

MEETING: 21/03/2019

Ref: 14960

ASSESSMENT CATEGORY: Bridging Divides - Positive Transitions

MyBnk

Adv: Julla Mirkin

Amount requested: £240,000

Base: Camden

(Revised request: £135,000)

Benefit: London-wide

Amount recommended: £135,000

The Applicant

Through the provision of financial education MyBnk, a charity, empowers young people to take charge of their lives. It delivers targeted programmes for children, teenagers and young adults; and specific programmes for young people who are Deaf and disabled; considering university or interested in social enterprise. MyBnk's programmes aim to develop knowledge and skills about saving, banking, budgeting, consumer rights, benefits, debt, borrowing, employment and enterprise. Half of MyBnk's work is delivered in schools and the other half aims to reach vulnerable young people, including care leavers, social housing tenants and young offenders.

The Application

MyBnk's original application requested a contribution to the costs of the Money Works and Money House programmes. However, only a proportion of the beneficiaries of each programme are considered disadvantaged and therefore the proposal only partially met your funding criteria. Furthermore, elements of the Money House programme, namely, training on income tax and financial products, fall outside your specific priority of funding 'specialist support for vulnerable or disadvantaged young people'. At the advice of your officer, MyBnk agreed to amend its application to one for core funding, which would offer more general funding for MyBnk's specialist support services for disabled young people or care leavers transitioning to adulthood. As your core funding is capped and tapers down during the lifetime of a grant, the significantly reduced amount recommended more realistically reflects the proportion of Money Works and Money House participants that meet the priorities of your Positive Transitions programme.

The Recommendation

MyBnk has delivered and reported on all previously funded work satisfactorily. It holds a Matrix Standard quality mark and has commissioned external evaluations of its programmes. MyBnk is a member of the APPG for Looked After Children & Care Leavers; the Financial Capability Group and the UK's Financial Capability Board.

£135,000 over three years (£50,000; £45,000; £40,000) to contribute to MyBnk's specialist support services for disabled young people or care leavers in London.

Funding History

Meeting Date	Decision
13/05/2015	£60,000 for one year towards the costs of the Money Works programme specifically for young care leavers.
28/06/2012	£102,000 over two years (£50,000; £52,000) towards a financial literacy programme for young care leavers.

Background and detail of proposal

Money House is a financial literacy programme, which aims to prevent homelessness. It is designed for 16-25 years-olds, who are transitioning to

Independent living, and is delivered in groups of less than ten participants. Money House is delivered in a fully kitted-out flat. It is delivered creatively, through games and activities and teaches participants about tenancy agreements and eviction; choosing utility providers; household bills; budgeting; benefits and Universal Credit. The programme is for young people eligible for social housing, local authority support or who are moving into the private rented sector on their own. The programme lasts five days, is structured around a hot lunch and can lead towards a Level 1 Money Management qualification. MyBnk delivers Money House from two flats, one in Newham and one in Greenwich.

In 2016, over 1,000 social housing tenants in London were evicted, with rent arrears being the most common cause. A lack of independent living skills has been identified by Homeless Link as one of the most commonly reported support needs amongst young homeless people. No young person who has completed the Money House course has, to date, been evicted. For young people for whom travel, job commitment or incarceration preclude attendance, MyBnk offers a shorter, accredited, sister programme called Money Works.

Financial Information

Although MyBnk's reserves are growing, they remain below its reserves target. This is partly due to the organisation's growing turnover, but also to an office move in 2016. MyBnk has achieved operating surpluses for the last three years. It is maximising donations from individuals and is recruiting a Commercial Director who will increase income from appropriate areas of MyBnk's programme, building unrestricted income and reserves.

MyBnk's unrestricted expenditure fluctuates depending on how much unrestricted income is raised. However, additional unrestricted income is spent on programme costs: MyBnk's core costs are apportioned across its activity programmes, resulting in low operational costs in its accounts. MyBnk's CoRF, which have been calculated by its auditors, have not historically included the salary costs of the fundraising team. The applicant will seek clarification about how its CoRF is calculated for future years. At the time of writing, MyBnk had multi-year applications pending with several trusts and foundations and was on track to start its next financial year with one third of budgeted expenditure funded.

Year end as at 31 August	2017 Audited Accounts	2018 Draft	2019 Budget
Income & expenditure:			
Income	1,551,592	1,583,953	1,671,045
- % of income confirmed as at 14/02/19	N/a	N/a	81%
Expenditure	(1,242,595)	(1,535,412)	(1,591,411)
Total surplus/(deficit)	308,997	48,541	79,634
Split between:			
- Restricted surplus/(deficit)	212,133	10,227	25,000
- Unrestricted surplus/(deficit)	96,864	38,314	54,634
	308,997	48,541	79,634
Cost of Raising Funds	0	19,015	17,058
- % of income	0.0%	1.2%	1.0%
Total expenditure	1,242,595	1,535,412	1,591,411
Free unrestricted reserves:			
Free unrestricted reserves held at year end	170,003	210,010	264,644
No of months of operating expenditure	1.6	1.6	2.0
Reserves policy target	310,649	383,853	397,853
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	(140,646)	(173,843)	(133,209)