

Committee	Dated:
City Bridge Trust	21st March 2019
Subject: Strategic Initiative – Centre for Youth Impact (15304)	Public
Report of: Chief Grants Officer and Director of CBT (CGO)	For Decision
Report author: Tim Wilson, Funding & Social Investment Director	

Summary

In advance of the expected closure of the Project Oracle Evidence Hub, City Bridge Trust revoked years two and three of its 2017 grant. Project Oracle's services and intellectual property have now been passed across to the Centre for Youth Impact. Your officer started discussions with this charity to see how the original aims of the grant might yet be delivered. This paper proposes that a sum equivalent to the funds revoked from Oracle now be awarded to Centre for Youth Impact to deliver evaluation capacity-building services.

Recommendation

Members are asked to

- Agree a grant of £60,000 over two years (2 x £30,000) to the Centre for Youth Impact to support twenty London-based youth organisations to improve the quality of their evaluation activities.

Main Report

Background

1. In September 2017 City Bridge Trust awarded a grant of £90,000 to the Project Oracle Evidence Hub. Oracle started life in 2011 as a project hosted by the Greater London Authority and was registered as an independent charity in 2016. Oracle's aim was to improve the standards of evidence used by organisations working with children and young people. Almost 250 organisations have received validation for their standards of evidence, over 1,200 training opportunities have been delivered for sector staff, and more than 90 researchers have been placed in charitable organisations to build evaluation capacity.
2. In July 2018 Oracle contacted the Trust, notifying it that it had been unable to raise enough core funding to maintain services and was therefore looking to merge with another charity. In August, Oracle trustees made the formal decision to transfer services and intellectual property to the Centre for Youth Impact

(CYI). Oracle was proactive and transparent in its communications with the Trust throughout the whole period.

3. Oracle drew down grant funding of £30,000 from November 2017 until October 2018, delivering services as proposed in the grant agreement. The charity submitted a good monitoring report on the year's work, and the balance of funding (£60,000) was revoked at your November 2018 meeting.
4. Officers began discussions with CYI to review its plans for London-focused work, and this paper considers how the balance of funds awarded under the original grant to Oracle might build on what was started in 2017-18.
5. Established in 2014 with Cabinet Office funding, CYI started life as a hosted programme in the National Council for Voluntary Youth Organisations. CYI is concerned with improving the quality and impact of charitable services for young people through improved evaluation provision. In 2017 CYI undertook a governance review and was established as a Company Limited by Guarantee. It registered with the Charity Commission in 2018. CYI's small staff team is currently hosted by Renaisi, the learning partner City Bridge Trust works with for its Bridging Divides strategy.

Proposal

6. Project Oracle activities now fall under the scope of CYI. This paper proposes funding to deliver what is effectively years two and three of the original grant approved by September 2017 Committee. CYI plans to work with twenty London-focused youth organisations (10 per year), supporting them to develop individual evaluation plans and to achieve Project Oracle validation.
7. The benefit of CYI's work will be in supporting programme participants to measure both the quality and impact of their services more effectively. This will help not only with learning and development of those services, but also strengthening the case for funding and support.
8. The name 'Project Oracle' has been preserved because it is widely recognised both by the evaluation community and by organisations working with children and young people. CYI has not changed Project Oracle's validation process and has preserved the cohort-based approach to support.
9. CYI's proposal can be summarised as follows:

Output	Outcome
Two training sessions for two cohorts of ten youth organisations in theory of change, evaluation planning and data analysis.	Participant organisations will be better able to explain and assess the impact of their work
Support for up to 20 youth organisations to achieve Standard 1 Project Oracle validation.	Youth organisations will be better equipped to reflect on their work and plan improvements

Output	Outcome
Development and piloting of a tool to understand and assess the quality of relationships in youth provision.	Youth organisations will have stronger connections with peers and will be better able to share capacity, evidence and learning.

