

MEETING: 11/09/23

REF: 20422

ASSESSMENT CATEGORY: Bridging Divides - Anchor Programme

The Ubele Initiative	Adv: Khadra Aden
Amount requested: £ 1,048,132.75	Base: Haringey/Lambeth
Amount recommended: £1,048,500	Benefit: London-wide

Purpose of grant request: To develop a ‘financial centre of excellence’ supporting Black and minority-led organisations to strengthen their financial literacy and governance, and to overcome systemic barriers in the voluntary sector.

The Applicant

The Ubele Initiative (TUI) was formed in 2014 as a Company Limited by Guarantee and converted to a Community Interest Company (no. 09035399) in January 2023. It is an African diaspora led infrastructure organisation working in the UK and abroad. TUI’s stated vision is to support and empower Black and Racially Minoritised (BRM) communities to act as catalysts for social change, working with community leaders, groups, and organisations to strengthen their sustainability, resilience, and voice. It has established a network of BRM led organisations giving access to community spaces, social leadership programmes, skills development, and peer learning. TUI also facilitates intergenerational collaboration, partnership working, project development, and creates space for young emerging leaders.

TUI influences policymakers and undertakes research to develop local, regional, and national practice. It is the primary African diaspora voluntary organisation leading such work in the UK with strategic national partnerships with, for example, Power to Change, The Social Investment Business, Access Foundation and Locality. It was asked to take on the BRM communities infrastructure lead role for the Greater London Authority (GLA) in February 2020, the focus of which soon expanded to include COVID-19 (C19) support. TUI also became a national lead for The National Lottery Community Fund’s (NLCF) C19 programme focused on BRM communities, alongside partner Global Fund for Children. TUI is also currently an Equity Partner for City Bridge Trust (CBT) and London Funders’ collaborative Propel Funding Programme.

Background and detail of proposal

BRM led organisations often face systemic racism, underfunding and discrimination that inhibit their ability to thrive and deliver quality services that meet the needs of Black and minoritised communities. However, at the height of the global pandemic in 2020, followed by the Black Lives Matter uprisings, funders worked to redress this issue as the sector started to engage with questions of racial inequity in the voluntary sector. TUI was at the forefront of these conversations and used its own experience of underfunding, as well as its role supporting frontline BRM organisations, to advocate for a change to the way funding is distributed. This led to TUI being commissioned as the delivery partner of The Phoenix Fund, a joint initiative established in May 2020 between Global Fund for Children and The National Lottery Community Fund, to provide £1 million in emergency grants to BRM communities across England.

As the C19 pandemic progressed, TUI continued to support the most marginalised communities, reaching a total 17,622 people and providing support to 200 BRM led organisations between April 2020 and July 2021. The organisation continued to provide onward grantmaking during this period and distributed £13.5 million to BRM led community and voluntary organisations, and social enterprises. TUI also raised £94,925 for the Majonzi Fund to provide bereavement and grief support to members of Black and minoritised communities affected by loss due to C19¹. Building on this work, TUI seeks to find sustainable and systemic solutions to persistent social and economic challenges faced by minoritised communities and the ‘led by and for’ frontline organisations that support them.

Following its conversion into a Community Interest Company (CIC), TUI has been mindful of managing its rapid growth and has recently secured funding from The Clothworkers Foundation to recruit an experienced Chief Finance Officer. This role will develop TUI’s existing second-tier financial support aimed at BRM voluntary organisations, currently led by one staff member, and will also oversee the organisation’s own internal financial management and governance. It is anticipated that the recruitment for this role will be finalised by the end of October 2023.

TUI proposes to use the Anchor grant to further increase its staff capacity by recruiting a Deputy Finance Director (1 FTE) and Finance Officer (1 FTE), both reporting directly to the Chief Finance Officer, to enable TUI to help build a resilient future for BRM led organisations.

TUI will do this by:

- Setting up a ‘financial centre of excellence,’ providing infrastructure support to organisations in eight London boroughs (Lambeth, Southwark, Lewisham, Greenwich, Haringey, Hackney, Brent and Enfield)
- Recruiting a Deputy Finance Director and Finance Officer to focus on increasing BRM groups’ financial literacy, confidence, skills, and resilience in accessing and managing levels of resourcing required to address deep-rooted racial injustice. Both postholders will spend 80% of their time delivering this work, and the remaining 20% of their time strengthening TUI’s own internal financial management and governance
- Support will also include financial health checks, finance strategy development, risk identification and management, budgeting, statutory/funder compliance training, employer responsibilities training, governance training, as well as advice on how to adhere to best practice when publishing annual financial reports
- The organisation will also develop an evaluation system that will track individual and organisational confidence and skill levels once they have received support from the charity

TUI’s proposal fits the criteria for the Anchor Programme:

- It is a ‘led by and for’ organisation with the majority of its staff, as well as 100% of senior managers and Directors, from BRM backgrounds
- As a second-tier organisation, TUI has a strong track record of providing capacity support to BRM frontline organisations across London

¹ *Social Impact Report: Making a difference within challenging times* (2021): <https://www.ubele.org/assets/documents/Ubele-Social-Impact-Report,-2020-21.pdf>

