

**MEETING: 25/07/2019**

**Ref: 15215**

**ASSESSMENT CATEGORY: Bridging Divides - Connecting the Capital**

**Young Ealing Foundation**

**Adv: Jack Joslin**

**Amount requested: £311,134**

**Base: Ealing**

**Benefit: Ealing**

**Amount recommended: £220,000**

**The Applicant**

The Young Ealing Foundation (YEF) is one of seven young people's foundations established in Greater London to develop and strengthen the provision of voluntary sector services for children and young people. Initiated by the John Lyon's Charity and developed in response to the diminution of services for children and young people, young people's foundations are borough-specific infrastructure bodies working with voluntary sector organisations. Particularly concerned with support to smaller organisations, YEF is a registered charity acting as an infrastructure body for a membership of groups working with those aged 0-25 in the borough. It has over 50 voluntary, community and social enterprise organisations in membership. YEF is the newest of the young people's foundations to be set up.

**The Application**

YEF delivers four main areas of work: it raises and distributes grants for local organisations; it fosters cross-sectoral partnerships between groups in support of smaller organisations in the borough; it matches organisations with space to those needing space; and it strengthens its member organisations' monitoring and evaluation practice. Funding is being sought to bring in a Fundraising Manager to work with the sector in Ealing to improve fundraising capacity and capability.

**The Recommendation**

As an infrastructure organisation YEF delivers valuable capacity building services, networking and professional development. The original funding request was large request to support the cost of a new Fundraising Manager Post. In recognition of other applications from young people's foundations to this July Committee, officers believe it is fair to provide a core award to YEF in line with other foundations supported this round. Since the organisation has strategic value as an infrastructure body, officers recommend that the Trust waive its usual requirement that core funding be no more than 10% of turnover. As YEF is a newer Charity and did not receive any initial funding from the Trust it is recommended that a grant of £50,000 be offered in the first two years followed by a taper. This will allow YEF to establish itself while aligning the funding offer with the other young people's foundations. The level of funding has been discussed with YEF and the organisation understands the Trust's rationale. Funding is advised as follows:

***£220,000 over five years (£50,000; £50,000; £45,000; £40,000; £35,000) as core funding to support the Young Ealing Foundation's work in support of voluntary sector organisations working with children and young people.***

**Funding History**

Out of the seven young people's foundations YEF are the only one not to receive any start up support from the Trust.

## Background and detail of proposal

YEF operates across the London Borough of Ealing, one of London's largest boroughs. Ealing stretches from Acton to Southall and has a very diverse population. Ealing is also one of the only London Boroughs that still has a youth service budget, although this has been greatly reduced, with only 3 large youth centres left. Ealing CVS is strong and provides comprehensive capacity building to the voluntary sector in the borough. YEF have consulted with the CVS, council and the sector to ensure that they can offer a package of support that is additional to and compliments the current offer available to groups. Fundraising is a key aspect of this work in the youth sector and is a useful prism in which to engage voluntary organisations. It is usual that a group will attend a meeting on fundraising support, and this will lead to a more comprehensive deep dive into the quality of delivery, financial stability, safeguarding and governance of the organisation. YEF deliver a variety of training and sign post their members to other training available in the borough. With support from the grant YEF plan to develop a youth consultation group, expand the fundraising support and develop monitoring and evaluation training. Core support will help underpin this work over a 5-year period and allow YEF to seek additional funding for specific projects.

## Financial Information

YEF are a relatively new organisation that like the other YPFs have received core funding from John Lyons to establish themselves in the borough. Cost of raising funds were not listed in the signed accounts but this has now been recorded for subsequent years. In 2020 the charity is going to be substantially over its reserves policy due to some of the John Lyons funding being designated for distributing small grants. YEF's Trustees have a cautious approach and will only start distributing grants once the charity is in a secure position with at least 3 to 6 months of reserves.

Year end as at 31st March	2018	2019	2020
	Signed Accounts £	Draft Accounts £	Forecast £
<b>Income &amp; expenditure:</b>			
Income	100,000	155,058	225,000
- % of Income confirmed as at 23/05/2019	N/A	100%	76%
Expenditure	(16,146)	(120,670)	(181,198)
Total surplus/(deficit)	83,854	34,388	43,802
Split between:			
- Restricted surplus/(deficit)	0	22,000	40,000
- Unrestricted surplus/(deficit)	83,854	12,388	3,802
	83,854	34,388	43,802
Cost of Raising Funds	0	5,000	18,000
- % of Income	0.0%	3.2%	8.0%
Total Expenditure	16,146	120,670	181,198
<b>Free unrestricted reserves:</b>			
Free unrestricted reserves held at year end	83,854	96,242	100,044
No of months of operating expenditure	62.3	9.6	6.6
Reserves policy target	4,037	30,168	45,300
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	79,818	66,075	54,745