

MEETING 26/03/2020

Ref: 15647

ASSESSMENT CATEGORY: Bridging Divides - Connecting the Capital

Young Camden Foundation

Adv: Tim Wilson

Base: Camden

Amount requested: £135,000

Benefit: Camden

Amount recommended: £135,000**The Applicant**

Established as a joint venture between the London Borough of Camden and John Lyons Charity in May 2017, the Young Camden Foundation (YCF) was registered as a charitable incorporated organisation in the same year. It is one of several Young People's Foundations formed across London since 2015 to develop and strengthen the provision of services for children and young people, particularly where that work is undertaken by smaller organisations. YCF acts as an infrastructure body for a membership of voluntary and community groups working with those aged 0-25 in the borough.

The Application

The charity works towards four goals: increasing long-term investment in the children and young people's sector in Camden; encouraging relevant collaboration between public, charitable and private sector partners concerned with children and young people in its beneficial area; ensuring that young people feel safe and have voice; and strengthening the capacity of its members to deliver high-quality services. YCF is well connected to all three sectors in its borough, with trustees and associate members (who act as senior advisers) from voluntary, private and public bodies.

The Recommendation

YCF's application is for its capacity building activities, and as such can be regarded as a request for core funding. Consistent with the awards made to other Young People's Foundations over the past few months, and in recognition of the organisation's strategic value as an infrastructure body, your officer recommends that the Trust waive its usual requirement that core funding be no more than 10% of turnover. This award would be on the same lines as those made under Bridging Divides to other Young People's Foundations, and YCF understands the Trust's rationale. The charity has applied for three years, and if it returns for a further two this would also be on the same tapered lines as awards made to other Young People's Foundations. Funding is advised as follows:

£135,000 over three years (£50,000; £45,000; £40,000) as core funding to support the Young Camden Foundation's work for voluntary sector organisations working with children and young people.

Funding History

In September 2015, City Bridge Trust Committee awarded £100,000 each to newly established Young People's Foundations in the Brent, Barnet and Harrow. This matched similar support from the John Lyon's Charity. Since then, other Young People's Foundations have been established across London with founding support from City Bridge Trust and John Lyon's Charity. In March 2018, Committee approved an award of £50,000 to the newly established Young Camden Foundation alongside

grants of the same value to Young People's Foundations in Brent, Harrow, Barnet, Westminster and Hammersmith & Fulham. In the last few months, these various Young People's Foundations have applied for continuation funding along the same lines as YCF's current proposal.

Background and detail of proposal

Young People's Foundations were established during a period when local authority spending on youth services (which are typically considered to be 'discretionary') fell significantly. Several London boroughs have stopped funding for youth services entirely to protect core social services. Camden is a notable exception with the local authority still spending over £3m per annum, but this is in context of a borough with the fourth highest childhood poverty rate in London.

Compared with some other London Boroughs involved in the Young People's Foundation movement, Camden has both a strong private sector and good network of infrastructure bodies. YCF is clearly well-networked and has a model to generate more income from engagement with local businesses, local fundraising and contract fees.

Financial Information

YCF's first set of accounts are for 2018. The table below therefore starts with examined accounts for the charity's second year of operations.

Over the three years, both turnover and expenditure are expected to increase by over 400%. This growth follows YCF's initial years of operation and reflects an organisation achieving its target scale. During this period free reserves are forecast to remain above the organisation's own target of 3 months and the charity notes that it plans to use surplus free reserves for a Small Grants programme in 2021. Whilst this is not reflected in the table below, it appears credible. It is also reasonable to assume that free reserves will come into line with the trustee target once the period of exponential growth passes.

Year end as at 31st March	2019	2020	2021
	Examined Accounts	Forecast	Budget
	£	£	
Income & expenditure:			
Income	182,219	367,286	1,008,923
- % of Income confirmed as at 20th February	100%	92%	19%
Expenditure	(189,544)	(334,941)	(990,006)
Total surplus/(deficit)	(7,325)	32,345	18,917
Split between:			
- Restricted surplus/(deficit)	(36,805)	24,943	4,800
- Unrestricted surplus/(deficit)	29,480	7,402	14,117
	(7,325)	32,345	18,917
Operating expenditure (unrestricted funds)	121,770	180,124	209,806
Free unrestricted reserves:			
Free unrestricted reserves held at year end	99,262	106,664	120,781
No of months of operating expenditure	9.8	7.1	6.9
Reserves policy target	30,443	45,031	52,452
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	68,820	61,633	68,330