

**MEETING: 24/05/2016**

**Ref: 12930**

**ASSESSMENT CATEGORY - Improving Londoners' Mental Health**

**Thames Reach Housing Association Limited**

**Adv: Tim Wilson**

**Amount requested: £154,814**

**Base: Southwark**

**Benefit: London-wide**

**Amount recommended: £90,000**

**The Charity**

Established in 1984 by the Greater London Council to deliver outreach services with rough sleepers in central London, today Thames Reach (TR) supports homeless, vulnerable and isolated men and women across the capital through a range of services, activities and accommodation projects. Clients include rough sleepers, those living in temporary or insecure accommodation, people living with a substance addiction, and people experiencing mental ill-health. In addition to outreach and centre-based activities, the organisation's work also takes place at the flats and shared houses that it manages.

**The Application**

Building on the organisation's outreach experience, TR seeks City Bridge Trust funding to develop a new project (*Mental Health Matters*) for entrenched rough sleepers with undiagnosed mental health issues. This project will be based on learning from an 18 month pilot funded by the Department for Communities and Local Government where mental health professionals partnered with street outreach teams to engage rough sleepers. The work that City Bridge Trust is asked to support will see TR contract a mental health professional from the Enabling Assessment Service London (a Community Interest Company) to work alongside street teams. The service will target people with significant, but as yet undiagnosed, mental health problems, and using TR's existing relationships with this group, encourage them to access services. During the project TR will train its staff to deliver mental health support as part of their standard outreach.

**The Recommendation**

According to CHAIN data (Combined Homelessness and Information Network), approximately 7,500 people slept rough in London last year, of whom 30% were doing so on a long-term basis. This group, known as 'entrenched rough sleepers' are of particular interest to TR and the organisation dedicates considerable energy to building relationships with them in order to provide support. Entrenched rough sleepers typically lead chaotic lives, but frequent contact through street outreach teams helps build relationships of trust. Whilst outreach teams can assess where there are mental health support needs, they cannot currently diagnose or offer specialist follow-up. The proposed work builds not only on TR's experience of working with a very high-needs support group, but also a successful pilot, to make a valuable addition to the outreach service. A contribution from the organisation's own funds is reasonable. Funding is recommended as follows:

***£90,000 over three years (3 x £30,000) towards the costs of Thames Reach's Mental Health Matters project delivering support to entrenched rough sleepers with undiagnosed mental ill-health. The award is conditional on the organisation using its own reserves towards the balance of funds needed for the project.***

## Funding History

Meeting Date	Decision
01/03/2007	£136,000 over 18 months for a project developing an ICT resource for homelessness agencies to better meet the needs of clients.

### Background and detail of proposal

During its 2012-14 pilot, TR engaged with 74 entrenched rough sleepers, and was able to encourage the entire cohort to engage with mental health support services. From this, all cohort members received an official diagnosis, and half the group moved off the streets into stable accommodation. During the pilot, outreach teams strengthened their own skills, and the proposed three year project in front of you today is designed to embed mental health practice within the organisation. This will be achieved through regular training for outreach workers and establishing an in-house mental health lead. Support will be delivered on the street, and through subsequent encouragement to attend mental health advice and assessment services. Activities will be subject to clinical supervision to ensure quality throughout.

### Financial Information

At 17<sup>th</sup> February Thames Reach advised it had confirmed £16,782,459 (99.9%) of its 2015-16 income and £15,605,393 (96.9%) of its 2016-17 income.

The free reserves holding of £4.7m as at 31 March 2016 is not considered excessive as £0.5m will be used in the current year to meet known additional costs. This use of reserves will reduce them by the year-end on 31 March 2017, to be in-line with the organisation's reserves policy target to hold 3 months' worth of expenditure, which is considered a reasonable and sensible level given the range of services the organisation is responsible for.

The cost of generating funds is not disclosed in the 2014-15 accounts. The figures in the table below have been provided by the organisation's Director of Finance and represent the salaries and on-costs of Thames Reach's fundraising team which is relatively small despite the organisation's turnover. The organisation is in the process of registering as a charity and will disclose the cost of generating funds in future accounts, thereby making them Charities Accounting SORP compliant.

Year end at 31 March	2014-15 Audited £	2015-16 Forecast £	2016-17 Forecast £
<b>Income and Expenditure</b>			
Income	15,193,948	16,785,459	16,104,549
Expenditure	15,024,736	16,584,932	16,604,549
Unrestricted Funds Surplus / (Deficit)	515,085	200,527	(500,000)
Restricted Funds Surplus / (Deficit)	(345,873)	0	0
Total Surplus / (Deficit)	169,212	200,527	(500,000)
Surplus / (Deficit) as a % of turnover	1.1%	1.2%	(3.1%)
Cost of Generating funds (% of income)	186,277 (1.2%)	212,689 (1.3%)	203,994 (1.3%)
<b>Free unrestricted reserves</b>			
Unrestricted free reserves held at Year End	4,515,532	4,716,059	4,216,059
How many months' worth of expenditure	3.6	3.4	3.1
<b>Reserves Policy target</b>	<b>3,756,184</b>	<b>4,146,234</b>	<b>4,151,136</b>
How many months' worth of expenditure	3	3	3
Free reserves over/(under) target	759,348	569,825	64,923