

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS

The Directors present their report and the financial statements for the year ended 31 March 2023. The Directors have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preparing these accounts.

CONSTITUTION

Action Mental Health (AMH) is a charitable company limited by guarantee, registered under NI005568, governed by the Articles of Association. The company is recognised as a charity and is registered under NIC100753 and is recognised as a charity by HM Revenue & Customs under reference number XN 47959.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The AMH board is comprised of up to 15 Directors as set out in the charity's Articles of Association. Directors may serve for a maximum of 3 terms of 4 years, save for Serving Directors who, having served 15 years, must be re-appointed on an annual basis. Directors are recruited to the Board through an open recruitment and selection process, although 4 Directors may be co-opted annually. The Governance Manual guides the work of the Board, which includes an induction programme for Directors, Terms of Reference for Committees and roles and responsibilities of office bearers.

AMH decisions on strategy, policy and material capital expenditure are taken by the full Board and it ensures the Strategic Plan guides the Executive over a three year time span. Day to day decision making is under the supervision of the Chief Executive Officer, Mr D Babington, with regular reporting to the Board, Finance Committee, Audit and Risk Committee, Nominations and Remuneration Committee, Therapeutic Services Committee, Innovation and Strategy Committee. The Chief Executive Officer of AMH directly manages the Senior Management Team and they ensure targets in the annual Operational Plan are achieved.

In line with corporate good practice AMH has an Audit and Risk Committee comprising of two independent and three Board members and it meets at least three times a year; the Chief Executive Officer and Director of Business Support also attend, with the external auditors present when appropriate. Usually each year a Directors' Conference is held to enable the Board and all managers to assess progress and consider the future.

During the year the Board worked through a number of actions resulting from the Governance Health Check started in late 2021 including revising the Governance Manual; the Charity Commission Northern Ireland provided consent for the revised Articles on 27 November 2022 and they were subsequently lodged with Companies House. Experience from Covid resulted in many Board and Committee meetings being conducted remotely and this has continued to facilitate attendance and engagement. The Board and Finance Committee met 6 times, the Audit and Risk Committee, Nominations and Remuneration Committee, Therapeutic Services Committee and the Innovation and Strategy Committee each met on 4 occasions. Due to significant uncertainties about the future of ESF funding ending on 31 March 2023 the Board decided not to hold a Directors' Conference until there was greater clarity about the future and Directors were reassured that there was a Strategy already in place for the period 2022-2025. Throughout the year a number of audits from DfE and others such as the ETI provided reassurance to the Board.

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REPORT OF THE DIRECTORS (Continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

In order to support the response to the loss of ESF funding and subsequent uncertainties the Board established a Transition Steering Group of 4 Directors to work closely with the SMT on contingency planning for the future. This included providing oversight of a bid to the new UK Shared Prosperity Fund (UKSPF), which was being commissioned by the Department of Levelling Up Housing and Communities at Westminster.

The Nominations and Remuneration Committee consider pay levels for all staff, and possible Cost of Living increases on an annual basis and the annual accounts are available on the website; the Committee seeks approval from the full Board for any increases in staff salaries. In 2013 the Committee commissioned an extensive independent review of all staff salaries which benchmarked them against other locally based charities, sectors and National Joint Council (NJC) scales and the recommendations were implemented in full. The only adjustment to this was in response to the Covid pandemic and the Board commissioned a further independent salary review to ensure the rates properly reflected market trends and this led to uplifts for most staff in January 2022. The Pay Policy Statement sets out the Board's approach to salaries and is on the AMH website. In respect of the Chief Executive Officer the Committee commissions independent advice which includes benchmarking against comparable roles in the sector.

In order to provide effective services AMH is involved in a number of partnerships with other charities in Northern Ireland such as the Supported Employment Services (SES) consortium, co-led by AMH and the Cedar Foundation delivering the Workable employment programme commissioned by the Department for Communities; the SES consortium also submitted a successful bid for the new UKSPF for 2023-2025. AMH contributed to a range of other committees and partnerships such as the Mental Health Strategic Reform Board, Belfast City Council VCSE Advisory Panel, the Department for Economy Investment for Growth and Jobs Programmes Monitoring Committee for EU Infrastructure Funds, with the Chief Executive Officer holding appointments on all these Committees. AMH also provides the secretariat for the All Party Group on Suicide at the Assembly.

DIRECTORS

The Directors of AMH are its trustees for the purposes of charity law. The Directors who served the charity during the year are as noted on Page 1.

Mrs A Craigan, Ms N Kerr, Ms S Cooke, Ms R Kelly and Messrs. E Fee, HWR Kohner, D P McAuley, W A McKeown, J L C Thompson DL, P Fitzsimmons (resigned with effect from 22 February 2023), D M McKeown, S W Robinson, J McAdams and Prof G Lynch all served.

