

DELEGATED AUTHORITY

Ref: 15595

ASSESSMENT CATEGORY: Bridging Divides - Advice and Support**Limehouse Project****Adv: Sandra Jones****Base: Tower Hamlets****Amount requested: £117,089****Benefit: Tower Hamlets****Amount recommended: £117,100****The Applicant**

The Limehouse Project (LP) was set up in 1990 with a general community development function for the areas of Limehouse, Stepney, Wapping, and Poplar in east London. It focuses its activities on supporting the most disadvantaged members of local communities and especially women from a minority ethnic background. It provides a range of advice, information, training and educational services in clients' own languages. LHP is well-networked with other providers, including Island Advice Centre, Bromley-By-Bow Centre, and Toynbee Hall. The charity holds quality standards appropriate for advice providers.

The Application

LP is requesting funding for a full-time Universal Credit Support Worker and associated running costs to help meet the increase in demand for advice that the transition from legacy benefits to Universal Credit (UC) has made of their advice services. There is a disproportionate number of women eligible or in receipt of UC with a lack of understanding about how to apply for UC.

The Recommendation

The charity has strong links locally, with a good track record of delivering a range of high-quality services for local people. Despite funding challenges, the organisation is well run and made shrewd decisions that help them mitigate reduction in funding. It purchased its own premises, part of which are sublet to Tower Hamlets Law Centre. The organisation serves a very diverse and deprived community – and has continued to do so, online, throughout the pandemic - and funding will enable to service to have much needed additional capacity at a time of unprecedented demand for its services.

£117,100 over three years (£37,900; £39,000; £40,200) for the salary of a full time Universal Credit Support Worker and related running costs.

Funding History

Meeting Date	Decision
09/07/2015	Stepping Stones. Funding declined as it was felt that the proposed plans were too ambitious.
25/09/2014	£70,800 over three years (£23,200; £23,450; £24,150) for the salary and related costs of a part-time (21hpw) Money and Debt Advisor.

Background and detail of proposal

The Support worker will address barriers to making a claim, such as lack of English, literacy and/or IT skills. Of LP's clients, 90% have little or no digital skills, which makes claiming very time consuming. IT training will be on offer by the

organisation's IT project. Often there is a lack of understanding about UC, with a number of claimants going into debt as it takes 5-6 weeks to come through.

The UC Support Worker will work closely with Limehouse Project team leads and key stakeholders to identify people requiring additional support with managing UC claims and budgeting. Ongoing casework support will be given to vulnerable clients until they are confident dealing with their benefit claim and managing their finances.

Financial Information

LP is forecasting a deficit on unrestricted income and expenditure for 2021 of £52,988. These figures are based on a conservative estimate due to the way they present their budgets. This might change, particularly in the current crisis, however they do receive rental income from other voluntary organisations and have been assured by their tenants that they will be able to continue paying as their grants have been confirmed despite Covid-19. Even with this level of deficit in 2021, LP has excess unrestricted reserves against their policy.

Year end as at 31 March	2019	2020	2021
	Audited accounts	Forecast	Forecast
	£	£	£
Income & expenditure:			
Income	866,158	797,915	695,272
- % of Income confirmed as at 18/02/2020	n/a	n/a	68%
Expenditure	(861,464)	(796,876)	(743,871)
Total surplus/(deficit)	4,694	1,039	(48,599)
Split between:			
- Restricted surplus/(deficit)	0	631	4,389
- Unrestricted surplus/(deficit)	4,694	408	(52,988)
	4,694	1,039	(48,599)
Total expenditure	861,464	796,876	743,871
Free unrestricted reserves:			
Free unrestricted reserves held at year end	294,575	294,983	241,995
No of months of totalled expenditure	4.1	4.4	3.9
Reserves policy target	215,366	199,219	185,968
No of months of total expenditure	3.0	3.0	3.0
Free reserves over/(under) target	79,209	95,764	56,027

Approved.....
Chief Grants Officer /
Deputy CGO

Approved.....
Chair

Approved.....
Deputy Chair

Date.....

Date.....

Date.....