

ASSESSMENT CATEGORY - Reducing Poverty**Children England****Adv: Jenny Field****Amount requested: £103,608****Base: Islington****Benefit: London-wide****Amount recommended: £104,000****The Charity**

Originally established in 1942, today Children England (CE) is the leading membership organisation for voluntary organisations working with children, young people and families. It aims to represent, connect and strengthen its constituents by building their capacity to represent the voice of their service users, improve the quality of the services they provide and enable them to feed into the policy agenda.

The Application

This application relates to the 4 in 10 network, a membership network of some 300 voluntary, community and statutory organisations tackling child poverty across London. 4 in 10 was established in 2008 and was originally hosted by the Child Poverty Action Group. For the past four years, it has been hosted by Save the Children. From January 2015, the 4 in 10 membership agreed that it would be more appropriate for the network to be hosted by CE. Trust for London has been the core funder of 4 in 10 since its inception and has recently approved funding for a further two years. Staffing of 4 in 10 currently comprises a full-time Chief Executive. You are asked to support the development of 4 in 10 over the next two years by funding two new, part-time posts. Firstly, a Membership Officer to manage the membership database, produce regular information bulletins, develop the media profile of the network and build the membership. The other, a Research and Learning Officer will help build a strong evidence base for 4 in 10's policy work, develop and run good practice workshops, and deliver training sessions for the sector.

The Recommendation

This application has been made on the Reducing Poverty strand of your Investing in Londoners programmes. Whilst the 4 in 10 network does not provide direct services, its policy work on child poverty issues strongly complements this programme. Funding has been requested over two years in order to coincide with the grant awarded by Trust for London.

£104,000 over two years (£51,000; £53,000) towards a part-time Membership Officer (2 days per week) and a part-time Research and Learning Officer (4 days per week), together with associated running costs, to enable the 4 in 10 network to develop its work tackling child poverty in London.

Funding History

Meeting Date	Decision
04/09/2013	Rejected as the application did not meet the Trust's funding criteria sufficiently well.

Background and detail of proposal

4 in 10 has established a good track record in London for tackling the root causes of child poverty through its work with providers, policy makers, local authorities and

other regional bodies. It currently has a membership of just under 100 organisations in London. If funds for a Membership Officer are approved today, it is planned to grow the membership. Rather than focus on single-issue campaigns, it is planned that 4 in 10 will work on a number of issues that different members of the network can engage with depending on their particular spheres of interest.

Financial Information

In 2013/14, Children England's income reduced by £1,230,343 (67%) compared to the previous year when time-limited income from the Department for Education came to an end (£1.19m in 2013/14). The charity advises that the deficit on unrestricted funds in 2013/14 was due to the transition to a different structure and down-size of its operations. During the year, it reduced the size of its staff team and moved to smaller and cheaper premises, which it hopes will make substantial savings in future years.

Forecast income for the current year 2014/15 is £686,051, of which £616,551 (89.9%) had been confirmed by October 2014. This includes increased income from a diverse range of sources such as membership fees, subletting, training and events.

Children England advised that it will continue to diversify and build income by successfully securing financial support from a range of commercial and charitable sources, and anticipates it will break even in 2015/16.

Year end at 31 March	2013/14 Audited Accounts	2014/15 Current Year Forecast
	£	£
Income and Expenditure		
Income	607,957	686,051
Expenditure	885,338	735,890
Unrestricted Funds Surplus / (Deficit)	(250,125)	(49,839)
Restricted Funds Surplus / (Deficit)	(27,306)	0
Unrealised gain on Investments	643	
Total Surplus / (Deficit)	(276,788)	(49,839)
Surplus / (Deficit) as a % of turnover	45.5%	7.3%
Cost of Generating funds (% of income)	30,465 (5%)	28,000 (4%)
Free unrestricted reserves		
Unrestricted free reserves held at Year End	172,561	122,722
How many months' worth of expenditure	2.3	2.0
Reserves Policy target	£86,500 - £172,000	£86,500 - £172,000
How many months' worth of expenditure	1.2 - 2.3	1.4 - 2.8
Free reserves over/(under) target	£86,061 - £561	£36,222 - (£49,278)