A register of Directors' interests is maintained, with regular review and update, in order for the Board to be aware of any potential conflicts of interest; the issue of potential conflicts is a standing agenda item at the start of all Board and Committee meetings. None of the Directors had any material interest in contracts with the charity during the year.

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REPORT OF THE DIRECTORS (Continued)

RISK STRATEGY

A risk register is maintained in relation to all material risks posing a threat to AMH. The register is reviewed regularly by the Audit and Risk Committee and at all Board meetings to ensure systems and procedures are established to mitigate those risks identified and to minimise any potential impact on the charity.

In managing the reserves, the Board is guided by their Investment Policy and its objective is to generate a return in excess of inflation over the long term whilst generating an income which could be available to support existing services and new projects. The Reserves Policy of AMH is to hold six months of planned expenditure to ensure continued financial security and to provide for contingencies. A diversified spread of investments is maintained and the two investment providers are required to meet with the Finance Committee once a year to discuss performance, risk and adherence to the Investment Policy's ethical criteria.

PRINCIPAL RISKS AND UNCERTAINTIES

Key risks and uncertainties currently affecting AMH are set out below:

- **Funding**

The ESF 'Working it Out' programme ended on 31 March without any equivalent or follow-on programme available. AMH had lobbied intensively for many months for resources but this was made difficult by political uncertainty and no NI Executive in place; there was only the prospect of some Department of Health transition funding which failed to materialise. Whilst AMH did secure some funding through the UKSPF with a successful bid with SES partners it provided significantly reduced funds for a different group of clients and only a small number of AMH's current clients were eligible to transfer across to the new programme and this new funding is only available until 2025. Existing match funding from the 5 Health and Social Care Trusts was retained and that at least will enable some support to be provided to a reduced number of the most needy existing clients.

As a result, AMH has been implementing contingency plans due to the loss of ESF funding and introduction of the UKSPF programme, all of which is having significant impacts for clients, staff, service delivery and facilities. The aim is to ensure AMH is put on a sustainable financial footing as quickly as possible and this includes considering new funding models and more new collaborative funding opportunities.

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REPORT OF THE DIRECTORS (Continued)

PRINCIPAL RISKS AND UNCERTAINTIES (Continued)

- **Delivery of Services**

Throughout the year there has been a prevailing uncertainty about support for the mental health sector and the Third Sector and this is likely to continue for the foreseeable future; this is additional to concerns about the loss of ESF funding. Evidence of this is the fact that plans to fund the Mental Health Strategy for the first year have fallen very short of what was agreed and the same is likely to happen in coming years yet this is against a backdrop of rising demands for mental health support due to Covid and the Cost of Living crisis.

The Board continues to be concerned about AMH's ability to deliver agreed outcomes with the pace and scale of recent reductions and adjustments required in services with increasing demand combined with difficult recruitment and retention. Although AMH responded swiftly and effectively to the Covid pandemic the current situation is arguably more serious. The Board has been monitoring progress closely and is delighted that all client needs and funders' requirements have been met so far but will continue to work closely to support the SMT to deliver in these difficult circumstances. In response to the bleak outlook the Board is focussed on considering different and more creative ways to support clients and will persevere with digital transformation by building on existing experience with apps/chatbots and collaborative working to embed digital expertise in AMH.

The Board recognises these key risks and uncertainties and operates so as to minimise the threat posed to the charity by adhering to the highest procedures and standards and working closely with independent experts as required to mitigate the risks.

OBJECTIVES AND ACTIVITIES

Action Mental Health

AMH's vision is for a society which actively values and supports people on their journey to positive mental health and the mission is to make a positive difference to people's mental health and wellbeing. The mission is delivered by living and working to our values of Passion, Empowerment, Excellence and Respect.

AMH is a voluntary organisation which continues to support people's mental health and well-being across the region through vocational training, supported employment options, personal development, therapeutic interventions, health and well-being programmes and resilience building. The Directors have given due regard to the Charity Commission for Northern Ireland's guidance on public benefit in respect of its objectives and activities. AMH's Objects and activities undertaken in relation to them are below:

To provide assistance for persons affected by mental ill health, learning disability, substance abuse and/or other disabilities including without limitation vocational rehabilitation and training, personal development and guidance and other support services with a view to maintaining and improving the wellbeing of such persons to assist their return to fitness for purposeful activity.

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REPORT OF THE DIRECTORS (Continued)

OBJECTIVES AND ACTIVITIES (Continued)

Training & support programmes for people recovering from mental ill-health has been delivered through ESF funding by nine New Horizons services, they also provide person-centred well-being programmes to support soft skills development. The five Health and Social Care Trusts are the primary referral source for clients and AMH supports clients to move on to employment and/or more independent lives. There are also three services which cater specifically for young people and they are delivered along similar lines to the adult New Horizons services. As ESF funding has ended it is planned that these services will adjust to reduced resources by supporting fewer clients but continuing to support clients from the existing 10 service delivery locations.

