

MEETING: 26/11/2015

Ref: 12908

**ASSESSMENT CATEGORY – Resettlement and Rehabilitation of Offenders**

Pecan

Amount requested: £75,000

Adv: Tania Bronstein

Base: Southwark

Benefit: London-wide

Amount recommended: £75,000

**The Charity**

Pecan is a Christian organisation started by local churches in Peckham to support vulnerable people, including ex-offenders, people with mental health issues, those who are long-term unemployed and families living in poverty. Services include: information, advice and guidance; employment support; a food bank; a project titled *Hourbank* promoting skill exchanges amongst people unable to pay for services; and *Moving On* (the subject of this request). Pecan supported 6,542 people in 2014/15.

**The Application**

Pecan seeks £25,000 per year for each of three years towards *Moving On*, a pan-London mentoring programme for women aged 18-25 leaving custody. *Moving On* works with women for at least a year, first at prison, through the gate and then post release. Mentors offer one-to-one practical and emotional support to reduce risks of reoffending, including addressing housing, education, training, employment, and financial issues, as well as problem spots such as addictions and domestic violence.

**The Recommendation**

The project has been hailed by independent sources as an exemplary of good practice. These highlight early engagement in prison and sustained, goal-focused, bespoke support in the community as significant factors leading to low re-offending rates. A grant as requested is advised:

***£75,000 over three years (3 x £25,000) to contribute towards revenue costs of supporting London women under 25 leaving custody to desist from reoffending.***

**Funding History**

Meeting Date	Decision
19/06/2014	Declined as the application was, according to information received, a religiously restricted post.

**Background and detail of proposal**

For the past three years, and with funding from the Big Lottery, *Moving On* has supported 50-60 young women annually, first in prison and then on release, helping them to tackle issues related to their offending behavior, and to achieve stable lifestyles. So far, just 17.4% of the beneficiaries have returned to prison (most for breaking bail conditions rather than re-offending), which is well below average reconviction rates within one year of release for women (45%) and for young people (58%). The project recently obtained the Mentoring and Befriending Association's Approved Provider Award, is being carefully and robustly monitored, and was positively evaluated by the University of Greenwich last year. *Meaningful Mentoring*, a report by the Centre for Social Justice published in 2014, describes *Moving On* as "the most impressive women's mentoring project" of 25 projects studied.

Big Lottery funding for *Moving On* ended last September. The project has continued, albeit at a reduced scale, and is supporting nine service users. Pecan intends to raise £453,615 over three years, which would support up to 36 young women annually. To date, it has raised £153,900 (34% of the costs). There is a phased growth programme whereby beneficiary numbers would increase as and when new funds are secured. This shows that, if this application were successful, the project would support 25 young women annually. Pecan is applying to other charitable funders and is working towards longer-term funding as sub-contractor under *Transforming Rehabilitation*, the government policy to outsource probation services to the independent sector.

Although Pecan is a Christian charity, *Moving On* works with young women from all faiths and none, and does not seek to proselytise in any way.

### Financial Observations

Forecast income in the current year (2015/16) is £761,295 of which £447,259 (59%) had been secured by 21<sup>st</sup> October 2015.

Free reserves are marginally ahead of the charity's reserve policy target to hold six months' worth of expenditure. The charity advises that it intends to use some of these funds next month to meet the start-up costs of a social enterprise upcycling furniture for sale to offer work experience for unemployed people, which is hoped to also bring steady unrestricted income for the charity in the future.

The audited accounts for the year-ended 31 March 2015 did not disclose the cost of generating funds. The charity estimates such costs to be £28,000 in 2015/16, which is low (3.7% of income). The charity advises that this cost is expected to increase following the appointment of a fundraising officer in September 2015 and establishing the social enterprise in November. The charity has confirmed that cost of generating funds will be calculated and shown in its year-end audited accounts in future.

Year end at 31 March	2015 Audited Accounts	2016 Current Year Forecast
<b>Income and Expenditure</b>	£	£
Income	787,031	761,295
Expenditure	802,459	761,000
Unrestricted Funds Surplus / (Deficit)	(25,482)	295
Restricted Funds Surplus / (Deficit)	13,428	-
Endowment Funds Surplus/(Deficit)	(3,374)	
Gain on investments	17,926	
Total Surplus / (Deficit)	2,498	295
Surplus / (Deficit) as a % of turnover	0.3	0.03
Cost of Generating funds (% of income)		£28,000 (3.7%)
<b>Free unrestricted reserves</b>		
Unrestricted free reserves held at Year End	490,187	490,482
How many months' worth of expenditure	7.3	7.7
Reserves Policy target	401,230	380,500
How many months' worth of expenditure	6	6
Free reserves over/(under) target	88,957	109,982