

MEETING: 20/09/2017

Ref: 14172

ASSESSMENT CATEGORY - Making London Safer

National Society for the Prevention of Cruelty to Children

Adv: Kate Moralee

Amount requested: £272,400

**Base: Hackney
Benefit: Croydon and East London**

Amount recommended: £270,000

The Charity

The National Society for the Prevention of Cruelty to Children (NSPCC) is a national charity whose vision is to end cruelty to children. The organisation's aim is to be there for every child whenever they need help, and to transform society so that no child ever suffers abuse.

The Application

In September 2014 you awarded NSPCC £180,000 over 2 years to employ two case workers for a Protect and Respect project in Croydon and in East London. The service aimed to provide a range of preventative and protective initiatives for young people experiencing Child Sexual Exploitation (CSE). This application requests continuation funding for NSPCC to continue delivering this service scaling up preventative work, specifically in secondary schools in London, and developing a strategic framework to improve local response to CSE nationally.

The Recommendation

The NSPCC is one of the leading organisations in this area of work, CSE being recently recognised as a specific form of abuse. Defining CSE as a form of abuse has been a major aspect of the project to date. The previous project began as a manualised programme (a one size fits all approach), however the learning from that identified that a young person relationship-led service is critical to achieving positive outcomes. The work in Croydon and East London form part of a wider project which will culminate in the development of a Theory of Change (ToC). The ToC is a significant piece of work and will have a profound impact on national practice supporting young people experiencing CSE.

The level of funding requested and recommended includes provision for 2 fte staff. Usually you support one only for "standard" grants but as this is specialist and strategic work across London then it is considered appropriate to support as advised.

£270,000 over 3 further and final years (3 x £90,000) towards the salary costs of two Protect and Respect Case Workers, for Croydon and East London respectively.

Funding History

Meeting Date	Decision
25/09/2014	£180,000 over two years (£90,000; £90,000) towards the salary costs of two of the Protect and Respect case-workers.
26/03/2009	£50,000 over 2 years (£25,000, £25,000) towards the costs of a practitioner supporting young people involved in gangs or victims of domestic violence and anger management in Tower Hamlets.

Background and detail of proposal

1,000 cases of CSE were reported in London in the last year, a 50% increase between 2014 and 2016. This is due to several factors and in part as a result of the work of the Protect and Respect service. The scale and importance of reports and responses across London is critical in contributing to and developing a good practice framework to support young people experiencing CSE in a consistent manner.

Although this proposal seeks funding for the practice interventions of two case workers in London this cannot be separated from the strategic impact of the wider project - on national good practice and on policy development in this field. The practitioners either attend or feed into various panels and forum across London to contribute to the development of CSE procedures and guidance; they have had 5,000 contacts from other agencies in East London and Croydon for support with cases; and they provide training workshops to improve skills in the area.

Learning to date has identified the need to provide a young person centred, trauma informed, relationship-led response to CSE. The premise of a Trauma Informed Response is the provision of safety as critical to starting the journey of recovery. When providing support to young people who are currently experiencing CSE it may not be possible to provide that “safety” therefore developing a trauma led approach in this arena is innovative and unique. It advocates creating a window of opportunity allowing the young people a voice whilst using trauma informed principles to provide the opportunity to support young people through the traumatic experiences and beyond.

Being able to understand, describe and articulate a national response to CSE is critical at this point in time as currently there are a number of wide and divergent local responses. NSPCC has a weight of evidence - over 3,000 contributions from young people (not all from London) input into their 5 evaluations to date. The key strategic aim of this proposal and of the 5 evaluations covering practice and process is to develop a Theory of Change. The ToC will provide an analysis of the various pathways into CSE for young people (dependent on numerous vulnerability factors in a young person's life experience) and provide correlating possible responses and interventions. This is critical in supporting Local Authorities in being able to commission services effectively, and in identifying some of the challenges they may face and how to pre-empt those challenges.

Financial Information

NSPCC is a financially well managed charity. It experienced significant investment losses in y/e 2016 and gains in y/e 2017. In 2015 A full actuarial valuation of the pension was carried out at 31 March 2015 and updated to 31 March 2017 by a qualified actuary. The updated valuation has resulted in a pension deficit of £21,000,000 in y/e 2017. The charity has agreed with Trustees that it will aim to eliminate the deficit over a period of seven years and nine months from 5 April 2015 by the payment of £1,000,000 per annum until 31 December 2017 and £2,000,000 per annum from 1 April 2017 to 31 December 2022. In addition the defined benefit pension scheme was closed to new members on 1 July 2002.

Year end as at 31st March	FY 15/16	FY 16/17	FY 17/18
	Audited	Draft Accounts	Forecast
	£	£	£
Income & expenditure:			
Income	128,912,000	127,000,000	122,000,000
- % of Income confirmed @ 21.8.17	n/a	n/a	45%
Expenditure	(126,444,000)	(121,000,000)	(121,000,000)
Losses/Gains on investment/pension	(1,087,000)	(20,400,000)	
Total surplus/(deficit)	1,381,000	(14,400,000)	1,000,000
Split between:			
- Restricted surplus/(deficit)	73,000	500,000	190,000
- Unrestricted surplus/(deficit)	1,308,000	(14,900,000)	810,000
	1,381,000	(14,400,000)	1,000,000
Cost of Raising Funds	25,851,000	24,000,000	25,000,000
- % of income	20.1%	18.9%	20.5%
Operating expenditure (unrestricted funds)	105,048,000	98,000,000	98,010,000
Free unrestricted reserves:			
Free unrestricted reserves held at year end	53,099,000	38,199,000	39,009,000
No of months of operating expenditure	6.1	4.7	4.8
Reserves policy target	26,262,000	24,500,000	24,502,500
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	26,837,000	13,699,000	14,506,500