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| Committee(s) | Dated: |
| City Bridge Trust | 25 th March 2021 |
| Subject: The Prince's Trust Strategic Grant | Public |
| Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly? | N/A |
| Does this proposal require extra revenue and/or capital spending? | Yes (funding is already set-aside for this grant) |
| If so, how much? | £3m |
| What is the source of Funding? | Bridge House Estates Unrestricted Income Funds: Designated Fund for grant-making |
| Has this Funding Source been agreed with the Chamberlain's Department? | Yes |
| Report of: Chief Grants Officer and Director of City Bridge Trust | For Decision |
| Report author: Shegufta Slawther, London Community Response Fund Funding Manager | |

Summary

This report informs you of the progress to date at the six-year mark of this 10-year strategic grant to the Prince's Trust (PT) – it provides information on the outcomes that have resulted for your consideration. It also outlines the planned activities for the next three-year period and the proposed allocation of resources in support of this activity.

Recommendations

Members are asked to:

- a) Note the report;
- b) Agree that satisfactory results have been achieved by the PT in the second three-year period (years four to six) of this strategic initiative;
- c) Agree the outline of planned activities for the next three-year period, with the agreement of the detail to be delegated to the Town Clerk in consultation with the Chairman, Deputy Chairman and Chief Grants Officer; and
- d) Approve, in principle, the next allocation of £3m funding from the £10m approved by the Court of Common Council, as outlined in Table 1 with the release of the grant on a quarterly basis contingent on the following:
 - i. Receipt of additional information to include: quarterly management accounts; quarterly breakdown of CBT grant spend including outputs for each programme; and satisfactory engagement in a review led by CBT consultant Dinah Cox, to

set the outcomes to be achieved for the next funding period of the strategic partnership.

Main Report

Background

1. In September 2014, this committee agreed to recommend a grant of £10m over a 10-year period to the PT, with break clauses at years three, six and nine, subject to effective delivery. This was subsequently approved by the Policy & Resources Committee, and the Court of Common Council. The grant period commenced in April 2015.
2. This strategic grant was awarded to enable the PT to impact some of the most socially deprived areas of London, and to ensure more work is done across London to assist young people from challenging backgrounds.

Current Position

3. To date, the majority of young people supported are aged 13-25. They have been engaged through PT's community-based outreach teams and core range of Education, Training & Development programmes; '*Get Started*', '*Team*', '*Explore*' (previously '*Fairbridge*') and '*Achieve*'. These programmes provide essential support to young people who are underachieving in education or at risk of underachieving; and young people who are unemployed and not yet ready for work. A summary of each programme and associated performance is provided in Appendix 1, and a case studies of young Londoners supported through '*Achieve*' and '*Get Started*' are provided in Appendix 2.
4. Outputs over the first three years of delivery are strong, with a steady growth year on year.
 - a. 2015/16 – 1,685 young Londoners supported
 - b. 2016/17 – 1,708 young Londoners supported
 - c. 2017/18 – 1,726 young Londoners supported
5. Outputs for years four to six were also strong but with slightly lower figures in 2018/19 and 2019/20 to reflect the complexities of the issues faced by young Londoners and the planned long-term support provided by the PT. There is then a sharp increase in outputs for 2020/21 to reflect the shift to online delivery due to restrictions borne out of the Covid-19 pandemic.
 - d. 2018/19 – 1,378 young Londoners supported
 - e. 2019/20 – 1,637 young Londoners supported
 - f. 2020/21 – 3,147 young Londoners expected to be supported through to the end of March 2021
6. Based on outcomes data captured by the PT, for the 11,281 young Londoners supported in total over the six years, 77% have achieved a positive outcome across employment, education, training and volunteering.

