

MEETING: 30/01/2020

Ref: 15338

ASSESSMENT CATEGORY: Bridging Divides - Advice and Support**Waltham Forest Churches Night Shelter Ltd
(WFCNS)****Adv: Lily Brandhorst****Amount requested: £261,484
(Revised request: £296,000)
Amount recommended: £296,000****Base: Waltham Forest
Benefit: London-wide****The Applicant**

Waltham Forest Churches Night Shelter, known as Branches, was originally founded in 1996 by seven local churches to provide shelter and food to rough sleepers. A registered charity, since 2011 it has been running a 27 bed hostel in Walthamstow, providing up to 18 months' accommodation and support for single homeless people aged 18 to 65; move-on support for former residents now in their own accommodation; and advice and support for homeless adults. In total, it supports up to 150 people a year. It is the only mixed gender hostel in the borough for people classified as having high support needs such as drug or alcohol dependency, and the only hostel for homeless people that receives the Local Authority's Supporting People grant. Clients are referred from across North East London.

Three Support Workers work intensively with clients, who have multiple needs including mental ill-health, substance use, low literacy levels, a lack of up to date work skills, and offending histories. During clients' time in the hostel, staff help them attend to their mental, physical and emotional needs and build up the skills, confidence and resilience needed to live independently.

The Application

Branches seeks funding for the salary and related project costs of employing a full-time Cognitive Behavioural Therapy (CBT) Therapist. The Therapist will provide interim 1:1 support for clients' acute mental health needs while they wait for statutory support, most often in "dual diagnosis" cases, where clients with both substance use and mental health needs are unable to access statutory support for either. The Therapist will also use their expertise to advocate for clients with external mental health services and other relevant agencies, for example housing and welfare benefits. In this way clients can begin addressing their immediate or urgent mental health needs, feeling better and more able to cope in the short-term, while in the longer term they will be able to access appropriate mental health and substance use treatment to support and sustain their ongoing recovery. The role would support 30 residents and 20 people in move-on accommodation per year.

The Recommendation

Branches is well-regarded locally, receiving referrals from, and working in partnership with, a wide range of other agencies including the Local Authority. It already works closely with local adult mental health, drug and alcohol services to support clients. It plans to further develop its move-on services over the next five years to provide support and accommodation for people ready to take the next step towards independent living. Having an established in-house Therapist forms a key part of its bigger vision to provide joined up-support to people, throughout their transition from homelessness to having, and sustaining, a home of their own. At

assessment it emerged that some essential elements of the project budget had not been included in the funding request as the applicant was concerned about making “too big” an ask. Following discussion with your officer the charity has revised its request to include these costs, ensuring that the project is funded sustainably over the five-year period. A grant is recommended as follows:

£296,000 over five years (£58,550; £57,800; £58,800; £59,850; £61,000) for the salary and on-costs of employing a Full Time (35 hpw) CBT Therapist and associated project costs, with a contribution to core costs.

Funding History

No previous funding history.

Background and detail of proposal

There is a strong link between homelessness and mental health needs; research shows higher rates of depression, anxiety and attempted suicide among homeless people than the general population (Homeless Link, 2018). This can become a self-perpetuating cycle; mental health difficulties can be a contributing factor in someone’s becoming homeless and, once there, homelessness further compounds such difficulties, making it harder to escape. Substance dependency is also a common issue for many homeless people; the difficulty in accessing ever-dwindling statutory mental health services means that many use drugs or alcohol in an attempt to feel better. As with mental ill-health, problematic substance use can be both a cause and an effect of homelessness.

In cases where people have a “dual diagnosis” of substance use and mental health needs, statutory mental health services will not usually see them until they can give substantial evidence of reducing or stopping substance use; similarly, most support for reducing or ending substance use can only be accessed once the client has taken steps to address their mental health needs. Very few services exist that offer treatment for both at the same time. In this way, many homeless people are trapped in a Catch-22 situation, unable to access either form of support and unable to address their needs without appropriate support.

At the time of applying, 86% of Branches residents had a mental health support need requiring clinical intervention and 60% had a long-term drug or alcohol dependency. By introducing a Therapist, Branches can help its clients to break the cycle by providing CBT to address their most acute needs and support them in engaging with substance use reduction programmes.

Financial Information

The charity is prudently managed and in a good financial position. It projects a year end surplus in 2020 and 2021. 73% of funding for 2021 is already secured. The surplus forecast for year- end March 2020 is substantial; some of this is likely to be transferred to designated funds. The designated fund is for the charity’s planned future acquisition of move-on accommodation. Free reserves are currently in excess of target, however the Board plans to increase its target to six months’ operating expenditure. This is a more appropriate target for a charity delivering essential support and accommodation, where continuity is key to clients’ recovery.

Year end as at 31st March	2019 Final Accounts £	2020 Forecast £	2021 Budget £
Income & expenditure:			
Income	549,180	693,248	666,351
- % of Income confirmed as at 12/11/19	N/A	98%	73%
Expenditure	(525,130)	(563,260)	(659,490)
Total surplus/(deficit)	24,050	129,988	6,861
Split between:			
- Restricted surplus/(deficit)	0	0	0
- Unrestricted surplus/(deficit)	24,050	129,988	6,861
	24,050	129,988	6,861
Operating expenditure (unrestricted funds)	525,130	558,130	609,239
Free unrestricted reserves:			
Free unrestricted reserves held at year end	203,539	333,527	340,388
No of months of operating expenditure	4.7	7.2	6.7
Reserves policy target	131,283	139,533	152,310
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	72,257	193,995	188,078