

MEETING: 20/09/2017

Ref: 14118

ASSESSMENT CATEGORY - Strengthening London's Voluntary Sector

Ethical Property Foundation

Adv: Joan Millbank

**Amount requested: £134,000
(Revised request : £150,000)**

Base: Lambeth

Benefit: London-wide

Amount recommended: £150,000

The Charity

The Ethical Property Foundation (EPF) was set up in 2004 in response to the voluntary and community sector's need for advice and information on property related matters. To date EPF has supported over 3,500 organisations across England and Wales with expert property advice, consultancy and education. Issues have included lease negotiation, valuation, rent reviews, finding an office and property refurbishment. In 2014 the charity launched 'Fairplace Award', its workplace accreditation scheme which recognises the socially and environmentally responsible management of buildings. Since 2015 EPF has been the sole referral partner with the Charity Commission for land and property advice, and undertakes a bi-annual Charity Property Matters Survey. From 2018 the charity will be renamed 'Fairplace Foundation'; no other governance changes are expected.

The Application

This application is for EPF to continue to provide a property advice service to benefit London voluntary and community organisations (VCS). The current three year grant concludes in September 2017; a further three year grant is sought. Building on learning and achievements to date, and taking into account London's changing property environment, EPF is seeking your support to continue and develop the range of property-related advice, information and education available to London's VCS.

The Recommendation

While being considered under the Strengthening London's Voluntary Sector programme this further request represents core funding as the continuation of this work is of strategic importance to London. Continuing support for organisations such as EPF, which provide vital infrastructure services to the sector, helps to add value to your other grant-making by ensuring that organisations have recourse to good quality, professional, advice and training. There is both a continuing and increasing need within London's VCS for access to good quality support on all aspects of property management. The Charity Property Matters Survey and direct referrals highlight changing trends and pressures within London's property market and the impact on VCS, for example, high rents, loss of commercial rental space, selling off of public buildings and asset transfers. Monitoring of the current grant has been consistently good and the value of the work was recently reviewed in a learning visit by your grants officers. The request has been increased following a review of costs at the assessment meeting.

£150,000 (£60,000; £50,000; £40,000) over three years towards core salaries and running costs to continue to provide a property advice service to benefit London's voluntary and community organisations.

Funding History

Meeting Date	Decision
25/09/2014	£147,500 over three years towards the provision of the London Property Advice Service to benefit London voluntary organisations..
17/02/2011	£110,000 over three years towards the salary and associated running costs of the London Property Advice Service

Background and detail of proposal

45% of respondents from the last Charity Property Management Survey felt that property was the biggest risk faced by their organisation. Through its services and support EPF seeks to build property management knowledge, skills and confidence within the VCS, helping groups to save money and secure their long term presence within the capital.

It will do this in London by continuing to deliver a multifaceted property advice service. The services will be delivered by its core property advice team made up of two part-time senior advisors and an assistant, with additional support from (currently 2) property professional volunteers. In addition EPF will use its register of property professionals, which include solicitors and surveyors, to offer specialist pro-bono and discounted advice and services. Administrative support will be provided through a Project and Office Coordinator with management support provided by the Chief Executive.

Over three years EPF will deliver 18 information and education workshops to benefit 250 VCS groups, followed by 18 advice clinics to provide tailored support to up to 60 groups: this support will target those groups with a turnover of under £250,000 per annum. In addition, the team will deliver one-to-one advice to 300 groups and link them into the register of property professionals as required: support is likely to cover all aspects of the property management including leasing, asset transfers, buying, premises budgeting, moving, property sharing, managing risk and hot desking. The website will be used to deliver free online materials, templates and guidance: 2,500 London VCS groups are expected to benefit. Your support will also help EPF to conduct two London versions of the Charity Property Matters surveys to chart emerging trends and issues. It works closely with The Centre for Accessible Environments and other organisations like local infrastructure groups, LandAid and Small Groups Coalition to promote its services, maximise its reach and share learning.

Financial Information

The charity has successfully taken action to improve its financial management and overall position. Grants and sponsorship are now shown as restricted income in forecast, and in September 2016 EPF ended the year with a surplus in unrestricted income; a small surplus is expected by September 2017. The cost of generating funds represents a proportion of the Chief Executive's time. The charity is reviewing its reserve policy to ensure effective future use.

Year end as at 30 September	2016	2017	2018
	Audited/Examined Accounts	Forecast	Budget
	£	£	£
Income & expenditure:			
Income	212,876	225,720	225,000
- % of Income confirmed as at	n/a	100.00%	30%
Expenditure	(186,111)	(220,034)	(221,136)
Total surplus/(deficit)	26,765	5,686	3,864
Split between:			
- Restricted surplus/(deficit)	(11,514)	0	0
- Unrestricted surplus/(deficit)	38,279	5,686	3,864
	26,765	5,686	3,864
Cost of Raising Funds	5,360	7,883	7,922
- % of income	2.5%	3.5%	3.5%
Operating expenditure (unrestricted funds)	149,611	80,334	96,136
Free unrestricted reserves:			
Free unrestricted reserves held at year end	79,801	85,487	89,351
No of months of operating expenditure	6.4	12.8	11.2
Reserves policy target	37,403	20,084	24,034
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	42,398	65,404	65,317