

ASSESSMENT CATEGORY - Reducing Poverty**Trust Thamesmead****Adv: Tim Wilson****Amount requested: £161,512****Base: Greenwich****Benefit: Greenwich & Bexley****Amount recommended: £90,000****The Charity**

Thamesmead was developed as a new town by the Greater London Council (GLC) in the 1960s to rehouse families from Inner South East London displaced by slum clearance. When the GLC was abolished in 1986 town management fell initially to a single organisation until, in 2000, responsibility for housing, land development, and community work was split between three agencies. Trust Thamesmead is the community development lead for the area, providing employment advice; financial literacy training; support for older people; and a range of well-being services.

The Application

Thamesmead is unlike many areas of London: it has unusually poor transport connections; many of the 1960s concrete buildings now show advanced decay and are being demolished; and, for what was intended to be a coherent town, the area is bisected by two local authority boundaries which complicates governance arrangements. The area suffers high levels of transience, deprivation and ill-health.

In 2014 Peabody Group assumed overall responsibility for housing and land development. To help ensure a coordinated economic and social response to some of the area's most significant problems Trust Thamesmead (TT) became a subsidiary of Peabody. In turn, TT has convened a programme partnership of five organisations under the banner *Positive Steps Thamesmead*. This poverty-reduction initiative works to make information, advice and support more accessible for local residents. Programme services include money, welfare and debt advice, affordable credit, a food bank and recycled furniture. The work is promoted by volunteers operating from the local GP surgery, with TT referring people to the relevant programme partner depending on the priority needs.

The Recommendation

Positive Steps Thamesmead impresses as a well-designed programme addressing some of the underlying reasons for local deprivation. TT has assembled a strong partnership including the Citizens' Advice Bureau, community credit specialist Fair Finance, and Thamesmead Furniture Recycling. Trust Thamesmead serves as the 'anchor' organisation, providing overall coordination, fundraising and monitoring. There are plans to scale the work in the future through social investment.

The level of funding sought is relatively high, not least because Trust Thamesmead currently holds free reserves above its current target. However, the programme is an important step towards tackling poverty in an area of persistent disadvantage. A contribution towards the programme costs is recommended as follows:

£90,000 over three years (3 x £30,000) towards Trust Thamesmead's Positive Steps Thamesmead initiative providing advice services, debt counselling, and support for disabled people.

Funding History

Meeting Date	Decision
27/11/2014	An application for Positive Steps Thamesmead subsequently withdrawn, revised and resubmitted as a result of other funding received.
10/04/2014	£4,400 to undertake an eco-audit for Trust Thamesmead

Background and detail of proposal

Positive Steps Thamesmead developed from Trust Thamesmead's engagement with the local GP surgery on the impact of poverty on health. The surgery reported that a high proportion of appointments were non-medical but rather general requests of advice and support. Patients presented issues that had been triggered by underlying issues of deprivation such as poor quality housing and high levels of stress caused by economic hardship. There was a low level of awareness of alternative provision or how to access the support that did exist. Trust Thamesmead's programme draws in specialist providers to offer a range of services. Access will be via any of the programme partners as well as an initial access point at the GP surgery where trained volunteers will engage people with a preliminary needs assessment. There are long-term plans to sustain the service through social investment.

Financial Information

Trust Thamesmead became a subsidiary of the Peabody Group on 1st April 2014. Following this new arrangement Trust Thamesmead received £5,363,423 from the sale of investment assets to Peabody and the charity advises that this one-off event accounts for the 135% increase in income seen between 2013-14 and 2014-15.

As a result of the sale of assets, free reserves at the year ending 31st March 2015 are £4,935,005, an amount equivalent to 18.5 months' worth of expenditure. Whilst the charity expects to see free reserves reduce to approximately £3m by the end of the current year on 31st March 2016, they will still be above the target six months' worth. The organisation has advised that it plans to use all surplus reserves by 31st March 2018 on a range of projects, including contributions towards the costs of the programme proposed to City Bridge Trust.

The charity expects income of £2,419,884 in the current year 2015-16 and advises that £2,254,372 (93.2%) has been confirmed by June 2015.

The charity has advised that its cost of generating funds has reduced significantly since 1 April 2014 as a result of becoming a subsidiary of the Peabody Group which provides fund raising support.

Year end at 31 March	2013/14 Audited Accounts £	2014/15 Draft Accounts £	2015/16 Current Year Budget £
Income and Expenditure			
Income	3,149,296	7,396,060	2,419,884
Expenditure	3,309,981	3,202,410	3,496,415
Unrestricted Funds Surplus / (Deficit)	(361,095)	4,093,647	(1,076,531)
Restricted Funds Surplus / (Deficit)	200,410	0	0
Total Surplus / (Deficit)	(160,685)	4,093,647	(1,076,531)
Surplus / (Deficit) as a % of turnover	(5.1%)	55.3%	(44.5%)
Cost of Generating funds (% of income)	114,199 (3.6%)	45,422 (0.6%)	52,531 (2.2%)
Free unrestricted reserves			
Free reserves held at Year End	841,358	4,935,005	3,069,454
How many months' worth of expenditure	3.1	18.5	10.5
Reserves Policy target	1,500,000 – 1,800,000	1,601,205	1,748,208
How many months' worth of expenditure	5.4 – 6.5	6	6
Free reserves over/(under) target	(658,642 – 958,642)	3,333,800	1,321,246