- TUI delivers its work through an intersectional approach so that those with additional protected characteristics, such as gender, sexuality and disability, are not further marginalised. This is best demonstrated by TUI's multiple projects, such as its work with LGBTQIA+ youth through the Bayo project
- TUI's strategic objectives aim to embed equity and justice across its work with marginalised communities, frontline organisations, as well as its work influencing funders, and voluntary and statutory bodies. This is evidenced by TUI's research, such as their Booska report which exposes structural racism in the voluntary, community and social enterprise (VCSE) sector

London's BRM voluntary and community sector

The BRM voluntary and community sector (VCS) has a long history in the UK, dating back to the Windrush generation of the 1950's. Newcomers set up diaspora groups, supplementary schools, advice clinics and other services geared to meeting the needs of communities who were badly served by mainstream public authorities, if at all. In more recent times, BRM led organisations continue to exist because the groups they support are still inadequately served by mainstream VCS organisations.

TUI's 2020 report *Impact of COVID-19 on Black, Asian and Minority Ethnic (BAME) community and voluntary organisations*², found that nine in ten Black-led organisations were at risk of closing due to the disruptions caused by C19 and historic underfunding of organisations led by marginalised groups. Although the pandemic forced mainstream funders to reconsider their support of BRM led organisations, with an increase in funding due to the higher impact of covid on BRM communities, a lot of these organisations have reported that they now face a cliff edge with Covid emergency funding coming to an end. This issue has been further exacerbated by increasing demand from marginalised communities most impacted by the cost-of-living crisis.

Financial Information

Year end as at 31 March	2022 Signed accounts £	2023 Draft accounts £	2024 Budget £
Income & expenditure:			
Income	1,645,645	2,723,260	3,015,438
- % of Income confirmed as at	100%	100%	100%
Expenditure	(1,562,542)	(2,723,260)	(3,015,438)
Total profit/(loss)	83,103	0	0
Balance sheet:			
Net assets/(liabilities)	112,697	112,697	112,697
<i>Of which:</i>			
Income & Expenditure reserves	112,697	112,697	112,697
Total reserves	112,697	112,697	112,697
Months' expenditure covered by I&E reserves	0.865	0.497	0.448

TUI's funding comes from a range of sources, such as local authority commissioning and grants from trusts and foundations. TUI chooses to be audited and for its

² Impact of COVID-19 on BAME community and voluntary organisations (2020):

<https://www.ubele.org/assets/documents/REPORT-Impact-of-COVID-19-on-the-BAME-Community-and-voluntary-sector,-30-April-2020.pdf>

financial reporting to follow charity accounting presentation on splitting income between restricted and unrestricted funds, to better disclose its varied income. However, as a company, it complies with company rules on deferring grant income. TUI's most recent published accounts for year-ending 2022, shows the organisation to be in a good financial position, with a healthy cash balance reported (£800k) and positive direction of travel with increased income projected in 2022/23 and 2023/24. The 2023/24 budget does not include income coming from the Anchor programme.

Funding History

ID	Type	Meeting Date	Decision
20003	Propel	31/03/2023	£1,216,600 over three years for 12 part-time (7.2 FTE) staff and associated costs across three partners to contribute to a Community Wealth Building programme in Haringey, Lambeth, and Lewisham
18821	COVID19 London Community Response Fund (Wave 5)	14/07/2021	£1,000.00 to ensure the London Community Response increases its reach
17932	COVID19 LCRF (Wave 3)	26/11/2020	£33,660 towards the costs of a Project Manager's salary and a contribution to core costs
17817	COVID19 LCRF (Wave 3)	17/09/2020	£11,478 to create a new Lewisham BAME Infrastructure/Funding Hub
17854	COVID19 LCRF (Wave 3)	17/09/2020	£10,000 for core operational costs to support you to ensure the London Community Response increases its reach and to participate in wider recovery activities in the capital
16939	COVID19 Small Charity Emergency Support Funding	08/07/2020	£30,000 to ensure that London Community Response increases its reach in BAME communities
17330	COVID19 LCRF	08/07/2020	£46,977 towards the costs outlined in your application.
17331	COVID19 LCRF	08/07/2020	£21,464 towards the costs outlined in your application.

At the time of assessment TUI has one active Propel grant with CBT. The grant (20003) is due to conclude in 2026 and contributes to the cost of staff salaries (7.2 FTE) and associated costs across three organisations partnering to deliver a Community Wealth Building programme in Haringey, Lambeth, and Lewisham. TUI's existing grant differs from the Anchor application as its focus is on project delivery and will not duplicate but instead enhance the overall systemic change TUI aims to achieve.

The Recommendation

Funding is recommended as follows:

To award, in principle subject to the following conditions being met, £1,048,500 over seven years (£149,200; £149,600; £150,000; £149,800; £149,900; £150,000; £150,000) towards core costs to help TUI develop a 'centre of financial excellence' and support Black and minority-led organisations overcome systemic barriers in the voluntary sector.

Confirmation of the award and the first payment will be subject to the following conditions:

- The TUI Directors/Board confirm and provide satisfactory assurance that they have considered, understood, and accepted the risk of taking on liability for advice provided within the Centre of Excellence.
- TUI confirms that the role of CFO (Chief Finance Officer) is in post and will determine the staffing structure, roles and JDs for the new Centre, noting that the CFO may wish to consider the use of consultants to provide advice.