

**MEETING: 14/07/2016**

**Ref: 13256**

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

**St Mungo's Broadway**

**Adv: Shegufta Rahman**

**Base: Tower Hamlets**

**Benefit: London-wide**

**Amount requested: £135,000**

**Amount recommended: £135,000**

**The Charity**

St Mungo's Broadway (SMB) was formed in April 2014 following the merger of St Mungo Community Housing Association and Broadway Homelessness & Support; two charities with a long history of working with homeless and vulnerable people and which you have funded separately in the past (as shown in the table below). The main activities of the organisation include: over 200 supportive housing projects; mental health and complex needs projects; street outreach services; criminal justice work; and of the largest portfolios in Europe for skills and employment services for homeless people.

**The Application**

The LifeWorks programme provides mental health support to homeless individuals with complex needs. You are asked to fund the salary of a full-time equivalent (FTE) psychotherapist over three years to support the delivery of the LifeWorks programme.

**The Recommendation**

SMB have an established track record in delivering the LifeWorks programme. In 2014/15, the charity reported 91% of beneficiaries engaged in the service maintained their housing or made a positive move into housing. 63% maintained or improved their physical health and wellbeing for example, though a reduction in self-harm or substance misuse. The programme is delivered by a team of eight part-time registered psychotherapists, as well as up to four volunteers. The total cost of delivering LifeWorks is £261,000 per year. Currently, this is funded through grants from other trusts and foundations.

***£135,000 over three years (£45,000; £45,000; £45,000) to fund the salary of a FTE psychotherapist post for the delivery of the LifeWorks programme.***

**Funding History**

Meeting Date	Decision
28/11/2013	£80,000 over an 18 month period to support the work of the London Personalisation Project, helping some of the capital's entrenched rough sleepers towards a new life away from the streets.
31/10/2012	£99,430 over two years (£49,390; £50,040) to employ a part time Gardener Trainer and projects costs to develop the Putting Down Roots training programme to benefit 40 homeless people.
11/11/2010	£77,200 over three years (£25,240, £25,740 £26,220) towards the salary costs of an education, training and employment support worker supporting young offenders at HMP Feltham.
10/09/2009	Application declined.

## Background and detail of proposal

86% of homeless people report a mental health problem (Homeless Link, 2015) and homeless people are three and a half times more likely to commit suicide than the general population (Crisis, 2012). Homeless people with complex trauma can be reluctant to access statutory services, or are excluded due to challenging behaviours and lack of compliance with appointments and treatment. However, 17.5% of homeless people surveyed by Homeless Link would like to receive support for their mental health issues but are unable to access any help while statutory services are often unable or unwilling to help people reporting both mental health problems and drugs and substance use issues (known as 'dual diagnosis'). 19% of SMB beneficiaries fall into this category. The transient nature of homelessness means it can be difficult for homeless people to maintain long-term engagement with health services. LifeWorks is designed to address these barriers, underpinned by the assumption that supporting beneficiaries with mental health issues can help tackle substance misuse and positively impact all areas of their lives.

LifeWorks also deliver weekly staff reflective proactive groups within SMB's accommodation projects, helping them become Psychologically Informed Environments (PIEs). This increases the understanding of the impact of trauma on housing, health and relationships amongst staff, and creates an environment that physically and socially supports people in their recovery.

## Financial Information

Total forecast income for the current year ending 31<sup>st</sup> March 2017 is £80,947,000 of which £46,807,000 (58%) had been confirmed by April 2016.

Unrestricted free reserves held at 31<sup>st</sup> March 2015 were £9,685,000, which is equivalent to 1.6 months' worth of expenditure. The charity does not have a stated reserves policy, but the trustees have confirmed that it should hold cash in advance of £12m, which for 2014/15 is equivalent to 2 months' worth of expenditure.

The cost of generating funds is low but the charity advises that this is due to overheads not being apportioned to this category of spend in their 14/15 accounts, but will be accounted for in 2015/16 and 2016/17.

Year end at 31 March	2014-15 Audited Accounts £	2015-16 Current Year Forecast £	2016-17 Budget £
<b>Income and Expenditure</b>			
Income	75,724,000	75,428,000	80,947,000
Expenditure	72,139,000	75,066,000	80,802,000
Unrestricted Funds Surplus / (Deficit)	3,626,000	362,000	145,000
Restricted Funds Surplus / (Deficit)	(41,000)	0	0
<b>Total Surplus / (Deficit)</b>	<b>3,585,000</b>	<b>362,000</b>	<b>145,000</b>
Surplus / (Deficit) as a % of turnover	4.7%	0.5%	0.2%
Cost of Generating funds (% of income)	3,412,000 (4.5%)	13,676,000 (18%)	16,256,000 (20%)
<b>Free unrestricted reserves</b>			
Unrestricted free reserves held at Year End	9,685,000	10,047,000	10,192,000
How many months' worth of expenditure	1.6	1.6	1.5
Reserves Policy target	12,000,000	12,000,000	12,000,000
How many months' worth of expenditure	2.0	1.9	1.8
Free reserves over/(under) target	(2,315,000)	(1,953,000)	(1,808,000)