The NLC service provides counselling for children, young people, adults and families. A range of therapeutic services are offered depending on need, including counselling, psychotherapy, music, art and play therapies. The diversity of staff skills and the range of modalities available enhances the experience for clients as NLC matches the orientation of the client to an appropriate counsellor; this now includes Psychological Wellbeing Practitioners. There are a variety of modes of therapy offered - telephone, online or face-to-face. Counselling is provided for a range of issues – stress, anxiety, depression, relationship difficulties, drug/alcohol misuse, self-harming, suicidal ideation – amongst others and counselling is provided for clients who are deaf or hard of hearing. Interpreters will also be provided for clients for whom English is not their first language.

To assist such persons whether or not they have completed training programmes on the Company's premises to secure employment in jobs appropriate to their capabilities and to provide, if required, follow-up guidance and support.

As well as the focus on employment through the New Horizons services AMH delivers the Workable Government employment programme for people with mental health issues, which is focused on getting people into the workplace and keeping them there. The programme is delivered with 6 other charity partners as part of SES. AMH is still also the only provider of the Individual Placement Support service in the Belfast Trust area, which focuses on placing people with mental health issues in the workplace as quickly as possible and then training them.

To carry on for the benefit of such persons activities in which the skills of such persons can be developed, which activities shall be carried on wholly or largely by means of the efforts of such persons.

In line with the Mental Health Strategy's preventative priorities, a growing aspect of AMH's focus has been to build personal resilience within communities including young people in primary/secondary education, further education, higher education and HMP Hydebank. The MensSana project continued to deliver the PHA funded Mindset programme and the Protect Life service which delivers suicide/self harm prevention services. Aside from funding from the Southern Trust, the PHA and corporate donors/foundations a sizeable proportion of this work has continued to be funded through AMH's own funds but future resourcing like this is unlikely to continue.

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REPORT OF THE DIRECTORS (Continued)

OBJECTIVES AND ACTIVITIES (Continued)

The three Men's Sheds continue to maintain support to older men to help them learn new skills, socialise and connect. The long-term conditions project, Managing the Challenge, in the Western Trust continued to provide people with the tools to self-manage their conditions; AMH Works also continued to provide employers with wellbeing and resilience building support. AMH continues to lead an EU funded Peace 4 contract until September 2023 with 6 other partners to deliver a cross border and cross community programme called 'Our Generation' to develop an integrated approach for building peace through emotional resilience.

AMH also runs a number of specialist projects to support clients to develop their own skills, such as the Vision project (Autistic Spectrum Disorder) in the Southern Trust, the Promote Learning Disability project in the South Eastern Trust and the everyBODY Eating Disorder project in the Southern Trust.

To provide outreach services in support of people recovering from mental ill health and/or other disabilities.

AMH operates from 14 sites and many programmes and services are also delivered in the community, in local facilities such as partner organisations' offices, theatres/cinemas, health centres, sports clubs or schools.

To promote awareness of the issues of mental health and other related issues to the public at large.

AMH engaged intensively with politicians, particularly about the end of ESF funding and funding of the Mental Health Strategy, although with no NI Executive or Assembly in place little was achieved. AMH also held numerous client events and appeared on various media to promote mental health issues; the AMH Client Forum committed to co-production by discussing and promoting client issues and corporate partners continued to work with AMH to raise publicity around mental health issues. AMH remains part of the Mental Health Policy Group which is working to promote the work of the sector and to tackle underlying issues in it.

More information on AMH's work and achievements during 2022/23 is in the Annual Review, which is available from the Company's Registered Office and on its website.

ACHIEVEMENTS AND PERFORMANCE

This was the first year of the AMH Board's Strategic Plan 2022-2025 and the scorecard reflects the fact that many objectives were achieved even with the political and funding challenges. ESF funding, with its associated match funding, made a positive difference to client outcomes and indeed outperformed the targets set. Recruitment and retention was an ongoing issue but given very public concerns about future funding after ESF AMH still managed to reach large numbers of the population with a variety of services.

During the year 1,601 clients with mental health needs and/or a learning disability attended services remotely or in person provided by AMH including New Horizons, Promote and Workable. The New Horizons services provided training and employability programmes to 1,406 clients who achieved 2,457 accredited training outcomes and 211 progressed to paid employment, voluntary work, further education/training or other government programmes.