Financial Information

10. CYI was an incubated project hosted by Renaisi Ltd until 2018. The Trust has received a copy of Renaisi's audited accounts for 2017-18 together with a profit and loss statement for CYI over the same period. The audited accounts for Renaisi show a turnover of £3.4m against expenditure of £3.6m, the deficit being covered by balance sheet reserves. The P&L for CYI show a modest surplus which is entirely on unrestricted funds.
11. CYI states that in 2017-18, as part of Renaisi Ltd, it held no separate reserves and was not established with any reserves. As a recently established organisation with all operations focused on the delivery of its main services, free reserves forecast for 2019 and 2020 have been calculated against total expenditure. CYI anticipates a strong unrestricted surplus in both years thanks to a combination of unrestricted core grant funding and some timebound unrestricted contract income. Both streams should result in free reserves equivalent to slightly more than three months' expenditure by the end of 2020. CYI would like to build reserves equivalent to 3 – 6 months' expenditure and has confirmed that any surplus funds would be spent on project activity.
12. The table shows significantly higher income in 2019 compared with the previous financial year. CYI states that funding commitments were secured in 2018 but were contingent on the organisation's registration as a charity. The charity has confirmed all of its income for 2019 and most for 2020.

Year end as at 31 March	2018	2019	2020
	Profit and loss statement (Extract from Renais's audited accounts)	Forecast	Budget
	£	£	£
Income & expenditure:			
Income	382,195	694,394	728,531
- % of Income confirmed as at 27th February	n/a	100%	79%
Expenditure	(373,403)	(561,204)	(675,193)
Total surplus/(deficit)	8,792	133,190	53,338
Split between:			
- Restricted surplus/(deficit)	0	45,000	(45,000)
- Unrestricted surplus/(deficit)	8,792	88,190	98,338
	8,792	133,190	53,338
Cost of Raising Funds	15,180	15,180	15,180
- % of income	4.0%	2.2%	2.1%
Operating expenditure (total funds)	373,149	561,204	675,193
Free unrestricted reserves:			
Free unrestricted reserves held at year end	0	88,190	186,528
No of months of operating expenditure	0.0	1.9	3.3
Reserves policy target	0	140,301	168,798
No of months of operating expenditure	0.0	3.0	3.0
Free reserves over/(under) target	0	(52,111)	17,730

Conclusion

13. Oracle evidence validation and support is well-regarded, and it is unfortunate that the independent charity of the same name could not raise enough funds to maintain operations. By merging with CYI, Project Oracle has been preserved and a two-year grant to CYI would maintain the service delivery City Bridge Trust envisaged when it first awarded funds in 2017.

Appendix

Appendix A – Summary Assessment of Strategic Initiative

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Summary Assessment of Strategic Initiative for Committee Decision
(Use: Y/N/Potentially or N/A where relevant)

FILTERS	
Will The pro-active grant:	
Further the Trust's Vision and Mission?	Y
Support work within the Bridging Divides programmes?	Y
Or, meet a clear need that has arisen since Bridging Divides were agreed?	
Have the potential for impact beyond that of an individual reactive grant or number of individual grants?	Y
Be affordable within the agreed annual budget (from the Trust alone or in combination with other funders) and, looking forward, leave sufficient budget to meet anticipated pro-active grants for the remainder of the financial year?	Y
Be made to an organisation(s) that conforms to the Trust's eligibility criteria and has the capacity and expertise to deliver the work?	Y

PRIORITISATION GUIDANCE	
Evidence	
Is there external and/or internal research and information that supports the need for the proposed grant?	Y
Is there external and/or internal research and information that indicates the approach proposed in the grant will be successful?	Y
Is there evidence that indicates the work will be hard to fund from other sources?	In part
Impact	
Will the grant tackle a root cause(s), or positively influence policy or practice?	Y
Will the work/approach funded be replicable?	Y
Does the grant provide an opportunity to strengthen Civic Society in London?	Y
Is the work sustainable beyond the period of the grant?	Possibly
Can the impact of the work be measured through evaluation?	Y
Leverage	
Will the grant particularly benefit from the Trust's and the Corporation's distinctive networks and connections? Is there an opportunity to add value in this regard?	N
Will the grant be able to build on the Trust's, and its existing grantees'/investees', knowledge and expertise?	Y
Will the grant have the potential to leverage any other funding from other sources?	N
Spread	
Geographic	

Will the grant support work in a geography where there is high need but relatively low Trust spend?	N
<i>Thematic</i>	
Will the grant support work in a thematic area of the Bridging Divides Programme where there is high need but relatively low Trust spend?	N
<i>Portfolio</i>	
Within the Trust's Strategic Initiative portfolio, is the grant duplicating or complementing anything already funded?	Complementing the Funder Plus services offered through <i>Bridging Divides</i>
<i>Approach</i>	
Will the grant enable better collaboration between relevant organisations?	Y
Is the proposed work across more than one LA or is London-wide?	Y
Does the proposed work explicitly link the private, statutory and voluntary sectors?	N