

ASSESSMENT CATEGORY - Reducing Poverty**Asylum Aid**

Adv: David Farnsworth

Amount requested: £90,000

Base: Islington

Amount recommended: £90,000

Benefit: London-wide

The Charity

Asylum Aid is an independent, national charity working to secure protection for people seeking refuge in the UK from persecution and human rights abuses abroad. It is based in Islington, London and provides free, and accessible, legal representation to people seeking asylum in the UK, and campaigns for a rights based asylum process.

The Application

Asylum Aid is seeking £90,000 over three years to contribute to the cost of an advisor to assist in the provision of legal advice to people who are destitute and seeking asylum in the UK. The advice will focus on addressing the underlying insecure immigration status of these people, who are London-based, as a means of resolving their homelessness.

The Recommendation

Asylum Aid is a well-regarded, well-run charity. This project aims to reduce the homelessness, and improve the economic circumstances of those people who are destitute, seeking asylum, and living in London. This aim will be achieved through resolving these people's underlying immigration law issues. Through an effective triage operational model, the charity ensures limited resources are targeted to those most in need. The total project cost is £236,538. Other funders are considering applications, and £29,000 of the year one costs have already been secured. The grant recommended is as requested:

£90,000 over three years (£30,000, £30,000, £30,000) towards the salary of a legal advisor and associated costs.

Funding History

Meeting Date	Decision
22/10/1998	Declined as proposal fell outside your priorities.

Background and detail of proposal

Asylum Aid is operating in a difficult policy and funding context. Since the closure of two large charities providing legal advice to people seeking asylum (the Refugee Legal Centre and the Immigration Advisory Service) they find there is more demand on their services than ever. This has been compounded by further legal aid cuts. They have done well both to survive, and to continue innovative service provision.

An example of this innovation is a pilot the organisation has run with the British Red Cross and the Notre Dame Refugee Centre. Through running this pilot, it was discovered that a substantial proportion of destitute asylum seekers have grounds for challenging the refusal to protection and, consequently should be entitled to

accommodation and welfare support whilst their claim is being heard. The delivery of effective legal advice on the underlying immigration status can therefore reduce homelessness and food poverty. This proposal is a good example of a creative response to tackle some very difficult issues.

Financial Information

The charity has advised that the deficit for the year ended 31st March 2014 was due to the end of several major grants, as well as a temporary reduction in legal aid income due to the legal team not operating at full capacity for the whole of the year due to a restructure, which has now been completed.

Total income for the current year to 31st March 2015 is anticipated to be £907,379 of which £776,210 (85.5%) had been confirmed at 1st July 2014. The forecast shows an improved position due to increased income from existing and new donors, as well as efficiencies in legal aid work delivered by a reduced number of staff.

At 31st March 2015 free unrestricted funds are expected to be £42,820 which is equivalent to 0.6 months' worth of expenditure against a target to hold 3 months. The charity advised its strategy to generate unrestricted reserves includes new policy projects, improved stewardship of individual donors and new fundraising channels.

The cost of generating funds for 2013/14 and for 2014/15 have not been provided.

Year end at 31 March	2012/13 Audited Accounts	2013/14 Draft Outturn	2014/15 Current Year Budget
Income and Expenditure	£	£	£
Income	1,156,316	721,762	907,379
Expenditure	1,054,604	1,058,223	926,424
Unrestricted Funds Surplus / (Deficit)	269,388	(357,717)	-
Restricted Funds Surplus / (Deficit)	(167,676)	21,255	(19,045)
Total Surplus / (Deficit)	101,712	(336,462)	(19,045)
Surplus / (Deficit) as a % of turnover	8.8%	(46.7%)	(2.1%)
Cost of Generating funds (% of income)	£75,281 (6.5%)	-	-
Free unrestricted reserves			
Unrestricted free reserves held at Year End	400,537	42,820	42,820
How many months' worth of expenditure	4.6	0.5	0.6
Reserves Policy target	263,651	264,555	231,606
How many months' worth of expenditure	3.0	3.0	3.0
Free reserves over/(under) target	(136,886)	(221,735)	(188,786)