

MEETING: 09/07/2015

Ref: 12519

ASSESSMENT CATEGORY - Resettlement and Rehabilitation of Offenders

Phoenix House (T/A Phoenix Futures)

Adv: Tim Wilson

Base: Southwark

Benefit: London-wide

Amount requested: £320,444

Amount recommended: £150,000

The Charity

Phoenix works to help people with drug and alcohol problems reach their full potential. The charity was established over 40 years ago and today runs a range of interventions with vulnerable clients providing support to improve physical and mental health, reduce anti-social and criminal activity, and improve social attitudes.

The Application

The focus of the application to City Bridge Trust is Phoenix's Building Futures programme with offenders and ex-offenders. Building Futures began in the charity's community rehabilitation centres but developed to a programme with serving prisoners working towards reduced recidivism. Currently running services in several prisons, Phoenix seeks funding to provide pre- and post-release support to Building Futures programme participants in HMP Holloway. Your funding is sought for a Through the Gate Worker who will compile pre-release needs assessments; meet service users at the gate on the day of release; escort them to their first community treatment appointments; and work with them over one to three months to ensure effective community integration. The worker will recruit, train and oversee a cohort of volunteers who will work with them to support service users.

The Recommendation

Phoenix has delivered support inside prisons since 1994. Building Futures is an established programme and the charity has existing contracts with HMPs Holloway and Pentonville. The contracts cover the costs of support inside the prison, and City Bridge Trust is asked to complement this intervention by funding the costs of post-release work. The initial request was for two full-time posts, which is not your usual practice, and the recommended amount has been discussed with and agreed by the charity. Funding is advised as follows:

£150,000 over three years (3 x £50,000) towards the costs of a full-time Through the Gate Worker plus running costs for work with participants of the Building Futures programme on release from HMP Holloway. The award is conditional on receipt of a satisfactory monitoring framework.

Funding History

Meeting Date	Decision
16/07/1996	£100,000 towards the refurbishment of a residential and day care facility for young drug users with multiple needs.

Background and detail of proposal

Building Futures supports service users to make positive lifestyle changes by addressing the behavioural and lifestyle that could lead to offending. The charity plans to extend its programme by providing support at the prison gate and escorting users to their first community appointments (often addressing substance misuse).

Engagement at this stage is intended to prevent negative lifestyle factors from harming service users' rehabilitation and the charity seeks to help avoid 'trigger' situations such as contact with drug dealers. The charity's worker or volunteer is there to discourage a drift towards negative patterns of behaviour. The intervention has been designed to complement existing drug intervention projects and to support the work of the Probation Services through tailored intervention for those with substance misuse problems. Programme referrals are made by the Prison Service and the programme works with both short and long-sentence offenders.

Financial Information

Between the year ended 31st March 2014 and the year ended 31st March 2016, Phoenix House's income is expected to decrease by 18%. This follows the period when the organisation merged with another charity, Foundation66, and Phoenix House advises that many of the grants and contracts held by that organisation were not renewable. Phoenix House has advised City Bridge Trust that it expects its income will stabilize around £22 – 23m for the foreseeable future. Total forecast income for the current year 2015-16 is £22,538,338, of which £16,813,610 (74.6%) had been confirmed by April 2015.

Free unrestricted reserves are forecast to be £2.7m at 31st March 2016, which is a fall of 57% between 31st March 2015 and 31st March 2016. The charity advises that this is due the use of reserves to fund the forecast deficit in the current year which is largely due to a one-off contribution to its pension scheme of £3.9m.

Phoenix House has advised that its cost of generating funds is low as a substantial portion of its income (approximately 25%) is received from social housing lettings, for which it says no specific fundraising is required.

Year end at 31 March	2013/14 Audited Accounts	2014/15 Draft Accounts	2015/16 Current Year Budget
Income and Expenditure	£	£	£
Income	27,536,000	23,210,866	22,538,338
Expenditure	22,112,000	22,743,686	26,027,329
Unrestricted Funds Surplus / (Deficit)	5,424,000	467,180	(3,488,991)
Restricted Funds Surplus / (Deficit)	0	0	0
Total Surplus / (Deficit)	5,424,000	467,180	(3,488,991)
Surplus / (Deficit) as a % of turnover	19.7%	2.0%	(15.5%)
Cost of Generating funds (% of income)	491,366 (1.8%)	557,061 (2.4%)	585,997 (2.6%)
Free unrestricted reserves			
Free reserves held at Year End	5,678,000	6,145,180	2,656,189
How many months' worth of expenditure	3.1	3.2	1.2
Reserves Policy target	3,685,333 - 5,528,000	3,790,614 - 5,685,921	4,337,888 - 6,506,832
How many months' worth of expenditure	2.0 – 3.0	2.0 – 3.0	2.0 – 3.0
Free reserves over/(under) target	1,992,667 – 150,000	2,354,566 – 459,259	1,681,699 – (3,850,643)