7. The outcomes data for '*Explore*' is only captured three months after the intervention is complete, on the basis that it is often a first step into support from the PT. 68% of the young people supported came from a target background, including the following target support needs:
 - 64% presented with mental health needs
 - 18% were homeless
 - 48% had a disability
 - 13% were ex-Offenders
8. 69% of young people supported through '*Explore*' have moved into a positive outcome. Of these, 24% had achieved hard outcomes such as securing teaching assistant jobs, paid work placements at Sky and full-time jobs at an energy company. 45% had moved into positive next steps, including progression mentoring, art therapy, or the '*Team*' and '*Get Started*' programmes.
9. Outcomes data that has been collected in relation to '*Get Started*' London delivery shows that six months after completing the programme, 59% of young people had achieved a positive outcome; 24% were in employment and 34% in education and training. Within those in employment, education and training, 7% were also engaged in additional voluntary work
10. For London deliver of '*Team*', 67% of young people achieved and remained in a positive outcome six months after completing the programme. 17% were in employment, 33% in education and training, and a further 17% were engaged in voluntary work.
11. Your Committee received a presentation from the PT in January 2021 with an update on the charity's response to Covid-19 and supporting young Londoners. In summary, digital delivery was adapted in March 2020; online crisis mentoring was offered to young people struggling with isolation, lost opportunity and poor mental health. Between 30th March and 3rd July 2020, 1,015 crisis support calls took place with young Londoners.
12. Multiple weekly Employment Workshops and Industry Webinars provided ongoing skills development. A Virtual Jobs Board advertised live vacancies with partner organisations, including those in the health care sector, where PT has been capitalising on opportunities for young people to re-skill and apply for jobs. This element of work is expected to become acutely important in the pandemic aftermath, when economic fallout on a par with that of 2008 can be expected, leading to considerable unemployment and with young people being affected the most severely.
13. Personal and Social Development group sessions (supporting 142 young Londoners) brought together young people to improve confidence, reduce anxiety, build connections and set goals. Development Awards were provided to support digital poverty; some 200 laptops went out to young people who were without any means of online communication. An Enterprise Relief Fund was launched to support those newly self-employed who would not qualify for

government support. Launched in partnership with NatWest, £3m was awarded through 616 grants.

14. The charity opened its Prince's Trust South London Centre officially in December 2019. Although closed through the first lockdown, it re-opened in October 2020 to run a diverse range of programmes, as well as provide a safe environment for those living in chaotic homes and provide the most vulnerable with access to facilities such as internet and washing machines. PT saw a high take-up from neuro-diverse young people who have struggled with online interventions. As such, the decision was taken to keep the centre open throughout the third national lockdown in order to continue to support those living in vulnerable or dangerous home environments, whilst ensuring the safety of staff and beneficiaries.

Proposed Objectives 2021 – 2024

15. The PPT Annual Youth Index was published in January 2021¹. The annual survey, conducted by YouGov, had over 2,000 respondents ages 16 to 25 year olds. It found that 26% of 16 to 25-year olds feel 'unable to cope with life', increasing to 40% among those not in education, employment or training (NEETs). 50% say their mental health has worsened since the start of the pandemic, more than half (56%) 'always' or 'often' feel anxious, which rises to 64% for NEETs. The report also revealed:
 - 60% of young people believe that getting a new job feels 'impossible to achieve'
 - 65% of NEETs feel that the longer they are jobless, the worse they feel about themselves
 - Since the pandemic began: one in five young people (21%) have experienced suicidal thoughts, rising to 28% of NEETs
 - 37% feel powerless to change their own future and nearly one in three (31%) think their opinions on issues do not matter.
16. Whilst the full impact of the Covid-19 pandemic fallout has yet to materialise, it is clear that young people are disproportionately affected; for many at the start of their working lives, they are facing the most hostile environment with regards to job opportunities and mental health and wellbeing stability. Another major consequence has been the loss of income to the PT; leaving it financially challenged with higher demand for services from young people than ever before. The charity has been able to reduce its deficit to c.£8m, through judicious management of resources, the rapid development of digital content of its services, and having taken advantage of the government's Coronavirus Job Retention Scheme. The PT anticipates it will take at least three years to return to the funding levels of 2019.
17. As a result of the above, the charity is currently undertaking a review of its work in order to focus finite resources to where it can make the most difference within the next three to five years, and achieve the most social impact. The pandemic has created a significant change for the PT's young people in terms of their

¹ <https://www.princes-trust.org.uk/about-the-trust/news-views/tesco-youth-index-2021>

prospects and the importance of digital and blended delivery. The announcement and implementation of the strategic plan for the coming years have not yet been confirmed. However, the charity has identified the following areas of focus in London over the next three years.

