

MEETING: 15/05/2014

Ref: 12130

ASSESSMENT CATEGORY - Reducing Poverty

FareShare

**Adv: Ciaran Rafferty
Base: Lewisham
Benefit: London-wide**

Amount requested: £165,000

Amount recommended: £165,000

Purpose of grant request: Reducing London food poverty and the environmental impact of surplus food by supplying it to 205 charities.

Background

FareShare was established in 2003 and is an impressive charity. Its chief purpose is to collect fit-for-purpose surplus food from major growers and retailers and redistribute it amongst charities for use by their clients. It has a UK-wide network but a large part of its work is in London, operating from its base on an industrial estate in Deptford. To succeed as it does it relies heavily on a 500-strong army of dedicated volunteers who will liaise with suppliers and beneficiaries on a daily basis; ensure the smooth running of the warehouse; and load and drive the vans. The charity has a strong trustee board which includes, amongst others, the Chief Finance Officer of Associated British Foods.

Funding History

You supported FareShare once before with a grant of £34,000 in November 2006 for two years' work providing quality standards training to voluntary and community groups. This project returned good monitoring reports.

Current Application

FareShare, on a daily basis, collects food – both fresh produce and pre-packed/tinned – from the suppliers' own depots, takes it back to the Deptford centre where it can then be processed for redistribution either the same day or soon after. In the meantime FareShare staff will contact the beneficiary charities to determine what they need for the day whilst the volunteers will package up the food accordingly and load the vans. The food is very strictly temperature controlled all the way to the recipient charity. Furthermore, every charity has to have necessary food handling qualifications and comply with strict hygiene and environmental health standards before it can be accepted as a beneficiary. Each charity pays a small amount – a tray of food typically costs £1.12 whilst smaller organisations can club together if needs be to make it more feasible to join the scheme.

The range and quality of food is quite staggering. Bananas are very common (and popular!) whilst pre-packed bags of apples were in abundance on your officer's visit. There was nothing "wrong" with them – they were available as they were packed in bags of 6 which apparently did not sell so well. Another example of how particular foodstuff might become available was that of watermelons – a large retailer ordered in bulk last summer but the paucity of long spells of hot weather meant that many remained unsold.

This application is to support the establishment of four small satellite redistribution centres in some of the outer London boroughs. Currently, with the main centre being in Deptford, the capacity to easily distribute food to charities in the outer London areas is hindered by the time and logistics needed to traverse London in working hours. Satellite centres will also reduce the environmental impact as van journeys will be reduced and will enable charities local to the new depots to collect food in smaller amounts – eg by using cold boxes. The request is for a contribution to the salary and running costs of establishing these new centres, including the recruitment and training of the necessary volunteers. The request is tapered over the three year period to reflect increasing operational income over time.

Financial Observations

Audited accounts for the year ended 31st March 2013 show a surplus of £224,610 (9.4% of turnover of £2,385,446), comprising £150,244 on unrestricted funds and £74,366 on restricted funds.

Free unrestricted reserves at 31st March 2013 amounted to £312,560, which equates to 1.5 months' worth of current year expenditure. This compares to a reserves policy target to hold three months' worth of operating costs which the charity has calculated as £540,000.

Draft figures for the year ended 31st March 2014 show income of £2,448,548 and, after expenditure of £2,272,106, a surplus of £176,442 (7.2% of turnover), comprising £136,442 on unrestricted funds and £40,000 on restricted funds.

The budget for the current year to 31st March 2015 projects a break even position on a turnover of £2,555,720, comprising a surplus of £40,000 on restricted funds offset by a deficit of £40,000 on unrestricted funds. Income of £1,175,765 (46%) has been confirmed to date. Unconfirmed grant income of £1,125,816 (44.1%) relates to pending bids and applications with Sainsburys, Garfield Weston Foundation, Elanco, StreetSmart and Sylvia Adams Trust. The remaining £673,325 (26.3%) is self-generated income from management fees, pallet fees and vocational training courses (2013/14: £486k).

At 31st March 2015 free unrestricted reserves are expected to be £409,002, which is equivalent to 1.9 months' worth of total expenditure.

Officer's Appraisal

FareShare's logistical organisation of a complex and time-critical service is extremely impressive, especially as it does this largely with volunteers. There are many benefits to this scheme. As well as preventing perfectly good food from going to landfill (and the related environmental impact of that), more charities can afford to offer nourishing food to their clients. For some, eg those working with the homeless, this is essential whilst for others (eg, mental health charities) the offer of food is a valuable hook to attracting otherwise reticent clients.

