

ASSESSMENT CATEGORY: Bridging Divides - Connecting the Capital**The Kensington and Chelsea Foundation****Adv: Samantha Grimmett-Batt
Base: Kensington & Chelsea
Benefit: Kensington & Chelsea****Amount requested: £185,000****Amount recommended: £185,000****The Applicant**

Kensington and Chelsea Foundation (K&CF), a charity registered in 2008, raises funds in the local community (predominantly from businesses and private schools) and redistributes them, via grant-making, to local charities. It also acts as a central hub bringing together residents, local schools, and businesses to help them to decide how best they can invest in the community where they live or work. Finally, it offers support, guidance and networking opportunities to local charities and community groups as well as individuals wishing to volunteer. K&CF is one of the earliest examples of place-based giving (PBG), and is a member of London's Giving, which you also fund.

The Application

This is a core costs application for funding over the next five years towards the salaries of the Development Manager and Community Engagement Manager. These key roles support the CEO to work with local charity and community partners, investing in them and their expertise. In particular, these roles enable the Foundation to encourage collaborations and partnerships, leading to improved outcomes and impact. A taper has been applied, as per current Trust policy. K&CF has been funded since 2013; per your policy regarding infrastructure organisations, the usual funding moratorium of one or two years does not apply.

The Recommendation

K&CF is one of the better established PBG schemes and as an active member of the London's Giving network, is generous in sharing its learning with other schemes. The proposed funding will enable K&CF to continue to identify pressing local needs and bring together the resources to tackle them. Funding is recommended:

£185,000 over five years (£50,000, £45,000, £40,000, £30,000, £20,000) towards the salaries of the Development Manager and Community Engagement Manager.

Funding History

Meeting Date	Decision
10/01/2017	£100,000 over two years to continue to pay the salary of the Head of Business and Community Together and some associated costs.
30/10/2013	£114,000 over three years for the salary and related costs of a full-time Corporate Engagement Manager.

Background and detail of proposal

Following the fire at Grenfell Tower on 14 June 2017, K&CF became one of the principal organisations to raise and deploy funding in response to the tragedy. Working closely with the Charity Commission, the Foundation immediately set up the Grenfell Tower Fund and collected funding directly and through Just Giving and The

Big Give. Redistributing these funds as quickly as possible to those in need dominated activities for much of 2017. This activity put considerable strain on the small staff team, although some funding was received towards core costs specifically related to this period.

In 2018 the charity undertook a listening project to determine the best way to distribute the remaining Grenfell funds, working with local businesses, faith groups, schools, voluntary and community sector organisations, and individuals. For charities based in North Kensington, K&CF focused on providing Grenfell related relief. For those in other areas K&CF worked hard to ensure that they were not ignored and £252,000 was still invested in them throughout the year.

The charity has a three year strategic plan, which will capitalise on new connections built during 2017/18 and continue to build on innovative projects such as their Winter Warmth programme, which enables those older people who can afford to donate their government Winter Fuel Payment to do so, and be sure of redistribution to local people in need. It also operates a project to address local loneliness and isolation; "Hands Across the Borough" and a youth based project; "Young Sparks". None of this work would be possible without support for core costs, which, if approved, your grant will provide.

Financial Information

The extraordinary income in 2018, and deficits in 2019 and 2020 reflect the receipt, and ongoing distribution, of funds in response to the Grenfell Tower fire. Once Grenfell expenditure is removed, surpluses are predicted in 2019 and 2020. The Foundation expects to have distributed all Grenfell related funds by the end of 2022 and is no longer actively fundraising. The cost of raising funds comprises staff salaries, with a lower amount spent in 2019 due to gaps in recruitment. Reserves, whilst under target in 2018 and 2019, should reach target level in 2020, the actual policy being to hold 6-9 months of operating costs in unrestricted funds.

Year end as at 31st March	2018 Signed Accounts £	2019 Draft Accounts £	2020 Forecast £
Income & expenditure:			
Income	7 526 149	874 459	900 000
- % of income confirmed as at 19/08/2019	N/A	N/A	0%
Expenditure	(5 591 320)	(1 167 709)	(1 435 000)
Total surplus/(deficit)	1 934 829	(293 250)	(535 000)
Split between:			
- Restricted surplus/(deficit)	2 021 565	(311 924)	(744 000)
- Unrestricted surplus/(deficit)	(86 736)	18 674	209 000
	1 934 829	(293 250)	(535 000)
Cost of Raising Funds	0	172 558	230 000
- % of Income	0.0%	19.7%	25.6%
Operating expenditure (unrestricted funds)	218 400	213 818	230 000
Free unrestricted reserves:			
Free unrestricted reserves held at year end	73 638	91 940	137 312
No of months of operating expenditure	4.0	5.2	7.2
Reserves policy target	109 200	106 909	115 000
No of months of operating expenditure	6.0	6.0	6.0
Free reserves over/(under) target	(35 562)	(14 969)	22 312