

**MEETING: 11/05/2017**

**Ref: 13841**

**ASSESSMENT CATEGORY - Reducing Poverty**

**Children England**

**Adv: Julia Mirkin**

**Amount requested: £115,944**

**Base: Westminster**

**Benefit: London-wide**

**Amount recommended: £116,000**

**The Charity**

Children England (CE), established in 1942, is a membership organisation, comprising organisations involved with the care, support, education or the delivery of other services for children, young people and families (CYPF), particularly for those affected by social or economic poverty. CE draws on expertise from its membership to identify emerging issues and to steer policy development; it raises awareness through conferences, seminars and by commenting on Parliamentary papers and consultations. 4In10, the focus of this application, is one of CE's four discreet programmes, delivered in addition to supporting and representing its members.

In March 2013, CE ceased to be a strategic partner of the Department for Education, which resulted in an 80% drop in its income, impacting severely on its reserves in 13/14. CE has worked hard to cut back its core team, streamline its programmes and secure alternative sources of income over the last three years but as a matter of principle will not compete with its members for contract work. The financial table below shows a pattern of reducing deficits and CE's first surplus forecast for 17/18.

**The Application**

This application is for two years continuation funding for the 4In10 project, for which CE has secured match-funding from Trust for London. The application has been submitted under the Reducing Poverty strand of Investing in Londoners. Although not a direct match to the stated programme outcomes, the work of 4In10 addresses the broader aims of the Reducing Poverty programme; it also is unique and London-wide, making it eligible for up to five years of funding under your guidelines.

**The Recommendation**

During the first two year grant, CE successfully moved the issue of child poverty up the agenda for all candidates of the London Mayoral elections. A high profile advisory board of established academic, sector and media leaders on child poverty has been convened and four well-received reports have been published, pre and post-election. Work is gaining momentum and CE hopes to maximise on the opportunities to influence policy development presented by the new administration in London; the local government elections in 2018 and campaigning around devolution.

Funds are requested for more than one FTE post (see below), which is beyond your general funding guidelines. Given that this application is for continuation funding to support work that is gaining momentum and as match-funding has been secured, it is your officer's recommendation that the amount requested be awarded.

**£116,000 over two years (£57,500; £58,500) for a f/t Research and Learning Officer and a p/t Network Membership Officer, web developments, workshops and the production of research reports for the 4In10 programme in London.**

**Funding History**

Meeting Date	Decision
11/05/2017	£44,000 over one year as a contribution to salaries and associated

	costs to support involvement in the Way Ahead process.
28/01/2015	£104,000 over two years (£51,000; £53,000) towards a part-time Membership Officer (2d/p/w) and a part-time Research and Learning Officer (4d/p/w) to support the 4 in 10 network in London.

### Background and detail of proposal

680,000 of London's children live in poverty. This is 37% of the population, which compares poorly to the national statistic of 27%. The higher child poverty rate in the capital is considered to reflect spiralling housing, childcare and transport costs, combined with a lack of well-paid, flexible jobs – for mothers in particular. 4In10 was established in 2008 but has been hosted by CE since 15-16. Some of CE's achievements during the first two years of funding are mentioned above; this application seeks to build on these achievements by expanding the 4In10 network, which currently comprises 300 members; by creating tools and templates; making case studies more accessible and by showing how high-profile social issues, such as housing, affect child poverty. CE proposes to enhance its web-hub by installing greater interactivity: CE hopes to upload films, facilitate debate through webinars and host downloadable toolkits and training materials. CE will also deliver ten good practice seminars for providers; ten capacity-building training sessions for advocacy organisations; and focus on the issue of health inequalities amongst.

### Financial Information

£13.3K of the deficit incurred in 15/16 was planned expenditure of restricted/designated funds brought forward. During the same year, CE spent £9K relocating to more cost-effective accommodation. A further office move is scheduled for April 2017 to space at Coram's Offices, offering a further rental saving of 50%. In addition CE has also reduced its core staff team, which affects the calculation of its unrestricted free reserves: a notional sum to cover redundancies for permanent staff is subtracted prior to calculating free reserves, which explains the increase in the forecast for 16-17. Finally, the Tudor Trust awarded CE 3 years' of core unrestricted funding in 2015, which is helping to stabilise the charity.

Year end as at December	2015 Examined £	2016 Forecast £	2017 Forecast £
<b>Income &amp; expenditure:</b>			
Income	536,631	488,647	374,698
- % of Income confirmed	n/a	n/a	73%
Expenditure	(618,612)	(535,549)	(364,152)
Total surplus/(deficit)	(81,981)	(46,902)	10,546
Split between:			
- Restricted surplus/(deficit)	(5,063)	0	2,500
- Unrestricted surplus/(deficit)	(76,918)	(46,902)	8,046
	(81,981)	(46,902)	10,546
Cost of Raising Funds	8,519	10,874	16,756
- % of income	1.6%	2.2%	4.5%
Operating expenditure (unrestricted funds)	262,036	216,856	209,454
<b>Free unrestricted reserves:</b>			
Free unrestricted reserves held at year end	23,181	91,788	90,000
No of months of operating expenditure	1.1	5.1	5.2
Reserves policy target	50,000	50,000	52,364
No of months of operating expenditure	2.3	2.8	3.0
Free reserves over/(under) target	(26,819)	41,788	37,636