Recommendation

£165,000 over three years (£60,000; £55,000; £50,000) towards the salary costs of a London Development Manager plus running costs of a project creating satellite distribution centres in London.

The City Bridge Trust

Investing In Londoners: Application for a grant



About your organisation

Name of your organisation: FareShare	
If your organisation is part of a larger organisation, what is its name?	
In which London Borough is your organisation based? Lewisham	
Contact person: Ms Olivia James	Position: Trusts and Foundations Officer
Website: http://www.fareshare.org.uk	
Legal status of organisation: Registered Charity	Charity, Charitable Incorporated Company or company number: 1100051
When was your organisation established? 14/10/2003	
<p>Aims of your organisation:</p> <p>FareShare's objectives are:</p> <p>(a) the relief of poverty and the preservation and promotion of good nutrition, good health and social improvement among people who are suffering from social, economic or emotional distress in such ways as the Trustees may in their absolute discretion think fit but particularly through:</p> <p>(i) the collection and redistribution of surplus food; and</p> <p>(ii) the encouragement of members of the public to undertake voluntary work;</p> <p>b) the advancement of public education in particular but not exclusively by providing training in the voluntary sector; and</p> <p>(c) the furtherance, for the benefit of the public, of the conservation, protection and improvement of the physical and natural environment through the reduction of waste (in particular food waste) and its adverse environmental impacts.</p>	
<p>Main activities of your organisation:</p> <p>Fighting food poverty by tackling food waste is at the heart of FareShare's work.</p> <p>- We operate a unique surplus food redistribution service that provides quality in-date food - deemed surplus by the food industry -- to over 1,000 UK charities and voluntary organisations. Our food feeds 51,000 hungry people daily, saving the voluntary sector £13 million on food expenditure annually, money which is reinvested into vital service provision.</p> <p>- Through our 17 redistribution depots, we provide extensive volunteering opportunities that enable people to support our mission and their local community. Volunteers are key to the redistribution of food through our UK-wide network. Many have vulnerable backgrounds, and may have been beneficiaries of our food.</p>	

- We provide relevant training and education for our volunteers including skills training in warehouse operations, and qualifications in food safety and fork lift truck driving.
- Generating and promoting awareness of our key message that 'no good food should be wasted'.

Number of staff

Full-time:	Part-time:	Management committee members:	Active volunteers:
26	14	7	521

Property occupied by your organisation

Is the main property owned, leased or rented by your organisation?	If leased/rented, how long is the outstanding agreement?
Rented	12years optional break after 7

Grant Request

Under which of City Bridge Trust's programmes are you applying? Reducing Poverty
Which of the programme outcome(s) does your application aim to achieve? Fewer Londoners experiencing food poverty
Please describe the purpose of your funding request in one sentence. Reducing London food poverty and the environmental impact of fit-for-purpose surplus food by supplying it to 205 charities to feed 10,000 hungry people daily.
When will the funding be required? 01/04/2014
How much funding are you requesting? Year 1: £60,000 Year 2: £55,000 Year 3: £50,000 Total: £165,000
Do you plan to continue the activity beyond the period for which you are requesting funding? If so, how do you intend to fund it? Financial sustainability is at the heart of FareShare's long-term priorities. Each organisation receiving our food pays a management fee supporting our operative costs. In 2012/13 35% of FareShare London's costs were covered by this; by 2017 with support from the Trust we anticipate FareShare London will cover 45% of its on-going costs this way.
If you need any planning or other statutory consents for the project to proceed, what stage have the applications reached?

Summary of grant request

Request

FareShare would like the City Bridge Trust to consider a three year grant of £165,000 towards the salary of the new London Development Manager post and essential operational costs of our London surplus food redistribution depot. Your support will provide strategic leadership and direction to significantly increase our impact on reducing food poverty by ensuring thousands of tonnes of fit-for-purpose surplus food is used to feed hungry people.

The need

"Kids Company depends on FareShare for food. Our food programme transforms young lives; FareShare plays a vital role in helping us to achieve this." Kids Company, Southwark.

FareShare food feeds 6,200 people daily across 129 London charities. In London more people are turning to food charities than the rest of the UK (10% in London: national average of 5%). Our research shows:

- 59% of FareShare's charities have seen an increase in demand for their food.
- 54% of FareShare's beneficiaries cannot afford to buy food regularly.