18. *Employability*: PT will build on its strong focus on employability by campaigning for those young people furthest from the job market not to be left behind. Outreach will be sharpened to reach specific groups of young people from disadvantaged backgrounds; those who are from low income backgrounds, to those with a disability including mental health problems, but also those who are ready for work but challenged by their lack of networks and experience.
19. *Education Network*: building on the success of PT's in-education work, it will seek to build on its networks through links into City of London schools and colleges, as well as developing links with employers. Content will focus on work-readiness and improving visibility of future career opportunities. Outreach with schools and education providers across London will be pursued, with a concerted effort to increase the charity's early intervention presence in London schools. There are discussions with Chelsea FC Community Trust which is planning to provide a referral route into Achieve through its own community projects.
20. *Police Forces Programmes*: The New Metropolitan Police Liaison Office, Chief Inspector Andy Briers, has helped develop activities such as Operation Alliance in Haringey, where young people who have committed chargeable offences discuss being diverted onto an intervention programme with specially trained custody suite staff. Building on this, PT will explore the possibility of extending this programme with the support of City of London Police.
21. Currently, the charity is in discussions with partner organisations in Southwark, Lambeth and Lewisham about how its South London Centre could be used as a cross-organisational hub for those affected by youth unemployment. The possibility of bringing work coaches from the Job Centre and Department of Work and Pensions into the Centre are being considered, as well as offering facilities to grass-roots organisations whose own properties cannot facilitate social distancing measures.
22. It is proposed that the £3m funding for 2021 – 2024 will be allocated as detailed in Table 1.

Table 1

| The Prince's Trust and City Bridge Trust Strategic Partnership Draft London Budget 2021 - 2024 | | | | | | |
|--|-------------------------|--------------|-------------------------|--------------|-------------------------|--------------|
| Engaging with the hardest to reach and marginalised young people | April 2021 - March 2022 | | April 2022 - March 2023 | | April 2023 - March 2024 | |
| | Cost | Young People | Cost | Young People | Cost | Young People |
| Live – Reach & Engagement | £422,998 | 170 | £428,352 | 168 | £413,497 | 149 |
| Learn – Education Support | £291,560 | 1,062 | £297,391 | 1,062 | £303,339 | 1,062 |
| Earn – Employability | £230,720 | 249 | £218,455 | 222 | £226,211 | 228 |
| CBT Project Manager | £54,798 | - | £55,885 | - | £57,003 | - |
| Total Cost | £1,000,076 | 1,481 | £1,000,083 | 1,452 | £1,000,050 | 1,439 |
| CBT Contribution | £1,000,000 | | £1,000,000 | | £1,000,000 | |

Financial Assessment

23. The charity has faced significant financial challenges as a consequence of the Covid-19 pandemic. The salaries of numerous staff were claimed through the government's Coronavirus Job Retention Scheme from 1st May through to 31st August 2020. Across the whole organisation, frontline staff and numerous individuals in leadership roles remained working throughout that period, but all at a reduced capacity (four days a week for full-time staff). This enabled the charity to access and divert funds with the flexibility needed to support frontline services for young people.
24. PT are anticipating a slight increase in income for 2022 as fundraising events resume and it actively participates in the government's Kickstart Scheme, which provides funding to employers to create job placements for 16 to 24-year olds on Universal Credit. Other areas of fundraising and income generation are expected to grow.
25. Although only 49% of income is secured as the charity enters 2021/22, it reports that the pipeline of income has been weighted to account for the level of uncertainty and risk, and it is confident that the overall budget income will be achieved.
26. PT's reserves policy is to hold four to six months of operational expenditure, for which total expenditure (minus the cost of raising funds) is used in the calculation. We identified one area of risk around the charity's reserve policy. The Charity Commission recommends that the net book value of tangible fixed assets used to carry out the charity's activities, such as land and buildings, should be designated within a charity's unrestricted reserves. However, the PT

