

MEETING: 27/11/2014

Ref: 12440

ASSESSMENT CATEGORY - Reducing Poverty

Fitzrovia Neighbourhood Association

Adv: Sandra Jones

Amount requested: £147,000

Base: Camden

**Benefit: Camden and
Westminster**

Amount recommended: £99,000

The Charity

Fitzrovia Neighbourhood Association (FNA), operating since 1975, has been providing a bi-lingual generalist advice service to people who live or work in the Fitzrovia area. They also run several community programmes, particularly with Asian women and older people. The advice service often serves as a gateway to these activities for people who are often isolated by either language barriers or lack of family/friends in the area.

The Application

Funding is sought for three part-time advice workers and associated running costs, to provide generalist advice, including a weekly evening advice session with fortnightly legal advice offered by qualified lawyers. A support group will be offered to those clients identified by staff as likely to benefit, in particular people who are isolated.

The Recommendation

FNA has an impressive track record of delivering quality advice, ensuring that its limited resources are targeted to those most in need. The organisation had been funded until 2012-13 by the London Boroughs of Camden and Westminster. However this funding ceased as the authorities moved to commissioning advice from the largest providers within the respective boroughs. The charity is currently funded (until mid-2015) by The Henry Smith Trust. Whilst the value of the work undertaken is recognised, the amount requested is more than 50% of current turnover, which is outside your policy. As the organisation is projecting a deficit in 2015-16 it is recommended that funding be approved towards two of the part-time posts and some running costs, and that this is conditional on the CBT funding being less than 50% of their income in each year. (The organisation has a number of grant applications pending.)

£99,000 over three years (£32,000, £33,000, £34,000) towards the salary costs of two part-time Advisors and related running costs, subject to the grant being less than 50% of the organisation's total income in each year.

Funding History

Meeting Date	Decision
04/11/2004	£25,000 for the third and final year of the salary and running costs of a Good Neighbour Scheme for isolated older people, subject to a satisfactory monitoring report for the previous grant.
11/07/2002	£50,000 over two years (£25,000; £25,000) for the salary of a part-time co-ordinator and associated running costs to establish a neighbourhood befriending scheme for elderly people in Fitzrovia.

Background and detail of proposal

FNA already serves a large client base. In addition to the advice it offers directly, the charity has built a network of partner agencies to which it makes referrals. The organisation has identified a gap in provision which is for young people (21-35 years) who are living in either overcrowded private flats or as property 'guardians' in the many derelict buildings which are awaiting redevelopment. Most are working full-time, so unable to access daytime sessions. Of those who have contacted the centre their needs relate to poverty as a result of low wages, problems with precarious employment and increasing housing costs. The charity would like to address this need by offering a weekly evening session. On a fortnightly basis there will be legal advice on offer from a qualified lawyer.

With changes to the welfare system, the number of people accessing advice from FNA is increasing, particularly by disabled people. To respond to this the charity wishes to pilot a support group for those identified as benefiting from such. Impact on these participants will be monitored closely and evaluated at the end of a year.

Financial Information

The table below shows an operating deficit in the current and previous financial years which the charity explains is due to funding from Camden and Westminster boroughs ending as a result of a change in the provision of commissioning advice.

Forecast income for the current year is £64,913, all of which has been confirmed. This grant application to City Bridge Trust for £32k is not included in the income forecast. However, this application would fund existing running costs within the budget and, if agreed, it would almost eliminate the charity's current budget deficit, reducing it to £519.

FNA has confirmed that staff, trustees and volunteers are involved in raising its funds and has provided an estimate for the current year. In previous years, the charity's accounts did not disclose the cost of generating funds, however going forward the charity has advised that it will review the disclosure of this figure as part of its year-end process.

Year end at 31 March	2012/13 Independently Examined Accounts £	2013/14 Draft Accounts £	2014/15 Current Year Budget £
Income and Expenditure			
Income	85,756	81,991	64,913
Expenditure	118,065	102,932	97,432
Unrestricted Funds Surplus / (Deficit)	1,900	(11,928)	(32,519)
Restricted Funds Surplus / (Deficit)	(34,209)	(9,013)	0
Total Surplus / (Deficit)	(32,309)	(20,941)	(32,519)
Surplus / (Deficit) as a % of turnover	(37.7%)	(25.5%)	(50.1%)
Cost of Generating funds (% of income)		-	3,000 (4.6%)
Free unrestricted reserves			
Unrestricted free reserves held at Year End	99,340	86,528	55,509
How many months' worth of expenditure	10.1	10.1	6.8
Reserves Policy target	88,549	77,199	73,074
How many months' worth of expenditure	9.0	9.0	9.0
Free reserves over/(under) target	10,791	9,329	(17,565)