

MEETING: 11/05/2017

Ref: 13919

ASSESSMENT CATEGORY – Making London More Inclusive

Royal Hospital for Neuro-disability

Amount requested: £119,961

Amount recommended: £119,000

Adv: Tania Bronstein

Base: Wandsworth

Benefit: London-wide

The Charity

The Royal Hospital for Neuro-disability (RHN) is the UK's oldest independent hospital and medical charity in the UK. It provides rehabilitation, treatment, and long-term nursing care for adults with severe disabilities resulting from brain injuries or degenerative neurological conditions. The hospital has special expertise in the management of complex and chronic conditions, including patients with highly dependent care needs and/or in a minimally aware state, people with challenging behaviour and people needing mechanical ventilation. RHN is renown as a pioneer of cutting edge assistive technology solutions and for providing extra services to enhance patients' quality of life over and beyond the traditional rehabilitation model.

The request

Long-term patients occupy 123 out of 227 beds at the RHN. Most of them are severely disabled, cannot take part in recreation activities in the community, and RHN offers a wide range of arts, music, leisure and adapted sports activities so that they lead as normal and fulfilled lives as it is possible. RHN seeks a three-year grant to meet 50% of the costs of its sports programme, consisting of: twice-weekly sessions of Boccia (a Paralympic sport similar to Boules); a weekly mixed sports session; and 28 individual "Aquability" sessions per week. The grant would benefit 120 people every year.

The recommendation

The sports and recreation programme offers a valuable break from hospital routines and is welcomed by patients' families and by patients able to communicate their preferences. The grant sought is for non-clinical activities, and eligible under your programme. The advised yearly split below follows a request from RHN, which has not secured the balance needed for the project in year one, and needs to focus this year's fundraising efforts on securing £3m required for a planned capital development.

£119,000 over three years (£45,000; £39,000; £35,000) towards the costs of providing regular sports activities to people living with severe neurological disabilities.

Funding History

Meeting Date	Decision
04/05/2006	£20,000 for an accessible vehicle for patients' outings

Background and detail of proposal

This application seeks funds for activities in a hospital setting, which you do not ordinarily support. However, RHN is an independent charity, not part of the NHS, even though it provides 95% of its income (RHN mostly cares for NHS patients). The sports and recreation activities are neither part of patients' clinical plans, nor offered

as a form of therapy, and are therefore within the scope of your funding criteria. NHS sources only cover costs of providing for clinical and care needs, and funding for these extra recreational and wellbeing activities need to be raised from independent sources. The adapted sports activities are very popular, in particular Boccia (the RHN has teams playing in a Boccia league). Aquability is much sought after, as users of assistive equipment draw enormous pleasure from being in the water free from hard metallic surfaces around them. The Aquability sessions represent a large proportion of the request, and are expensive to run, requiring at least 5 members of staff to safely help a patient to move between his/her wheelchair and the swimming pool.

Financial Information

From a deficit in 2014/15, RHN achieved a surplus in 2015/16 further to negotiating increased fee rates with clinical commissioning groups for its Nursing Home Service along with a new three-year contract at higher levels with NHS England for its Brain Injury Service. These contributed to a 19% increase in patients' income, a growth rate that RHN intends to sustain as part of its long-term financial sustainability plan. The RHN has sufficient reserves to guarantee operations for the foreseeable future. The reserves policy target is expressed as a range of between £6m and £15m (equivalent to between 2 and 5 months' worth of expenditure). The free unrestricted reserves holding is forecast at just £380K below the upper end of the range by 30.09.17. The charity was unable to provide financial forecasts beyond their current financial year, which ends on 30 September 2017.

The low percentage of the cost of raising funds against total income below is a reflection of the criteria used in the calculation. This works out the percentage in respect of total income. However this disclosure must exclude costs of generating income in furtherance of charitable objects. Voluntary income represents 5% of annual income, and therefore the percentages are 18.7% in 2015/16 and 16% in 2016/17.

Year end as at 30 September		2015-16	2016-17
		Audited Accounts £	Forecast £
Income & expenditure:			
Income		38,028,000	39,058,000
- % of Income confirmed at 30.03.2017		n/a	31%
Expenditure		(35,399,000)	(36,690,000)
		2,629,000	2,368,000
Split between:			
- Restricted surplus/(deficit)		89,000	1,188,000
- Unrestricted surplus/(deficit)		2,540,000	1,180,000
(Note 1)		2,629,000	2,368,000
Cost of Raising Funds			
		940,000	850,000
- % of income		2.5%	2.2%
Operating expenditure (unrestricted funds)		34,942,000	36,578,000
Free unrestricted reserves:			
Free unrestricted reserves held at year end		13,440,000	14,620,000
No of months of operating expenditure		4.6	4.8
Reserves policy target		6,000,000	6,000,000
No of months of operating expenditure		2.1	2.0
Free reserves over/(under) target		7,440,000	8,620,000

(1) Net position before £2,629,000 gain on investments and £2,056,000 actuarial gain on defined benefit pension