

MEETING: 28/01/2015

Ref: 12377

ASSESSMENT CATEGORY - Improving Londoners' Mental Health

South London YMCA

Adv: Tim Wilson

Base: Croydon

Amount requested: £98,640

Benefit: Croydon, Lambeth and
Kensington & Chelsea

Amount recommended: £98,700

The Charity

South London YMCA ("the Y") has offered accommodation and support to vulnerable clients for over 100 years. Today, the charity has around 500 bed spaces and works with nearly 800 people each year in Croydon, Lambeth and Earls Court. The organisation recently extended its services to Bromley. Different accommodation units are used to support different client groups ranging from young people leaving care, former prisoners leaving custody, people leaving secure psychiatric wards and individuals with long histories of sleeping rough. The duration of stay, and the support service provided, varies depending on each client's presenting needs and the outcomes which the charity believes it can deliver.

The Application

Many of the charity's clients have mental health support needs, often previously undiagnosed and untreated before they arrive at one of the residential units. The Y's client group is, by nature of its homelessness, less likely to be in contact with statutory mental health support services than the general population. Having piloted a volunteer counselling service in Croydon since 2013, the charity now seeks funding to recruit a Health and Well-being Manager who will develop that pilot project into a service that can run across the Y's residential portfolio and become an integral part of the organisation's work. The charity intends that, at the end of the two years of funding requested, the service continues to operate and is fully incorporated in the existing suite of support offered to the Y's residents. It believes that, after the first two years of development, running costs will be much lower.

The Recommendation

Having identified a substantial level of need amongst clients (the charity believes that over 80% have mental ill-health) and having run a successful pilot for clients with drug and alcohol problems as well as those leaving psychiatric care, the charity now wishes to expand its pilot support programme. The Y has connections with a wide network of colleges who are able to provide volunteer counsellors and the residential units where the services will take place offer appropriate space for one-to-one as well as group therapy. With an already well-established volunteer training and support programme, the charity is well-positioned to incorporate a new group of counsellors. Clinical supervision will be provided by the South London and Maudsley NHS Trust. Funding is advised as follows:

£98,700 over two years (£50,300; £48,400) for a full-time Well-being Manager plus running costs to establish a mental health support service for homeless people living at the South London YMCA.

Funding History

None.

Background and detail of proposal

Two years ago, the Y began offering mental health support to clients with some of the most complex needs in its residential portfolio. These included people who had previously been in secure psychiatric care and those who had long histories of substance misuse. The charity believes that the scale of mental health support need exceeds what has been available through this pilot programme, and the Y has started extending the service to other residential sites. The charity now wishes to build its mental health programme to a greater scale and make it an integral part of its services. Recruitment of a new post-holder, the Health and Well-being Manager, with funding provided by City Bridge Trust, will allow the charity to recruit and support more volunteer counsellors, engage over 500 residents through one-to-one and group-based mental health services, and better connect clients with statutory mental health support as required.

Financial Information

Since 2010, the Y has been engaged in a major programme of rebuilding and refurbishment across its property portfolio. This is expected to end by 31st March 2015. The programme has been largely financed through free reserves and borrowing.

At 31st March 2014 free reserves stood at £738,530. After further property development expenditure in the current year, free reserves are predicted to fall to £248,636 by 31 March 2015, which is equivalent to 0.4 months' worth of current year expenditure.

At 31st March 2014, bank loans amounted to £4.7m, which were taken out to fund the development of the housing stock and the purchase of property for service delivery. At 31st March 2015 the Y predicts it will hold property-related fixed assets of £21m and liabilities relating to bank loans of £7.6m. Upon completion of property development in March 2015, the Y is due a capital receipt on the sale of land of £2.5m and a GLA grant of £2.1m towards the cost of the development. The Y advised that these funds will be used to repay part of its bank loans.

Total income for the current year is forecast to be £8,910k, of which £8,861k (99.5%) had been confirmed by November 2014. Approximately 75% of the charity's income comes from rents, and the majority of the remainder from local authority contracts, all of which run beyond the end the current year 2014/15. This income profile provides reasonable financial stability and explains the relatively low cost of generating funds. The Y anticipates continuing operational surpluses which will help to rebuild free reserves towards the target level of 3 to 6 months' worth of expenditure.

Year end at 31 March	2013/14 Audited Accounts	2014/15 Current Year Forecast
Income and Expenditure	£	£
Income	8,538,158	8,910,285
Expenditure	8,085,925	8,102,228
Unrestricted Funds Surplus / (Deficit)	453,014	808,057
Restricted Funds Surplus / (Deficit)	(782)	116
Total Surplus / (Deficit)	452,232	808,057
Surplus / (Deficit) as a % of turnover	5.3%	9.1%
Cost of Generating funds (% of income)	491,326 (5.8%)	500,683 (5.6%)
Free unrestricted reserves		
Unrestricted free reserves held at Year End	738,530	248,636
How many months' worth of expenditure	1.1	0.4
Reserves Policy target	2,021,481– 4,042,962	2,025,558 - 4,051,116
How many months' worth of expenditure	3.0 – 6.0	3.0 – 6.0
Free reserves over/(under) target	(1,282,951) – (3,304,432)	(1,776,922) – (3,802,480)