

ASSESSMENT CATEGORY - Strengthening London's Voluntary Sector**Black Training and Enterprise Group (BTEG)****Adv: Tim Wilson****Base: Islington****Amount requested: £178,956****Benefit: London-wide****Amount recommended: £165,000****The Charity**

Black Training and Enterprise Group (BTEG) works to address the causes and consequences of racial inequality. Established in 1996, BTEG supports black, Asian, and minority ethnic (BME) voluntary organisations through training, advice, and policy representation. The charity has a long-standing interest in increasing the number of BME apprenticeships. BTEG sits on advisory groups to the Department for Work and Pensions and the Department for Business, Innovation and Skills.

The Application

At a time when voluntary organisations are experiencing growing pressure on their financial and human resources, BTEG wishes to promote improved volunteer management amongst its membership and increase volunteering rates from the BME community. BTEG wishes to run a 'Valuing Volunteers Project' with three aims: to improve the skills and capacity of BME organisations taking on volunteers; to improve the volunteering experiences of young BME volunteers; and to build the capacity of young BME volunteers in order to get them 'volunteer ready'.

The Recommendation

Having run capacity building programmes for the BME voluntary organisations for several years, BTEG identified that many of the smaller charities they supported would benefit from volunteers, but were frequently unable to manage such placements successfully. Alongside its capacity building work, BTEG has been working with organisations addressing employability for 16-25 year old BME young people. With City Bridge Trust funding, BTEG seeks to connect these two initiatives, training young volunteers and placing them in organisations that would benefit from volunteer time. BTEG will also help these organisations strengthen their volunteer management capabilities. The programme is a valuable way of supporting smaller charities who, whilst generally having the most to gain from volunteers, but who often struggle to attract and retain the right people. Funding is advised as follows:

£165,000 over three years (3 x £55,000) for the 'Valuing Volunteers Project' with funding to cover the costs of a part-time (0.7 FTE) project manager and support costs.

Funding History

| Meeting Date | Decision |
|--------------|---|
| 04/09/2013 | Application received whilst still in receipt of a grant. Withdrawn with a view to re-applying when eligible in 2014. |
| 17/02/2011 | £110,000 over two years towards a programme of bespoke personal and organisational development for BME organisations across London. |
| 01/11/2007 | £150,000 over three years towards a capacity building programme for Black and Minority Ethnic community organisations in London. |

Background and detail of proposal

BTEG has delivered organisational development support to over 1,000 charities. Increasingly, as funding to the sector has become scarcer, these organisations have expressed a desire to source volunteers. From practical experience BTEG is aware that many BME voluntary organisations are not yet well equipped to manage successful volunteer placements, and that rates of voluntarism in BME communities could be higher. As a result, BTEG's project addresses both the supply of and demand for volunteers. BTEG will help 75 BME charities to strengthen their volunteer management skills. The charity will assist over 150 young people into successful volunteer placements. In addition to its service delivery, BTEG will publish volunteer management resources and hold placement fairs to bring organisations together with prospective volunteers.

Financial Information

Between the year-ended 31st March 2013 and the year-ended 31st March 2014, BTEG's income increased by 65%, with expenditure increasing by 52%. This growth was facilitated by large new grants from the Big Lottery Fund and the Monument Trust. Total forecast income for the current year 2014-15 is £413,177, of which £412,677 (99.9%) has been confirmed by November 2014.

The table below shows that the charity's holding of free reserves has fallen from 6.6 months' worth of expenditure in 2012/13 to 3.9 months' worth in the current year, which is below the charity's reserves policy target to hold 6 months' worth. This fall is largely attributed to the growth in expenditure, which requires an increased reserves holding to provide the same number of months cover. Unfortunately, instead of growing in-line with expenditure, free reserves have marginally reduced by £17,054 to £153,566. The charity is aware of the need to grow reserves and is targeting a number of corporate donors to achieve this.

The cost of generating funds is low due to the majority of the charity's income being derived from a relatively few large grants (6 grants in the year 2012/13).

| Year end at 31 March | 2012/13 Audited Accounts | 2013/14 Draft | 2014/15 Current Year Budget |
|---|--------------------------------|------------------|-----------------------------------|
| | £ | £ | £ |
| Income and Expenditure | | | |
| Income | 290,066 | 477,376 | 413,177 |
| Expenditure | 309,473 | 453,223 | 471,177 |
| Unrestricted Funds Surplus / (Deficit) | (19,869) | (3,064) | (13,990) |
| Restricted Funds Surplus / (Deficit) | 462 | 27,217 | (44,610) |
| Total Surplus / (Deficit) | (19,407) | 24,153 | (58,000) |
| Surplus / (Deficit) as a % of turnover | (6.7%) | 5.1% | (14%) |
| Cost of Generating funds (% of income) | 5,579 (1.9%) | 5,063 (1.1%) | 5,000 (1.2%) |
| Free unrestricted reserves | | | |
| Unrestricted free reserves held at Year End | 170,620 | 167,556 | 153,566 |
| How many months' worth of expenditure | 6.6 | 4.4 | 3.9 |
| Reserves Policy target | 154,737 | 226,612 | 235,589 |
| How many months' worth of expenditure | 6 | 6 | 6 |
| Free reserves over/(under) target | 15,883 | (59,056) | (82,023) |