

Committee:	Date:
The City Bridge Trust Committee	28 January 2016
Subject: Strategic Initiative - City Leaders (London Youth)	Public
Chief Grants Officer	For Decision

Summary

This report sets out a proposal from London Youth (the infrastructure/support charity for the capital's voluntary managed youth organisations). It is a leadership development and community engagement project targeting, initially, 300 disadvantaged young Londoners drawn from 400 youth clubs across all London Boroughs. The young people will be trained and supported to increase their skills, confidence, and networks through community projects. The programme will culminate in 24 participants being selected to take part in an intensive, bespoke, leadership development programme. The project will draw on the skills and networks across sectors: the private sector through City business, the community voluntary sector through City Bridge Trust, and the statutory sector through the City of London Corporation. The project intends to positively impact on the participants, London's youth organisations, communities, and broader civic society.

Recommendations

It is recommended that you agree to:

- a) Fund the development phase at the level requested, namely £27,000;
- b) Fund the pilot phase in full at the level requested of £240,000, subject to the satisfactory completion of the above phase, including the demonstrable commitment of the in-coming CEO (to be considered and agreed by your Senior Grants Officer in consultation with your Director); and
- c) Fund an additional £12,000 by way of external evaluation (30 days at c.£400 per day) to evaluate the pilot as it progresses.

Main Report

Background

1. London Youth grew out of the Ragged Schools Movement of the 1880s and became a registered charity in 1962. Its current patron is HRH The Duke of Edinburgh and its Chairman is Julian Beare (also a Warden of the Armourers and Brasiers Livery Company).
2. London Youth has a long track record of delivering youth and community projects across the capital. As well as providing a range of support to other organisations, it also runs a series of front-line projects and services – all designed to meet its mission 'to support and challenge young people to be the best they can be'. Its membership comprises 400 diverse youth organisations (attended by 75,000 young people a year) across every London borough.

Last year, it also delivered programmes directly to more than 24,000 young people.

3. The Trust has had a long and successful funding history with the charity. Current grants include £103,000 awarded in May 2015 to develop the capacity of the youth sector to evidence and advocate for the value of its work; plus a Strategic Initiative of £216,000 over three years (awarded March 2014) to enable the sector to be more inclusive of disabled young people. The Trust also works in partnership with the charity in the implementation of the City & Guilds accredited *London Youth Quality Mark* scheme, which underpins the quality of service provided by London's youth clubs and organisations. This work has recently received a very positive external evaluation.

Current Position

City Leaders – a new approach to leadership

4. The City Leaders project aims to support the development and sustainability of the voluntary youth sector in London through training and supporting a cohort of disadvantaged young people to develop their leadership skills and to become City Leaders. (*The name City Leaders is a working title that can be reviewed/refined in the proposed development phase*).
5. The initiative aims to tackle some barriers to opportunity faced (or perceived) by disadvantaged young people, as well as to provide more opportunities for them to take a more positive role in London's civic society. It derives from research in 2013 which showed that in the 50 largest charities only 6% of senior management personnel and 8% of trustees were from a BME background.¹
6. Equally it is suggested that, for many young people, opportunities to progress are determined, in part at least, by wealth and networks rather than talent or potential. In analysis of the Sunday Times Rich List, 44% of those named went to private school (compared with 7% of the public as a whole).²
7. In deprived areas, many of which are in London, levels of volunteering are up to 30% lower than the national average, partly due to the fact that most opportunities are offered through school. With this project, volunteering will be offered to young people through their youth clubs, which will help to serve those who are disengaged from school.
8. It is without doubt that many young people who are either on the margins of society or who are engaged in anti-social or unproductive behaviour have good leadership skills and a high degree of drive. Effective opportunities to use these talents in a productive way and/or for the benefit of their communities are often what's missing.

¹ "Elitist Britain? Commission on Social Mobility and Child Poverty Commission, 2013

² "Who gets the top jobs? The role of family background and networks in recent graduates' access to high status professions" Institute of education, 2013

Proposal

10. The project is anticipated to have a 2-3 month development period (commencing in June 2016) followed by the programme itself, which will commence in September 2016, by way of pilot, and run for a calendar year. If successful, it may be rolled out over a longer period. The proposal is divided into particular stages:

Programme – Part 1 (Club Challenge)

11. The programme will begin by London Youth working with its network of 400 member youth clubs in order to engage 300 young people aged 14-18 who the club staff believe have the potential to be leaders but are not currently involved in this type of opportunity. Within their clubs, young people will work in teams of 10 and be given the chance to test their capacity to lead projects: firstly for their team (*Team Leader* potential); and then for their club (*Club Leader* potential) – developing new skills and building their confidence in the process. They will have to present to a panel of judges to have their final idea approved.
12. Whether or not any individuals within a particular club progress to the next stage to become City Leaders, this club-based part of the programme will be rewarding and have good outcomes in itself. In a recent external evaluation of this kind of approach (for the *Athan 31* project) participants rated the programme as having helped them develop confidence and leadership skills; extend their creative capacity; and become more resilient and determined to succeed.

