

**MEETING: 07/09/2018**

**Ref: 14671**

**ASSESSMENT CATEGORY - Reducing Poverty**

**Youth Legal and Resource Centre**

**Adv: Shegufta Rahman**

**Base: Wandsworth**

**Amount requested: £77,923**

**Benefit: London-wide**

**Amount recommended: £78,000**

**The Applicant**

Youth Legal and Resource Centre (YLRC) registered as a charity in 2013 and works with young people to develop and deliver specialist legal advice services in community care and housing law focussing on those with disabilities, carers and care leavers. The charity also provides second tier advice and training to local voluntary organisations in homelessness and community care law.

**The Application**

The charity is seeking funding for a new debts and financial capability advice service specifically for young people aged 16-30 and migrant families, through face to face and telephone debt and money management training; teaching people how to avoid debt, save money and avoid crisis situations. Specific to migrant families, these will be those recently granted recourse to public funds, in particular where they have incurred debts from the recently introduced NHS health charges for migrants.

**The Recommendation**

For a relatively young organisation, YLRC has demonstrated a steady growth in its development of services and funding attached with it. Currently the work is delivered by one full-time member of staff, with additional support from volunteers. The request for funding will enable the charity to develop the debts and financial capability advice service with the additional staffing required for effective delivery. The charity's current reserves policy is not SORP compliant, therefore the recommendation is conditional on this being addressed.

***£78,000 over three years (£24,500, £26,500, £27,000) for the part-time Debt and Money Advice Caseworker (3dpw) and associated project costs, conditional on confirmation a reserves target is set by the board of trustees.***

**Funding History**

None

**Background and detail of proposal**

Young people have unmet needs for legal advice, as has been evidenced by Youth Access, which reports that young people are more likely than the general population to have civil, legal problems, particularly in relation to housing and homelessness. They are also more likely to have multiple and complex problems needing high quality specialist legal advice. Crucially, young people are less likely to seek and obtain advice than the general population.

Families who have recently been awarded leave to remain and/or recourse to public funds have built up debts in loans and credit cards and the new NHS charging for overseas visitors such as single mothers that have just given birth. Evidence from Streetwise Law Centre and Youth Access shows that young disadvantaged people

are very unwilling to approach high street solicitors and therefore forego the support to help deal with the problems which leads to crises. This applies to vulnerable families as well.

The project will seek to support at least 100 young people and migrant families per year with specialist legal advice face to face or over the phone about their debt and money problems. The charity will also have at least 20 support workers from local youth service providers attend its training sessions each year. This will be done in partnership with a number of local organisations, including Wandsworth CVS.

### Financial Information

The charity does not currently have a specific reserves policy, other than to hold sufficient funds to cover the day to day fluctuations in income and expenditure. During assessment, your officer recommended the board of trustees review this policy to set an actual reserves target. YLRC has confirmed their treasurer is currently looking into this, and a reserves target will be agreed in the next month or so. The increase in income from 2017 to 2018 is largely due to three-year funding secured from Trust for London and increasing income from the Legal Aid Foundation. The charity also has a number of applications pending for core funding from other trusts and foundations.

Year end as at 31 March	2017	2018	2019
	Examined Accounts £	Forecast £	Budget £
<b>Income &amp; expenditure:</b>			
Income	42,984	71,795	114,756
- % of income confirmed as at 29/07/2018	n/a	100%	36%
Expenditure	(39,511)	(44,686)	(104,621)
Total surplus/(deficit)	3,473	27,109	10,135
Split between:			
- Restricted surplus/(deficit)	(6,883)	14,007	(14,007)
- Unrestricted surplus/(deficit)	10,356	13,102	24,142
	3,473	27,109	10,135
<b>Cost of Raising Funds</b>	0	3,686	4,621
- % of income	0.0%	5.1%	4.0%
Operating expenditure (unrestricted funds)	31,238	23,686	40,621
<b>Free unrestricted reserves:</b>			
Free unrestricted reserves held at year end	18,836	31,938	56,080
No of months of operating expenditure	7.2	16.2	16.6
Reserves policy target			
No of months of operating expenditure	0.0	0.0	0.0
Free reserves over/(under) target	18,836	31,938	56,080