have not followed this advice; the 2020 annual report included land and buildings with a net book value of £14.8m in its free reserves. This is a significant proportion (69%) of the total £21.6m value of the PT's calculated free reserves. In a period where there is significant uncertainty around the property market this should be considered a risk as the charity does not have access to liquid funds. By 2022 PT's free reserves are forecast to hold £14.3m, meaning land and buildings could represent the entire value of free reserves. The charity has confirmed that it could draw down the expendable portion of its endowment funds (£10m of the £12.4m in endowment funds) to mitigate against the risk of its reserves largely being made up wholly of tangible fixed assets. Note that the latest audited accounts do not present an element of the endowment fund as being expendable, with confirmation of this status provided by PT.

27. The charity's board of trustees are continually reviewing the financial position and will be revising plans to adapt to the current financial position. Longer terms budgets are being created, which will incorporate plans to re-establish its reserves levels through increases in revenue to pre-Covid levels, whilst continuing to manage costs robustly.

| Year end as at 31 March | 2020 | 2021 | 2022 |
|--|------------------|------------------|--------------------|
| | Signed Accounts | Forecast | Budget |
| | £ | £ | £ |
| Income & expenditure: | | | |
| Income | 88,340,000 | 60,025,281 | 63,294,553 |
| - % of Income confirmed as at 04/03/2021 | N/A | 100% | 49% |
| Expenditure | (80,633,000) | (60,176,924) | (70,365,828) |
| Total surplus/(deficit) | 7,707,000 | (151,643) | (7,071,275) |
| Split between: | | | |
| - Restricted surplus/(deficit) | 6,357,000 | (576,087) | 647,013 |
| - Unrestricted surplus/(deficit) | (11,044,000) | 424,444 | (7,718,289) |
| - Endowment surplus/(deficit) | 12,394,000 | 0 | 0 |
| | 7,707,000 | (151,643) | (7,071,276) |
| Cost of Raising Funds | 15,174,000 | 7,547,000 | 8,147,000 |
| % Income | 17% | 13% | 13% |
| Operating Expenditure | 65,459,000 | 52,629,924 | 62,218,828 |
| Free unrestricted reserves: | | | |
| Free reserves held at year end | 21,600,000 | 22,024,444 | 14,306,155 |
| No of months of operating expenditure | 4.0 | 5.0 | 2.8 |
| Reserves policy target | 21,819,667 | 17,543,308 | 20,739,609 |
| No of months of operating expenditure | 4.0 | 4.0 | 4.0 |
| Free reserves over/(under) target | (219,667) | 4,481,136 | (6,433,454) |

Conclusion

The six-year period of this strategic grant has achieved strong numbers of young people supported, specifically those from particularly challenging backgrounds. At such a difficult time for the sector, the longevity of this partnership has provided the PT with the stability needed for planning future London delivery, as well as adopting

a flexible approach with your funding as best needed. More work needs to be done to develop the charity's ability to measure its long-term impact, and a review of the partnership to date would help inform the focus of the partnership going forward. As such, it is recommended that the grant for the next period of this strategic partnership be approved, with additional conditions to be met by the charity prior to the grant being drawn down. These include the provision of management accounts, quarterly breakdowns of grant spend including outputs, and engagement in a review of the partnership to confirm priorities and outcomes going forward.

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Appendix 1 – Programme Summaries and Performance