Programme – Part 2 (Community Challenge)

13. Of the initial 300+ participants approximately 240 will be supported to progress to the next, *Community Leaders*, stage. In this part of the programme young people will design their own youth-led community projects and pitch through a Dragons' Den type process for the resources and support needed to deliver them. Each group will have the opportunity to pitch for up to £800 for their project at this stage. There would be four Community Challenge events during the calendar year with six different clubs taking part in each pitch.
14. Through this community-based challenge young people will be expected to build relationships with new organisations and members of their community and so, in 24 neighbourhoods across London, communities will be strengthened and negative stereotypes of young people will be challenged.
15. London Youth has previously had great success with similar events at City Hall with the Mayor's Fund for London, where evidence points to this process having developed participants' problem-solving, planning, self-efficacy, and leadership.
16. This Community Challenge stage of the programme is designed to feel more challenging but with appropriate levels of support, directly from London Youth but also through volunteer mentors – hopefully some of which will come via

the City of London and its networks. Mentors will play a significant role in the development of the pitches and in preparing the participants for their presentations on a big stage. As part of the planning process young people will have to create and manage their own budgets. For many, this will be the first time that they have ever organised something themselves and worked through costings, as well as being the first time that they have been held accountable for money.

Programme – Part 3 (City Leaders)

17. The 24 teams of 10 young people will now be whittled down to 24 individuals (*City Leaders*), selected as those who have shown the greatest commitment and potential through the earlier stages. They will receive an intensive 3-month leadership development package. This will be tailored to their needs and designed to offer them a bespoke learning experience and will involve delivering their own self-led and designed project, that will help them understand power and influence in London and develop robust planning skills.
18. This stage would begin and end with an intensive residential experience and would also incorporate (at least monthly or as desired) connections with the City of London and the City business sector, for mentoring and specialist training. The participants would have exposure to statutory, private and community/voluntary sector partners for work experience and learning opportunities, to help them develop their leadership capabilities.
19. At the end of the intensive phase of the programme, London Youth anticipates continuing to support the network of City Leaders through brokering paid work placements through their network of partners on Talent Match London (designed to support young people into their chosen careers), and also in their development of their networks. If the pilot is successful and the programme is rolled out beyond the first year, London Youth plans to develop a network of alumni to support the next cohort coming through.

Working Across Sectors and Maximising Existing Networks

20. The project will work closely with the Trust in order to access and make full use of its extensive networks and connections (e.g. with the City Corporation; City businesses; other funders; and other community voluntary sector partners). This will be important not only in terms of giving young people access to a wealth of experience and support but also to help their understanding of London's complex and multi-layered arrangement of power. A further aim of this project is to instil in the young leaders that the city (and the City) is theirs and that they, as much as anyone, have a stake in it and the capacity to change it for the better. The opportunities for learning and development that can be provided by and through the Trust and the City Corporation are distinctive and considerable. On a practical level, London Youth would welcome the direct input (e.g. on the selection/judging panels/mentoring) from Members and/or Senior Officers.

External Evaluation

21. London Youth will commission an external evaluator in consultation with the Trust. The evaluation specification will be drawn up in the development phases and agreed with the Trust. The evaluator will engage with London Youth and the programme participants from the beginning of the pilot so each stage can be effectively reviewed and any useful learning captured.

Organisational Leadership

22. The current Chief Executive, Rosie Ferguson, has decided to step down from her position following a highly successful tenure. London Youth has successfully recruited Rosie's successor, Rosemary Watt-Wyness. Rosemary will join the organisation in April 2016. An experienced and successful voluntary sector leader, Rosemary has previously been Chief Executive of PACE and Director of Strategy and Policy at the Princes Trust. This is not considered to be a difficulty in progressing this project in that the proposed work is meeting an identified need and is central to London Youth's mission. Further comfort can be taken from the fact the Chairman will sign off on any grant offer made, demonstrating Board commitment, and also the development phase will coincide with the new CEO's early tenure and she will have the opportunity to engage with this prior to the pilot beginning.

Costings/Request

	Development (Jun - Aug 2016)	Delivery (Sep 16 - Aug 17)	Totals
Staff costs			
Project salaries	£12,992	£126,070	£139,062
Management salaries	£8,130	£17,219	£25,349
Recruitment	£1,000	£0	£1,000
Staff training and development	£0	£1,000	£1,000
SUB-TOTAL	£22,122	£144,289	£166,412
Running costs			
Staff travel	£188	£1,000	£1,188
Office costs and materials	£100	£2,000	£2,100
Publications and reports	£0	£3,400	£3,400
Event venues and catering	£0	£5,000	£5,000
Club Leaders – project funds	£0	£9,900	£9,900
Community Leaders - pitch project funds	£0	£19,200	£19,200
City Leaders - leadership residentials and workshops	£0	£14,700	£14,700
External evaluator	£0	£4,500	£4,500
SUB-TOTAL	£288	£59,700	£59,988

Support costs			
London office	£976	£9,556	£10,532
Information	£672	£6,577	£7,249
People	£335	£3,275	£3,610
Finance	£699	£6,847	£7,546
Communications	£289	£2,827	£3,115
Safeguarding	£246	£2,406	£2,652
Governance	£450	£4,407	£4,857
SUB-TOTAL	£3,666	£35,896	£39,561
TOTALS	£26,076	£239,885	£265,961

