

MEETING: 23/09/2015

Ref: 12754

ASSESSMENT CATEGORY - Improving Londoners' Mental Health

**Project For Advocacy Counselling & Education
(PACE)**

Adv: Tania Bronstein

Amount requested: £148,653

{Revised request: £113,840}

Amount recommended: £113,860

Base: Islington

Benefit: London-wide

The Charity

PACE is a mental health charity dedicated to supporting lesbian, gay, bisexual and trans-sexual (LGBT) people. It offers individual, couples, and family counselling; an advocacy project; mental health workshops; and young people's services. PACE also conducts research and trains policy makers and professionals to encourage appropriate health and social care services for LGBT people with mental health problems. In the last year, PACE supported 1,200 people face-to-face and over 15,000 through virtual support projects.

The Application

PACE originally sought 50% of the costs of its Advocacy Project that helps LGBT individuals with mental health problems to address difficulties which adversely impact on their well-being. This included funds for two full-time salaries, running costs and overheads totalling £148,653 over three years. However, as the charity did not raise the balance in full, it has revised this application. PACE is now requesting £113,840 over three years towards one full-time advocacy worker's salary and associated costs. The revised breakdown of the request is included as Appendix A to the application form.

The Recommendation

This service is critical in preventing deterioration of mental illness and in sustaining well-being for mental health system users. It is much in demand, given that it is the only pan-London advocacy service for the LGBT community.

£113,860 over 3 years (£35,530; £37,160; £41,170) towards a f/t Advocacy Worker and associated running costs for an advocacy service for LGBT Londoners with mental health problems.

Funding History

Meeting Date	Decision
23/09/2015	£1,600 (4 days @£400 per day) to provide an eco-audit.
18/03/2010	£115,000 over three years (£38,000; £38,000; £39,000) for the salary and associated costs of a f/t Youth Service Manager.

Background and detail of proposal

Research has identified that LGBT people are more likely to have long standing mental health problems as a result of hostile and stressful social environments created by prejudice, stigma and discrimination. Although attitudes to sexual orientation have improved in recent years, homophobic prejudice and services

designed without an understanding of the needs of LGBT people still persist. This exacerbates distress for those already experiencing mental ill health.

PACE's Advocacy Project supports LGBT people with mental health problems to have their voices heard and to obtain care and services that adequately address their needs. This work is issue-based and helps individuals over specific difficulties until successfully resolved, usually for periods averaging three months. Issues dealt with are varied. For example, the Project has supported a trans-sexual person whose psychiatrist refused a referral for gender reassignment surgery.

The Advocacy Project is staffed by a part-time manager and a full-time advocacy worker. PACE initially intended to enlarge the project through making the part-time manager's post a full-time position. The original application to the Trust was for 50% of the costs of the enlarged project with two full-time workers. However, an application to another Trust for the 50% balance produced a lesser amount. Consequently, PACE decided to apportion that grant (£90,000 over three years) to the existing part-time post. It now seeks from your Committee, a lesser sum for the full-time advocacy worker and associated costs.

PACE recently moved to centrally located premises and is more accessible to people from all boroughs. It is well advanced in the process of obtaining the advocacy charter mark. This quality assurance accreditation will build on good practice developed by the Advocacy Project in the past six years.

Financial Information

Income dropped by 22.8% in 2014/15 compared to the previous year which the charity advised is due to changes in HIV commissioning that ended long-standing work in this area and previously provided c.150K annually.

For the current year (2015/16), £365,979 (47.8% of forecast income) had been confirmed as at 4th August 2015. Free unrestricted funds are estimated to fall to £132,693 by 31st March 2016 which is below the policy target. The charity states that its Trustees have recently recruited a fundraiser to focus on raising unrestricted income with a target of £80k for the current year. It has started offering counselling services at market rates on weekends which it hopes will generate an extra £25-30k p.a. Also it is proactively selling consultancy and training services, as well as room hire to generate extra income. Furthermore, its recently established finance sub-committee of Trustees will oversee its improved income generation and budget control.

The charity has drafted a new reserves policy which changes the target free reserves from six to three months' worth of expenditure. The draft policy will be presented to a finance sub-committee in August and to the full Board in September. The table below assumes that the revised policy will be agreed and operational from 2015/16.

The charity advised that its cost of generating funds is low as the majority of its income (89% in 2013/14) is from grants and contracts towards charitable activities. It advised that it expects this figure to be slightly higher in the current and future years due to the activities mentioned above.

Year end at 31 March	2013/14 Audited Accounts £	2014/15 Draft Outturn £	2015/16 Current Year Forecast £
Income and Expenditure			
Income	813,134	627,536	764,994
Expenditure	835,123	753,638	765,043
Unrestricted Funds Surplus / (Deficit)	(19,770)	(118,572)	(89,452)
Restricted Funds Surplus / (Deficit)	(2,219)	(7,530)	89,403
Total Surplus / (Deficit)	(21,989)	(126,102)	(49)
Surplus / (Deficit) as a % of turnover	(2.7%)	(20.1%)	(0.0%)
Cost of Generating funds (% of income)	28,568 (3.5%)	-	-
Free unrestricted reserves			
Unrestricted free reserves held at Year End	340,719	222,147	132,695
How many months' worth of expenditure	4.9	3.5	2.1
Reserves Policy target	417,558	376,818	191,261
How many months' worth of expenditure	6.0	6.0	3.0
Free reserves over/(under) target	(76,839)	(154,671)	(58,566)