

MEETING 26/03/2020

Ref: 15642

ASSESSMENT CATEGORY: Bridging Divides - Connecting the Capital**Council of Somali Organisations****Adv: Tania Bronstein****Base: Islington****Amount requested: £155,057****Benefit: London-wide****Amount recommended: £145,000****The Applicant**

The Council for Somali Organisations (CSO) is a second-tier organisation set up to encourage collaboration between Somali community and voluntary organisations (SCVOs) and between the Somali community and policy and decision-making bodies. CSO supports over 100 member SCVOs to improve their operational effectiveness, and in working in more coordinated ways. CSO also represents the Somali community in voluntary sector networks and with statutory bodies such as the GLA, Metropolitan Police and central government departments.

The Application

CSO seeks a 3-year grant to support 45 SCVOs to gain knowledge and skills to influence decisions impacting on their service users. It plans to deliver nine 10-week development programmes focusing on health & wellbeing, the criminal justice system and economic empowerment. Each of the 5 SCOs in each programme would receive individual tuition and access shadowing opportunities to become acquainted with policy making and media platforms. CSO also plans to organise two annual gatherings and disseminate information on the themes above via its website.

The Recommendation

CSO has a new trustee board, a new CEO and seems skilled and equipped to adopt a more strategic approach to its work and its organisational development. Given the deteriorating reserves position, a condition is attached to the recommendation below.

£145,000 over three years (£49,000; £48,000; £48,000) towards a 0.6FTE salary and associated costs of a project to support SCVOs in influencing decisions affecting Somalis in London. Release of the grant in years 2 and 3 is subject to management accounts evidencing progress in reducing the gap between free unrestricted reserves and the policy target.

Funding History

Meeting Date	Decision
24/05/2016	£50,000 as final contribution towards the 2 part time posts below subject to signed, satisfactory accounts for the 17 months period to 31.03.2015
13/03/2014	£100,000 over two years (2 x £50,000) towards salary and associated running costs of a Business Development Manager (0.6 FTE) and a Research Development Officer (0.4FTE). The grant is conditional on appointing a Director with the requisite financial skills and is to be paid in monthly instalments.
17/02/2011	£100,000 over two years (2 x £50,000) towards salary and associated running costs of a Development Officer to strengthen SCVOs in London, on condition that the grant is receive is conditional on the appointment of a Director and is to be paid in monthly instalments.

Background and detail of proposal

CSO developed from a series of seminars and feasibility studies funded by Trust for London (TFL), which together with City Bridge Trust have long recognised a need for a stronger voice for the Somali community, and both have been the organisation's main funders. CSO can claim credit for better collaboration between SCVOs, and for research and representation work that is making the community more visible to policy and decision-makers, and which has prompted improved responses to the complex and challenging issues facing Somalis. The community continues to fare much worse than most other migrant groups both socially and economically

CSO has faced teething problems, but there is evidence that these have been overcome. A new trustee board has been appointed for their skills, rather than simply as representatives of member SCVOs as previously. Under the leadership of a new CEO, the trustees have embarked on a process of reviewing priority needs in the community in the past few months. This proposal to build the skills of SCVOs to participate in local decisions on issues/areas identified as being critical to the Somali community, results from this process.

Financial Information

The table below shows a year-on-year gap between the level of unrestricted funds and the target for free reserves. Developing new income sources to increase unrestricted funds is a priority for CSO. Current initiatives include establishing a specialist knowledge centre on new communities to generate income through research and consultations in partnership with BTEC and Evelyn Oldfield Unit, and offering paid for services to SCVOs such as fundraising support. These businesses are yet to prove potential, hence our recommendation. The organisation finished 2019 with a restricted balance of £38K.

Year end as at 31st March	2019	2020	2021
	Signed		
	Accounts	Forecast	Forecast
	£	£	£
Income & expenditure:			
Income	94,859	96,443	131,392
- % of Income confirmed as at 16.12.19	N/A	N/A	53%
Expenditure	(82,488)	(93,242)	(136,371)
Total surplus/(deficit)	12,371	3,201	(4,979)
Split between:			
- Restricted surplus/(deficit)	16,737	3,201	(6,979)
- Unrestricted surplus/(deficit)	(4,366)	0	2,000
	12,371	3,201	(4,979)
Running costs	82,488	93,242	136,371
Free unrestricted reserves:			
Free unrestricted reserves held at year end	13,413	13,413	15,913
No of months of operating expenditure	2.0	1.7	1.4
Reserves policy target	20,622	23,685	34,092
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	(7,209)	(10,272)	(18,179)