

CITY BRIDGE TRUST – Delegated Authority (Requests up to £250k)

ASSESSMENT CATEGORY: Strategic Initiative

Federation of London Youth Clubs

Ref: 17558

Amount requested: £96,936

Adv: Ciaran Rafferty

Base: Hackney

Benefit: London-wide

Amount recommended: £247,000

Purpose of grant request: Training, Development & Quality Mark provision for YLF funded organisations.

The Applicant

The Federation of London Youth Clubs, commonly known as London Youth, is the membership body for voluntary managed youth organisations in the capital and provides a range of support and capacity-building programmes to its 450 strong network of groups as well as some specific front-line projects for young people. Its origins date back to the Ragged Schools Movement of the 1880s. The organisation has been at the forefront of support for the capital's voluntary-managed youth services during the current pandemic.

Background and detail of proposal

The Trust has actively and financially supported the Mayor of London's Young Londoners Fund (YLF) from its launch in 2018. This funding comprised an investment of £1m for a package of support to a range of youth organisations across London providing activities for young people throughout Phase 1 of the YLF covering 2018 and some of 2019, including programmes to reduce the level of youth violence. Aspects of your financial support included the training of youth workers; enabling the networking and collaboration of funded groups; and supporting funded organisations to achieve the City & Guilds accredited London Youth Quality Mark. These aspects were delivered through specialist external partners, including London Youth, who have focused on:

- Delivering flexible training to accommodate all YLF grantees preparing for the Quality Mark. This covers areas where they need additional support to pass the Assessment e.g. safeguarding, health and safety, current best practice for frontline youth work
- Supporting YLF grantees through the Quality Mark journey and assessment
- One to one account management to ensure each organisation has appropriate support

The engagement of London Youth was based on there being a total of 90 organisations funded by the YLF estimated to need support to achieve the Quality Mark. Now that all the YLF funding has been allocated and a full inventory of funded organisations achieved through Phases 1 and 2 it transpires that, in fact, 170 organisations require that support at an average cost per organisation of £2,909. (This does not include the £3,000 Award made to each organisation which successfully achieves the Quality Mark.)

Of your original allocation of £320,000 for this particular programme there is a balance of c£58,000 which can be used towards providing for the additional organisations funded under Phase 2 of the YLF, whilst some other funding has been achieved through other partners. The remaining shortfall, for the support package to be made available to groups in 2020 and 2021, however, is c.£96,936.

In addition, it is timely for you to consider topping up the fund available for the Quality Mark Awards. As mentioned earlier, the Trust has been running a Quality Mark support scheme for several years, part of which comprises a scale of Awards in the form of small, unrestricted grants made to organisations which achieve the QM. The award system was designed both to encourage groups to seek the quality mark and to recognise and offset some of the costs incurred in their taking part in the assessment process – which is done over time and is very thorough. The most recent allocation for these Awards – £100,000 in January 2019 – is almost finished (£8,000 remains at the time of writing) and so it is recommended that as part of this overall package of support you agree an additional sum of £150,000 to be available to support the Quality Mark Awards.

During the pandemic London Youth has been busier than ever to meet the new and additional needs of its members and although some of their core support projects (such as training) have been comparatively easy to move online, others have had to be stopped – notably the residential/adventure activities at their two sites outside London. The pandemic has also generated a significant increase in new types of advice and guidance being sought by youth workers and their organisations – such as on how to support more young people with mental health needs, or how to provide detached youth work. Some of this additional and new work has been supported by the LCRF but the additional demand from 400+ member organisations has been significant nonetheless.

Financial Information

LY's financial year ends on 31st August so the table below gives a fair reflection of how Covid-19 has impacted the organisation's finances to date, with free reserves being reduced due to a fall in unrestricted income arising from its 2 activity centres being closed. The charity has a diverse mix of income which includes sales income from these centres. The target minimum reserves is 3-6 months operational expenditure. Actual unrestricted reserves in 2019 exceed this. However the target reserves are not expected to be achieved by 2021 as a result of the significant increase expected in expenditure due to significant funding being awarded by the GLA/Violence Reduction Unit. The free reserves shown do not include unrestricted reserves (£4.2m in 2018/19) which have been designated for specific purposes but which could be repurposed if necessary to meet shortfalls in their operational costs. Expenditure is forecast to increase in the financial year ahead.

Year end as at 31 August	2019	2020	2021
	Signed Accounts	Forecast	Budget
	£	£	£
Income & expenditure:			
Income	6,384,606	5,140,267	6,593,642
- % of Income confirmed as at July 2020	N/A	98%	49%
Expenditure	(6,715,078)	(6,061,427)	(7,645,659)
Total surplus/(deficit)	(330,472)	(921,160)	(1,052,017)
Split between:			
- Restricted surplus/(deficit)	(180,558)	(9,842)	912
- Unrestricted surplus/(deficit)	(149,914)	(911,318)	(1,052,929)
	(330,472)	(921,160)	(1,052,017)
Operating Expenditure	6,715,078	6,061,427	7,645,659
Free unrestricted reserves:			
Free unrestricted reserves held at year end	2,784,235	1,872,917	819,988
No of months of operating expenditure	5.0	3.7	1.3
Reserves policy target	1,678,770	1,515,357	1,911,415
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	1,105,466	357,560	(1,091,427)

Funding History (currently active grants)

Meeting Date	Decision
08/07/2020	(LCRF) A grant of £49,962 to fund the essential and urgent costs outlined in the application, so that the organisation can carry on providing support to Londoners.
30/01/2020	£50,000 over one year for the salary costs of a Membership Development Manager and related costs for a programme to support the development and capacity of youth organisations in several outer London boroughs.
21/03/2019	£390,000 over three years (3 x £130,000) towards the costs of the City Leaders project.
31/01/2019	£320,000 over three years (£120,000; £130,000; £70,000) to London Youth to deliver a programme of training and support to enable eligible organisations in receipt of Young Londoners Fund grants to achieve the London Youth Quality Mark.

Recommendations

There are two separate sums recommended for your approval as follows:

- a) £97,000 towards the costs of a package of support through to January 2022 to organisations funded by the Young Londoners Fund.**
- b) Provision of a fund of £150,000 for individual Awards for organisations achieving the London Youth Quality Mark.**

Approved.....
Chief Grants Officer /
Deputy CGO

Approved.....
Chair

Approved.....
Deputy Chair

Date.....

Date.....

Date.....