1. '*Achieve*' is PT's education programme, supporting young people at risk of educational under-achievement. The structure of the programme encourages the young people to develop relationships with other pupils and the teachers. In an unpressured learning environment, young people build confidence and interpersonal skills. Your funding has been instrumental in the growth of this programme. Over the six-year period, your funding has enabled PT to support 4,241 young people across '*Achieve*'. Of this number, your funding has supported 1,496 young people directly through Achieve Clubs (236 in years one through to three, and 1,260 in years four to six).
2. '*Explore*' is an individually tailored personal development programme for young people aged 16 to 25 who are disengaged, far away from reaching their potential, have chaotic lifestyles, and who are unable to overcome the problems in their lives. Young people participate in a combination of group activities, opportunities, experiences, and one-to-one support directly delivered by PT staff in their London centres. Sessions support the development of life, personal and social skills such as communication, managing feelings, positive citizenship and taking personal care of themselves and others. Your funding has enabled PT to engage 1,354 young people onto '*Explore*' through their outreach work over the past six years. Of this, your funding has supported 457 young Londoners to complete the '*Explore*' programme (196 in years one through three, 261 years four through to six).
3. '*Get Started*' programmes are short courses which engage young people into further education, training or employment, through specific themes such as sport or the arts. Delivered with expert partners, the programme enables young people to develop their skills through practical activities, giving them confidence and motivation to move on with their lives. Over this six-year period, your funding has enabled PT to engage 2,541 young people onto their '*Get Started*' programmes through their outreach work. Of this number, you have funded the costs for 982 individuals to complete a '*Get Started*' programme (236 in years one to three, and 746 in years four to six).
4. '*Team*' is a 12-week personal development programme, which combines group and individual learning activities, enabling young people to leave equipped with a range of skills. Young people on '*Team*' improve their employability through work placements and skills workshops; work directly with members of community organisations to make a difference and build community cohesion; develop their teamwork and communication skills; and gain nationally recognised qualifications. Your funding to date has supported 1,976 young Londoners in total through this programme, (1,382 in years one through to three, and 594 in years four to six).

Appendix 2 – Case Studies

Aiden's Story – '*Achieve*'

As he neared the end of primary school, Aiden started truanting and misbehaving in class – behaviours that continued into secondary school. His teachers knew him as rude and disruptive, and when moving to a new school did not help, his chances of passing his exams looked slim.

Aiden would regularly skip school to buy drugs and shoplift. Eventually, he was recommended to join The Prince's Trust's '*Achieve*' programme whilst attending a local Pupil Referral Unit. Here, he started to turn his reputation around. Although he was initially withdrawn, as the group began to work on their Level 1 Teamwork, Aiden began to engage with enthusiasm, showing skills in IT and Maths. He started taking a leading role with supporting others in the group and was kind and caring towards his peers.

As his school adapted to the Covid-19 pandemic, Aiden continued to improve his focus and engagement. He enjoyed the smaller classes on the days he was invited into school and showed self-motivation despite the temptation of lockdown. Since his return to school in September 2020, Aiden continues to work on his career planning and personal development units for the *Achieve* qualification. Moreover, his attendance is now at an all-time high, and the whole school has noticed his respectful behaviour, desire to help others and his correct wearing of the school uniform. He has also stopped smoking cannabis and has a much more stable personal life.

For the first time, Aiden has hopes and aspirations for the future. He is applying for an apprenticeship with Western Power to become an electrician and has a contingency plan to attend college for an electrician's course. He is positive he will achieve his English Language & Literature, Maths and Triple Science GCSEs, and credits his success to the '*Achieve*' programme.

Young Person A – '*Get Started with Web Design*'

Young person A expressed their concerns at the start of the programme, as they suffered with anxiety, depression, low self-esteem and confidence in all settings and would constantly tell themselves that they were not good enough.

However, it became apparent during the Taster Day that Young Person A was willing to try and push beyond their comfort zone if they were given them the confidence to believe they could succeed. They were therefore included on the main programme to help them develop this self-confidence, and on the very first day showed real leadership skills and settled well within the group.

By the final day of the programme, Young Person A had grown hugely in confidence, had shown real signs as a talented web designer, and had helped other group members who needed help designing their web blogs by offering support and advice to them. Young Person A then delivered an insightful and brilliant presentation to

both the programme members and delivery partner and Trust staff, confidently speaking about their journey and experience.

As a result of their amazing progress, Young Person A was offered a full-time role with our delivery partner, with the opportunity to develop their skills-set and gain vital job experience. In addition, Young Person A supported on the Get Started in Web Design run in January 2021 as a trainee facilitator.