Financial Observations

23. Forecast income in the current year to 31 August 2016 is £7.2m of which £5.5m (76%) had been confirmed by January 2016.
24. The charity's reserves policy target equates to 2.7 months' worth of expenditure, amounting to £1.3m at 31 August 2015. The charity's actual holding at the same date was £669,110 and therefore short of the target. The charity is aware of this shortfall and advises that it monitors its reserves throughout the year. The charity does intend to hold reserves in line with its target holding and plans to make contributions to reserves each year from its revenue resources. In addition to its free reserves, the charity also owns land and buildings amounting to £5.9m and has invested endowment funds of £1.2m.
25. The charity's cost of generating funds in the current year is forecast to be £289,989 which is comparatively low. The charity explains that this is due to nearly 40% of its income being generated by its residential centres through fees charged to schools and youth groups.

Year end at 31 August	2013/14 Audited Accounts	2014/15 Draft Outturn	2015/16 Current Year Forecast
Income and Expenditure	£	£	£
Income	6,621,799	8,109,358	7,221,396
Expenditure	6,869,316	6,890,461	7,527,854
Unrestricted Funds Surplus / (Deficit)	(183,691)	(123,732)	(45,562)
Restricted Funds Surplus / (Deficit)	(63,826)	1,342,629	(260,896)
Unrealised Gains/Losses on investments	72,981	(2,158)	-
Total Surplus / (Deficit)	(174,536)	1,216,739	(306,458)
Surplus / (Deficit) as a % of turnover	(2.6%)	15%	(4.2%)
Cost of Generating funds (% of income)	164,663 (2.5%)	214,411 (2.6%)	289,989 (4%)
Free unrestricted reserves			
Unrestricted free reserves held at Year End	605,527	669,110	1,010,755
How many months' worth of expenditure	1.1	1.2	1.6
Reserves Policy target	No target	£1.3m	c.£1.5m
How many months' worth of expenditure	-	2.7	2.4
Free reserves over/(under) target	-	(630,890)	(489,245)

Conclusion

26. This proposal is a thoughtful, distinctive response to meet some of the well-documented needs of disadvantaged young Londoners. London Youth's unique membership network of 400 London youth clubs will ensure the project reaches all London boroughs. The project's phased approach will ensure that young people at different stages of development will benefit, whilst also ensuring there are benefits at organisational, community, and the potentially pan-London levels.
27. The proposal also succeeds in making the most of the excellent working relationship between London Youth and the Trust: ensuring that not only will the grant monies be used to good effect, but the non-monetary assets of the Trust will be utilised – namely our distinctive networks across the voluntary, statutory, and private sectors. It is recommended that you support this proposal in full.

Appendix A

Summary Assessment of Strategic Initiative for Committee Decision

FILTERS	
<i>Will The pro-active grant:</i>	
Further the Trust's Vision and Mission (a fairer London & tackling disadvantage)?	Y
Support work within one of existing Investing in Londoners programmes	Y
Or, meet a clear need that has arisen since liV were agreed?	N
Have the potential for impact beyond that of an individual reactive grant or number of individual grants?	Y
Be affordable within the agreed annual budget (from the Trust alone or in combination with other funders) and, looking forward, leave sufficient budget to meet anticipated pro-active grants for the remainder of the financial year?	Y
Be made to an organisation(s) that conforms to the Trust's eligibility criteria and has the capacity and expertise to deliver the work?	Y

PRIORITISATION GUIDANCE	
Evidence	
Is there external and/or internal research and information that supports the need for the proposed grant?	Y
Is there external and/or internal research and information that indicates the approach proposed in the grant will be successful?	N
Is there evidence that indicates the work will be hard to fund from other sources?	Y (due to the scale of the project)
Impact	
Will the grant tackle a root cause(s), or positively influence policy or practice?	Y
Will the work/approach funded be replicable?	Y
Does the grant provide an opportunity to strengthen Civic Society in London?	Y
Is the work sustainable beyond the period of the grant?	Potentially
Can the impact of the work be measured through evaluation?	Y

Leverage	
Will the grant particularly benefit from the Trust's and the Corporation's distinctive networks and connections? Is there an opportunity to add value in this regard?	Y
Will the grant be able to build on the Trust's, and its existing grantees'/investees', knowledge and expertise?	Y
Will the grant have the potential to leverage any other funding from other sources?	Y
Spread:	
Geographic	
Will the grant support work in a geographic where there is high need but relatively low Trust spend?	Potentially
Thematic	
Will the grant support work in a thematic area(s) of the Investing in Londoners Programme where there is high need but relatively low Trust spend?	N/A
Portfolio	
Within the Trust's Strategic Initiative portfolio, is the grant duplicating or complementing anything already funded?	N
Approach	
Will the grant enable better collaboration between relevant organisations?	Y
Is the proposed work across more than one LA or is London-wide?	Y
Does the proposed work explicitly link the private, statutory and voluntary sectors?	Y