

**MEETING: 22/09/2016**

**Ref: 13472**

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

**Church of England's Children's Society**

**Adv: Ciaran Rafferty**

**Base: Islington**

**Amount requested: £180,532**

**Benefit: Lewisham, Newham,  
Camden, Tower Hamlets,  
Islington**

**Amount recommended: £180,000**

**The Charity**

The Church of England's Children's Society (usually shortened to the Children's Society or TCS) was established in 1881 and today provides a range of direct services, nationally, in parallel with campaigning work to improve the lives of the most disadvantaged 10-21 year olds. In particular, services aim to support those at risk of sexual exploitation; missing from home, involved with the care system; misusing drugs or alcohol; or who are young carers or refugees.

**The Application**

This application is for a unique project which will offer support to boys and young men in London (aged 11-21) who are (or have been) groomed by gangs and criminally exploited (eg for drug running/selling). These young people are often trafficked out of London, across "county lines", and set up in particular locations or "trap" houses where they will be made to sell drugs for anything from a few days to several weeks – during which time they are often missing from home or care. Sexual exploitation often features as a form of power and control over the child. Additionally a very common feature is children being forced to internally carry drugs. This project will help and support these boys and young men, treating them as victims rather than criminals, and providing a range of therapies to enhance their mental health and improve their wellbeing.

**The Recommendation**

The charity is requesting the full cost of this project in London, encompassing a full-time Project Worker plus a contribution to the Service Manager post. Other costs requested are directly associated with delivering the project or equate to a full cost recovery "charge" of 15% and are not unreasonable. Whilst it is your usual practice to consider funding a maximum of one fte post, the additional sum requested for 9hpw of the Service Manager is advised as the project is unique and targets some extremely disadvantaged and vulnerable young people. The Service Manager post will provide the supervision needed and ensure that this project complements other, related, work undertaken by TCS.

***£180,000 over three years (3 x £60,000) for the Boys & Young Men project In London, to fund a f/t Project Worker, 9hpw of the Service Manager, and related activity and support costs.***

**Funding History**

Meeting Date	Decision
09/07/2015	A Stepping Stones application which was declined.
04/10/2007	£99,000 (£43,000, £33,000, £23,000) towards the salary costs of a worker working with young runaways in Lambeth.

## Background and detail of proposal

The need for this work came about through TCS's existing service for young people missing from home, when it was found that some of them had been missing for reasons of being exploited/trafficked by gangs and/or for drugs. For these boys and young men the support services set up for sexually exploited children weren't always appropriate – their needs might overlap but there are some which are different (eg they may be facing a charge for possession of drugs; or they may need support to exit from a gang). Many of the young males involved have an underlying vulnerability; are from BME communities; and often live in poorer/gang-affected neighbourhoods. This project – harnessing the in-house expertise of the TCS staff from its established work with other vulnerable young people – will offer bespoke, sensitive and holistic support with the principal aim of helping the young victims have better mental health and to recover from trauma and fear where necessary. There are no other projects providing this support to this client group in London. The beneficiary boroughs have been selected as the charity has very strong relationships with local agencies and Safeguarding Boards in those areas – but borough boundaries will not define the work as TCS is a member of the Pan-London Child Sexual Exploitation Operating Protocol and support will follow the client if necessary.

## Financial Information

Forecast income in the current year is £45.1m of which £12.5m (28%) is confirmed as at 31<sup>st</sup> July. The charity has taken a cautious approach to its forecasting and, with an emphasis on completion and delivery of on-going projects, it has anticipated that it may have to call on its unrestricted funds. The increase in expenditure is due to the planned opening of new shops and to the costs of exiting some of its early years work through its children's centres.

Two-thirds of the annual cost of generating funds are associated with trading activity through shops, the number of which has increased over the past three years. This activity creates a net surplus each year.

Year end at 31 March	2015/16 Audited Accounts £	2016/17 Current Year Forecast £
<b>Income and Expenditure</b>		
Income	44,042,000	45,076,000
Expenditure	42,891,000	46,415,000
Unrestricted Funds Surplus / (Deficit)	676,000	(1,447,000)
Restricted Funds Surplus / (Deficit)	475,000	353,000
<b>Total Surplus / (Deficit)</b>	<b>1,151,000</b>	<b>(1,094,000)</b>
Surplus / (Deficit) as a % of turnover	2.6%	(2.4%)
Cost of Generating funds (% of income)	14,079,000 (32%)	14,958,000 (33%)
<b>Free unrestricted reserves</b>		
Unrestricted free reserves held at Year End	12,537,000	11,090,000
How many months' worth of expenditure	3.5	2.9
Reserves Policy target	21,445,500	23,207,500
How many months' worth of expenditure	6	6
Free reserves over/(under) target	(8,908,500)	(12,117,500)