

ASSESSMENT CATEGORY - Improving Londoners' Mental Health**Spitalfields Crypt Trust****Adv: Jack Joslin
Base: Tower Hamlets
Benefit: Tower Hamlets &
neighbouring boroughs****Amount requested: £120,000
(Revised request: £138,000)
Amount recommended: £138,000****The Applicant**

Spitalfields Crypt Trust (SCT) was founded in 1965 and was one of the first organisations in the UK offering shelter and support for alcoholic and homeless men. The charity has worked for over 50 years to rebuild the lives of people in recovery from addiction, mental ill health and homelessness. It offers a wide range of services to help guide people through a series of steps which aim to build their prospects for life long recovery. The charity offers a phased residential programme at its premises in Shoreditch as well as one to one support and counselling, group sessions and employment support. It also runs several social enterprises which provide valuable work experience and a training ground for those in the later stages of their recovery and rehabilitation; and manages five charity shops across east London.

The Application

SCT is seeking support towards its 'Primary Programme' that takes place at its main premises of Acorn House in Shoreditch. The programme works with men who are facing severe and multiple disadvantage which includes substance abuse, homelessness, mental ill health and involvement in the criminal justice system. The programme is delivered in 3 stages with the residents staying at the hostel for up to a year before transitioning back into society. Following the 12 steps method, beneficiaries are provided with one-to-one and group counselling alongside other interventions and integrated support. Towards the end of their stay a range of employment opportunities are offered in the social enterprises run by SCT. Funding is sought towards the salary of a full-time Addiction Counsellor and related costs.

The Recommendation

SCT is a long-established organisation delivering a high quality of support for individuals facing severe and multiple disadvantage. At assessment your officer was impressed by the level and depth of the support that each beneficiary received. The programme you are being asked to support is intensive and a year in length for each beneficiary which is why the numbers helped with your funding will be low. The organisation is currently waiting on a substantial bid to the Lottery that will make up the funding for the rest of this project but have advised that if this is not successful SCT will self-fund the work from the profits from its charity shops. Funding is recommended as this programme closely aligns with your programme outcomes for improving Londoners Mental Health as more homeless and transient people will have access to mental health services and report improved well-being. Funding is recommended at a higher rate than the original application to reflect the revised request for the full cost of a full-time Counsellor and a contribution to organisational overheads (Appendix A to the application form):

£138,000 over three years (£44,800; £46,000; £47,200) for the salary of a full time Addlction Counsellor (35hpw) and associated project costs.

Funding History

N/a

Background and detail of proposal

The Primary Programme is delivered to the residents of the charity's recovery hostel Acorn House. The programme addresses severe and multiple disadvantage with a variety of therapeutic interventions. The Primary Programme is delivered by the Charity's team of specialist addiction counsellors lead by a programme manager. The intervention comes at the beginning of the beneficiaries' recovery journey with the average length of stay at Acorn House being nine months. The support is person centred, holistic and structured. SCT staff take each beneficiary through the twelve-step programme to recovery and provide additional wrap around support and activities during their stay. This work is particularly intensive and for that reason expensive per head. The outcomes for the individual beneficiaries however can be profound with additional support provided once they leave the residential setting and progress into independent housing and employment.

Financial Information

In 2017 just under 50% of the SCT's annual income came from the management of five Charity shops across East London. The shops contribute around £200k for the Charity each year. At assessment it was outlined how increased rental costs were reducing this return and that the Charity is looking to diversify its income streams through grant funding. In the table operating expenditure (unrestricted funds) excludes the charity shop expenditure. However, cost of generating funds includes the expenditure on the charity shops (£944k) which is why it is high and over 35%. At assessment your officer noted that the Charity's accounts were qualified on the Charity Commission. This was in fact an error made when SCT filed its annual return, they are contacting the Charity Commission to rectify this.

Year end as at 31 March	2017 Audited Accounts £	2018 Forecast £	2019 Budget £
Income & expenditure:			
Income	2,480,139	2,433,943	2,611,679
- % of Income confirmed as at 14/03/2018	n/a	n/a	9%
Expenditure	(2,347,661)	(2,426,762)	(2,581,554)
Total surplus/(deficit)	132,478	7,181	30,125
Split between:			
- Restricted surplus/(deficit)	27,858	19,113	25,000
- Unrestricted surplus/(deficit)	104,620	(11,932)	5,125
	132,478	7,181	30,125
Cost of Raising Funds	1,113,214	959,529	946,156
- % of Income	44.9%	39.4%	36.2%
Operating expenditure (unrestricted funds)	1,118,050	1,377,329	1,352,390
Free unrestricted reserves:			
Free unrestricted reserves held at year end	514,145	502,213	507,338
No of months of operating expenditure	5.5	4.4	4.5
Reserves policy target	279,012	344,332	338,097
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	235,133	157,881	169,241