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REPORT OF THE DIRECTORS (Continued)

ACHIEVEMENTS AND PERFORMANCE (Continued)

Regarding resilience building programmes delivered by AMH MensSana and AMH Works, there were 39,981 direct beneficiaries. AMH also continued to run the Long Term Conditions Alliance (NI) project 'Managing the Challenge' in the Western Trust area and 25 programmes were successfully provided throughout the year with 200 people participating in the self-management programme; also 113 older men attended the 3 Men's Sheds and 139 clients were supported through the Workable contract.

Regarding the New Life Counselling service, there were 17,785 counselling sessions provided to 2,548 individuals and families as follows:

Adult – 11,214 sessions to 1,614 clients
Children & Young People – 6,349 sessions to 899 clients
Families – 177 sessions to 35 families

AMH staff turnover in the year 2022-2023 was 24.54%; 5.09% due to end of contract, retirement, moving to further education, ill health or personal/other reasons. AMH records a staffing complement of 233 employees as at 31/03/2023: 49 males and 184 females.

AMH has achieved Investors in People (IIP) 'We invest in people' PLATINUM accreditation: only 3% of IIP accredited organisations hold this level of recognition and IIP confirm Action Mental Health is within the top 20 Platinum organisations in United Kingdom.

FINANCIAL REVIEW

As with many similar organisations in the sector AMH had a particularly challenging financial year with the end of the Covid-19 pandemic and Cost of Living pressures which have contributed to associated staff recruitment and retention issues. Whilst remarkable outcomes were achieved for clients AMH shows a sizeable deficit for the year. This was further exacerbated by AMH's continuing commitment to underwrite other wellbeing support programmes, such as for school age children, alongside a key initiative to better retain staff. Despite it being a demanding year due to the careful supervision by the Board and senior management AMH finished it in a relatively stable financial position.

ESF funding continued to support the recovery services whilst a range of PHA, VSS, Health and Social Care Trust funding and various grants supported all the other counselling and resilience building programmes. Unrestricted income continued through corporate partnerships and although it reduced this year due to the Covid pandemic and the Cost of Living crisis, there is an expectation that it will increase to pre pandemic levels soon.

RESULTS

Unrealised losses on investments were £93,118 (2022 - unrealised gains amounted to £411,354).

The overall net movement on funds for the year was a deficit of £726,660 (2022 - £83,083). The charity spends all restricted monies that it receives and makes good any deficit on restricted funds from its general unrestricted reserves.

The closing balance on unrestricted reserves at 31 March 2023 was £6,279,312 (2022 - £7,005,972). No restricted reserves were held.

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REPORT OF THE DIRECTORS (Continued)

RESERVES POLICY

Due to the uncertain nature of AMH's funding, it is the Board's policy to maintain a designated risk reserve equal to six months' budgeted expenditure (see note 24). The level of free reserves at the year-end (excluding designated reserves) was £206,066 (2022 - £1,169,693).

INVESTMENT POLICY AND PERFORMANCE

The Finance Committee, a Board sub-committee, oversees, monitors and advises the Board on investment decisions and they are guided by the Investment Policy.

In managing the Reserves of AMH and hence its investments, the Board's objective is to generate a return in excess of inflation over the long term whilst generating an income and capital growth which could be available to support existing group services and new projects whilst a diversified spread of investments is maintained.

Reports on performance are provided to the Board at each meeting and Directors understand they are ultimately responsible for the overall management of the investments.

The Finance Committee are content that overall investment performance was acceptable and in line with investment objectives. Performance is assessed by benchmarking against accepted industry comparators and by using two separate investment advisors.

FUTURE PLANS

As disclosed at note 1 to the financial statements, due to funding constraints and uncertainty surrounding future funding sources, AMH has undertaken a review of its service delivery across Northern Ireland. As a result of this review the Directors have put plans in place that include the reshaping of service provision and of the assets held and utilised by the charity. The directors acknowledge the uncertainty and challenges this brings but remain committed to AMH's fundamental objective of supporting people's mental health and well-being across the region.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors (who are also trustees of Action Mental Health for the purposes of Charity Law), are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

ACTION MENTAL HEALTH
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REPORT OF THE DIRECTORS (Continued)

DIRECTORS' RESPONSIBILITIES STATEMENT (Continued)

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITOR

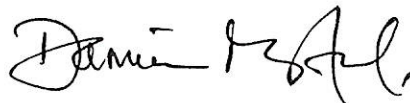
In so far as the Directors, who held office at the date of approval of the financial statements, are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

In approving the Report of the Directors the Directors also approve the Strategic Report.

Registered office:
AMH Central Office
27 Jubilee Road
NEWTOWNARDS
BT23 4YH

On behalf of the Board of Directors



Mr D P McAuley
Director and Chairman



Mrs A Craigan
Director and Honorary Treasurer

Date: 4th October 2023

Registered in Northern Ireland
No. NI005568

Charity Registration No: NIC100753