Based on daily requests we receive from charities, and the large volume of surplus food we now have available to us, we believe we can increase the number of people in food poverty we feed daily by 60% within three years.

Delivering the work

We are developing our service delivery to meet the increasing demand. This will include:

- Establishing four low-cost food redistribution satellites in outer-London boroughs to reach clusters of charities currently beyond the reach of Deptford depot. This method has already been successfully trialled in our North East region.
- Introducing a cool box collection facility -- which is currently being trialled - for charities to pick up food directly from our depot. This will increase van capacity for our established delivery service.
- Developing our volunteer recruitment programme and framework to engage with our volunteers on a deeper level, maximise their potential, assist their personal progression, and take FareShare's mission forward.

The right organisation

As an independent charity FareShare has 10 years experience of redistributing surplus food by:

- Working with the voluntary sector
- Providing volunteering and training opportunities
- Successfully partnering with the food industry to access thousands of tonnes of surplus food

What we want to achieve

By 2017 we anticipate FareShare will be:

- Feeding 10,000 people daily at 205 London charities
- Redistributing food at the rate of 1,020 tonnes per year; enough for over 2,400,000 meals
- Saving the London voluntary sector £2.6 million annually
- Creating opportunities for 110 volunteers each month

Meeting programme outcomes & good practice principals

FareShare addresses food poverty by supplying surplus food to organisations that provide long term specialist services, such as drug rehabilitation or refugee centres. Our food is often the hook that draws people to these charities. It provides vital sustenance to people experiencing absolute poverty and long-term hunger at the very margins of society.

FareShare depends on volunteers to deliver our mission; many have experienced food poverty or faced problems such as homelessness. FareShare provides a safe welcoming place for volunteers to play a positive role in the community, learn new skills, achieve qualifications, and build a valuable work track record to support their future economic circumstances and well-being. Our London volunteers recently won the Mayors Team London 2013: My Community award for their dedication to FareShare's mission.

FareShare supports charities to make crucial financial savings and prevents unnecessary CO2 emissions. We provide an economic and environmental solution for the social epidemic of food poverty.

Outputs and outcomes

What are the main activities or outputs you want to deliver? Please include no more than 5. By activities or outputs we mean the services, products or facilities you plan to deliver. If you plan to deliver work over more than one year you should include activities over the full grant period requested. Try to be specific.

Four food redistribution satellites in outer-London boroughs where charities outside the logistical reach of our Deptford depot can collect food from. Each will provide food to at least 6-8 charities and will be based in Waltham Forest, Barking and Dagenham, Brent and, Haringey.

Providing vital food deliveries to 205 charities by April 2017 with a minimum of 23 across the most deprived boroughs (defined by 2010 deprivation statistics). This will enable us to focus our efforts on those who need it most.

Engaging 110 volunteers each month, with the aim of providing Level 2 Food Hygiene training to 90% and fork lift truck training to 5%.

Recruiting a minimum of ten young people a year with a focus on those who are currently not in employment, education or training.

The redistribution of 1,020 tonnes of surplus food by the end of the grant in April 2017, enough to provide over 2.4 million meals a year.

What main differences or outcomes do you hope the activities you have described above will achieve? Please include no more than 5. By differences or outcomes we mean the changes, benefits, learning or other effects that result from the work your project would deliver. These might be for individuals, families, communities or the environment.

110,000 fewer Londoners suffering from food poverty every day. By filling hungry stomachs we will improve the mental and physical health of beneficiaries. Clients visiting one of the charities we support will gain access to professional services, that will help them turn their lives around.

59% more charities supported with regular food deliveries by April 2017. On average they will save £13,000 on existing food budgets resulting in a collective saving across the London voluntary sector of £2.6 million each year. In turn this can be invested in crucial support services for beneficiaries.

Developing a strong network of reliable, skilled and motivated volunteers delivering the FareShare mission in London and increasing their community engagement. More volunteers will gain professional and social skills that will improve their employment prospects.

Increasing the sustainability of the London depot, with an increasing amount of revenue costs covered through management fees. Support from the City Bridge Trust is essential in helping to reach this outcome, ensuring FareShare will be here tomorrow for the 10,000 vulnerable people who rely upon our services.

Reduce food waste and CO2 emissions. FareShare is recognised by DEFRA as an integral part of food waste prevention and a resource efficient economy. For every tonne of food redistributed FareShare saves half a tonne of CO2 from entering the atmosphere.

Who will benefit?

About your beneficiaries

How many people will benefit directly from the grant per year?

