

MEETING: 28/01/2015

Ref: 12416

**ASSESSMENT CATEGORY - English for Speakers of Other Languages**

**Katherine Low Settlement**

**Adv: Ciaran Rafferty  
Base: Wandsworth  
Benefit: Wandsworth**

**Amount requested: £101,868  
{Revised request: £101,538}  
Amount recommended: £99,000**

**The Charity**

The Katherine Low Settlement (KLS) is a multi-purpose charity that has been serving the communities of Battersea and Wandsworth since 1924. Its principal aims are to tackle poverty and to build stronger communities. It occupies its own building (adjacent to a large housing estate) within and from which it runs a range of projects for children and their families; for older people; and for newly-arrived communities. The facilities are available, also, for other groups to hire and use. A small staff team is augmented by a considerable cohort of volunteers.

**The Application**

This application is to provide a programme of ESOL classes to Entry-level and Level-1 standard, over three years, prioritising people (especially women) with school age children and under 5s; and newly arrived refugees and asylum seekers (of which there are many in this area). 10 hours per week of classes, delivered over 36 weeks per year will be provided. 40 people per year will benefit, with each participant able to have 5 hours tuition per week. Tutors will have a recognised qualification, whilst there is also a need to provide a crèche for dependent children.

**The Recommendation**

KLS is an established community anchor in this locality and has previous experience of running ESOL classes, though more as a host than a provider. Indeed, the initial proposal was for KLS to sub-contract another agency to deliver the classes but, when your officer informed them that your grant could not be used in that way, they were happy to confirm that they would employ the tutors directly and have amended the request slightly. The original project budget highlighted costs that your Committee could not support, hence the submission of revised costings (shown at Appendix A to the application form). These are a generous in some areas (eg project management), hence a lesser amount is advised:

***£99,000 over three years (3 x £33,000) for the costs of delivering 360 hours per year of ESOL classes to Entry-level and Level-1 standard. Each year, the grant is to be apportioned as: Tutor & materials/set-up costs of £15,000; Creche costs of £8,700; Accreditation costs of £1,800; Project management of £3,500; and Contribution to overheads of £4,000.***

**Funding History**

Meeting Date	Decision
17/11/2011	Declined as the project did not meet your criteria.
24/02/2000	£77,800 over three years (£25,200; £25,900; £26,700) for the salary and running costs of a Manager to improve service delivery to the wide range of organisations using the Settlement.
27/01/2000	Withdrawn as he organisation wished to submit a revised proposal.

### **Background and detail of proposal**

The aim of your programme to fund ESOL classes is to help new arrivals to settle and to access services, and to reduce isolation. In this respect it is appropriate that many of the beneficiaries be women, especially parents, where the ability to read and speak basic English goes a long way to supporting their involvement in their children's education, for example, and to their wider community engagement. KLS has many years' experience of working with this target audience and, as such, is perfectly placed to deliver appropriate and successful programmes.

The request includes funds to deliver a crèche service for participants and whilst, in most instances, your grants are prioritised towards the tutoring costs, there is a case to be made to support the provision of a crèche in this instance as a significant proportion of the participants are likely to have very young children. This project will fit neatly within the range of other services provided by KLS and strong links with other local agencies will be useful in signposting people on to meet any other needs.

### **Financial Information**

The organisation's reserves policy aims to hold 6 months' worth of total expenditure, amounting to £262,930 in the current year, plus a further sum to ensure the maintenance of the building which, on clarification, is estimated as being £15,000pa. These sums together amount to £277,930 and equate to 6.3 months' worth of total expenditure in the current year. Reserves are predicted to be £116,346 short of this target at the end of the current year and the charity advises that it aims to increase reserves by generating greater income through room hire and grants, especially restricted grants which will reduce the need for the organisation to use unrestricted funds to support existing work.

The organisation has not previously stated its cost of generating funds within its accounts but has provided an estimate for the current year. It has no designated fundraising staff as any such duties fall within the remit of the Director. The estimate of £5,000 (1% of income) is low and the charity has agreed to review its calculation of this sum when closing their 2014/15 accounts.

Forecast income for the current year is £524,943 which includes what the charity explains are conservative estimates from rents and room hire, as well as income relating to a capital project of £100k (which may be pushed back until next year), and pending grant applications which include this application to City Bridge Trust for £33k. At 10<sup>th</sup> November 2014, £370,480 (71%) of total forecast income had been confirmed.

<b>Year end at 31 March</b>	<b>2013/14 Independently Examined Accounts</b>	<b>2014/15 Current Year Forecast</b>
	<b>£</b>	<b>£</b>
<b>Income and Expenditure</b>		
Income	441,784	524,943
Expenditure	404,757	525,860
Unrestricted Funds Surplus / (Deficit)	13,472	2,010
Restricted Funds Surplus / (Deficit)	23,555	(2,928)
Total Surplus / (Deficit)	37,027	(918)
Surplus / (Deficit) as a % of turnover	8.4%	(0.18%)
Cost of Generating funds (% of income)	-	5,000 (1%)
<b>Free unrestricted reserves</b>		
Unrestricted free reserves held at Year End	159,574	161,584
How many months' worth of expenditure	4.7	3.7
Reserves Policy target	217,378	277,930
How many months' worth of expenditure	6.4	6.3
Free reserves over/(under) target	(57,804)	(116,346)