank services and then uses this to target its advocacy work, most recently on the impact of delays in benefit payments. The request for funding will help ensure that London's foodbank services run as efficiently as possible. Funding is advised as follows:

***£317,700 over five years (£59,800; £61,600; £63,500; £65,400; £67,400) for a full-time London Area Manager with associated on-costs and expenses to support the capital's foodbanks meet emergency food demands and provide clients with access to help and advice.***

**Funding History**

Meeting Date	Decision
06/07/2018	The organisation withdrew its application following advice from your officers.
30/10/2013	£195,000 over three years towards the salaries of a London

	Network Manager and a London Development Officer.
18/04/2013	The organisation withdrew its application following advice from your officers.
11/11/2010	£60,000 over two years towards the London expansion of Foodbank services.

### **Background and detail of proposal**

Trussell's foodbank network has emerged from the work of local groups. In London the network has grown from 9 foodbanks in 2009 to 40 today. Trussell provides data collection and stock control systems under licence, as well as conducting regular quality inspections. Locally, referral agents such as health visitors, schools, social workers and GPs provide food vouchers to those in need. This might be identified because someone is not using their heating in order to afford food, or parents going without in order to feed their children. A foodbank would then provide an emergency package with 3 days of provisions along with referral to agencies offering debt, welfare or housing advice.

Whilst the growth in the number of foodbanks has slowed recently, Trussell reports that the numbers of users has grown significantly, as has the proportion of repeat visits resulting from insufficiency of income. This indicates a chronic want on the part of many clients, exacerbated in the capital by employers who do not pay the London Living Wage. Foodbank service offering has changed to reflect a greater proportion of in-work users, with more opening the evenings or at weekends.

### **Financial Information**

The table below shows a significant growth in income and expenditure from 2018 to 2019. This resulted from a large national partnership supporting the financing of foodbanks across Trussell's network.

Trussell's reserves' policy is to hold funds of at least equivalent value to 3 months' average operating costs. The table shows free reserves initially below, and then above, target as the organisation grows. The growth in free reserves is the result of an increased level of corporate partnership income which will be distributed to the foodbank network in the form of grants. Whilst this distribution will be phased over time, Trussell Trust does not intend to hold above-target reserves for an extended period and it is anticipated that future balance sheets will see reserves in line with policy.

<b>Year end as at 31st March</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
	<b>Audited Accounts</b>	<b>Draft accounts</b>	<b>Forecast</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income &amp; expenditure:</b>			
Income	7,270,437	11,753,933	12,519,400
- % of Income confirmed as at 20th June 2018	n/a	100%	47%
Expenditure	(6,640,241)	(10,849,117)	(12,517,310)
<b>Total surplus/(deficit)</b>	<b>630,196</b>	<b>904,816</b>	<b>2,090</b>
<b>Split between:</b>			
- Restricted surplus/(deficit)	1,102	(300,000)	3,400
- Unrestricted surplus/(deficit)	629,094	1,204,816	(1,310)
	<b>630,196</b>	<b>904,816</b>	<b>2,090</b>
<b>Cost of Raising Funds</b>	<b>1,592,649</b>	<b>1,722,313</b>	<b>2,167,000</b>
- % of Income	21.9%	14.7%	17.3%
<b>Operating expenditure (unrestricted funds)</b>	<b>3,688,526</b>	<b>3,817,539</b>	<b>4,737,310</b>
<b>Reserves:</b>			
<b>Free unrestricted reserves held at year end</b>	<b>626,138</b>	<b>1,830,954</b>	<b>1,829,644</b>
No of months of expenditure	2.0	5.8	4.6
<b>Reserves policy target</b>	<b>922,132</b>	<b>954,385</b>	<b>1,184,328</b>
No of months of operating expenditure	3.0	3.0	3.0
<b>Free reserves over/(under) target</b>	<b>(295,994)</b>	<b>876,569</b>	<b>645,316</b>