10,000

In which Greater London borough(s) or areas of London will your beneficiaries live?

London-wide (100%)

What age group(s) will benefit?

All ages

What gender will beneficiaries be?

All

What will the ethnic grouping(s) of the beneficiaries be?

A range of ethnic groups

If Other ethnic group, please give details:

What proportion of the beneficiaries will be disabled people?

1-10%

Funding required for the project

What is the total cost of the proposed activity/project?

Expenditure heading	Year 1	Year 2	Year 3	Total
Salaries & pension total	185,445	188,227	191,050	564,722
Staff expenses	715	787	865	2,367
Training and recruitment	5,250	5,513	5,788	16,551
Volunteer expenses (training and travel)	7,917	8,313	8,728	24,958
Four refrigerated vans (including hire, fuel, insurance and other costs)	63,798	71,281	76,849	211,928
Postage and stationary	420	441	463	1,324
Warehouse costs (including rent, rates, utilities, cleaning and repairs)	74,833	89,167	93,625	257,625
IT costs and support	21,468	32,202	48,303	101,973
Finance costs	825	1,238	1,856	3,919

TOTAL:	360,671	397,169	427,527	0
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What income has already been raised?

Source	Year 1	Year 2	Year 3	Total
The Leathersellers' Company	20,000	20,000	20,000	0
The Haberdashers' Company	10,000	10,000	0	0
	0	0	0	0
	0	0	0	0

TOTAL:	0	0	0	0
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What other funders are currently considering the proposal?

Source	Year 1	Year 2	Year 3	Total
Health and Social Care Volunteering fund	65,000	0	0	0
	0	0	0	0
	0	0	0	0

TOTAL:	0	0	0	0
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How much is requested from the Trust?

Expenditure heading	Year 1	Year 2	Year 3	Total
Approximately 70% London Development Manager's salary, pension, NI, management	36,000	34,000	32,000	102,000
Warehouse costs	18,000	16,000	14,000	48,000
Van costs	6,000	5,000	4,000	15,000
	0	0	0	0
	0	0	0	0

TOTAL:	60,000	55,000	50,000	165,000
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Finance details

Please complete using your most recent audited or independently examined accounts.

Financial year ended:	Month: March	Year: 2013
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Income received from:	£
Voluntary income	2,099,967
Activities for generating funds	39,772
Investment income	0
Income from charitable activities	193,786
Other sources	51,921
Total Income:	2,385,446

Expenditure:	£
Charitable activities	1,399,544
Governance costs	69,138
Cost of generating funds	367,397
Other	324,757
Total Expenditure:	2,160,836
Net (deficit)/surplus:	224,610
Other Recognised Gains/(Losses):	0
Net Movement in Funds:	0

Asset position at year end	£
Fixed assets	118,791
Investments	0
Net current assets	577,245 574,165
Long-term liabilities	(115,917)
*Total Assets (A):	580,119

Reserves at year end	£
Endowment funds	0
Restricted funds	346,285
Unrestricted funds	233,834
*Total Reserves (B):	580,119

* Please note that total Assets (A) and Total Reserves (B) should be the same.

Statutory funding

For your most recent financial year, what % of your income was from statutory sources?
1-10%

Organisational changes

Describe any significant changes to your structure, financial position or core activities since the date of your most recent accounts:

None

Previous funding received

Please list the funding received by your organisation from the following statutory sources during the last THREE years.

	2010 £	2011 £	2012 £
City of London (except City Bridge Trust)	0	0	0
London Local Authorities	0	0	0
London Councils	0	4,979	0
Health Authorities	0	0	0
Central Government departments	99,000	10,328	4,000
Other statutory bodies	174,869	0	125,964

Previous grants received

Please list the grants received by your organisation from charitable trusts and foundations (other than City Bridge Trust) during the last THREE years. List source, years and annual amounts. Please include the 5 largest only.

Name of Funder	2010 £	2011 £	2012 £
Garfield Weston Foundation	200,000	0	250,000
Esmée Fairbairn	0	0	150,000
The Henry Smith Charity	30,000	30,000	0
The February Foundation	0	0	50,000
Fidelity Foundation	0	0	47,000

Declaration

I confirm that, to the best of my knowledge, all the information I have provided in this application form is correct. I fully understand that City Bridge Trust has zero tolerance towards fraud and will seek to prosecute and recover funds in every instance.

Please confirm: Yes Full Name: **Olivia James**

Role within **Trusts and Foundations Officer**
Organisation: