

**ASSESSMENT CATEGORY - Reducing Poverty****Bangladesh Youth Movement (BYM)****Adv: Joan Millbank****Amount requested: £77,643****Base: Tower Hamlets****(Revised request: £70,086)****Benefit: Tower Hamlets****Amount recommended: £70,000****The Applicant**

Set up in 1976 BYM was the first self-help group in Tower Hamlets managed by and working for the Bangladeshi community. While it continues to work predominately with the local Bangladeshi residents it has broadened its reach into other Black, Asian and Minority Ethnic (BAME) communities including Pakistani, Somalis and Eastern Europeans in order to fill gaps in services. Constituted as a charitable company limited by guarantee, BYM works to address inequality by providing educational, social and recreational activities. Current activities include: provision of a bi-lingual advice and information service; youth work; and a women's centre offering access to adult education services, health and accredited training as resources allow. It holds appropriate accredited certificates for advice-giving and is a member of the Tower Hamlets Advice Partnership, which includes Toynbee Hall, Citizens Advice.

**The Application**

BYM requests three-year funding for the continuing and enhanced provision of money and debt advice. The design and delivery of 'Manage Your Money' has been informed by experience and recent consultation with local BAME communities. It will provide free specific debt advice for working-poor and those on benefits through the provision of information and casework and aims to build their financial management skills through the provision of workshops and coaching. The request includes the cost of a part-time advice worker, project costs including some resources to support volunteer engagement to enhance service delivery, and a contribution towards organisation management costs.

**The Recommendation**

BYM has a long history of working in the borough and a good reputation as a local service provider. As a small organisation it relies greatly on the dedication of its part-time manager, trustees and community members to work together to provide community-based services. It has been a lead player in local advice consortiums and has attracted support from a wide variety of funders. It continues to receive a range of funding from the London Borough of Tower Hamlets, including a grant for general advice work, although the amounts have reduced in recent years due to reductions in public sector resources. The amount sought, and recommended, has reduced slightly following careful scrutiny of costs at the assessment meeting:

**£70,000 over three years (£24,000; £23,000; £23,000) towards the cost of Manage Your Money, and specifically a part-time (16 hours pw) Financial Advice Worker, project delivery costs, overheads and once-off equipment.**

**Funding History**

| Meeting Date | Decision   |
|--------------|--|
| 27/09/2012   | £48,000 over three years for provision of ESOL classes to local women. |

## Background and detail of proposal

Tower Hamlets is one of London's most deprived boroughs with the third highest unemployment rates, second highest number of long term unemployed and the highest number of economically inactive residents. BYM supports local communities, which are amongst the most deprived. Language and cultural issues act as barriers to access to jobs and services for many within the Bangladeshi and BAME communities, while women, in particular, experience social exclusion.

A newly appointed part-time Financial Advice Officer will provide two days of specific debt and financial advice and casework each week to benefit up to 100 BAME community members each year (300 over three years). S/he will also offer learning support through provision of 10 training/workshops sessions per year on household budgeting, how to set up payment systems, and the like. Up to 20 community volunteers per annum will be trained by BYM to help the paid worker. Beneficiaries will be referred onto other BYM and borough-based services as wider needs are identified e.g. English for Speakers of Other Languages courses, skills training, job search, childcare. Outcomes will include resolution of debt-related issues, money-management knowledge, and improved economic circumstances. Established monitoring techniques are in place.

## Financial Information

As a self-help organisation BYM relies heavily on the voluntary input of its trustees and members hence the low cost of generating funds. The charity's reserve policy is to hold the equivalent of three months' expenditure; trustees are seeking to raise free reserves through community fundraising. In the last year a transfer to restricted funds reduced free reserves by £1,900. The budget includes this grant request hence the increase in anticipated turnover compared to the previous year. BYM's budget has reduced in recent years due to reductions in statutory funding.

| Year end as at 31 March                     | 2017<br>Examined<br>Accounts<br>£ | 2018<br>Forecast<br>£ | 2019<br>Budget<br>£ |
|---|-----------------------------------|-----------------------|---------------------|
| <b>Income &amp; expenditure:</b>            |                                   |                       |                     |
| Income                                      | 73,912                            | 59,750                | 98,916              |
| - % of Income confirmed as at 27/04/2018    | n/a                               | 100.00%               | 62%                 |
| Expenditure                                 | (68,354)                          | (59,750)              | (98,916)            |
| Total surplus/(deficit)                     | 5,558                             | 0                     | 0                   |
| Split between:                              |                                   |                       |                     |
| - Restricted surplus/(deficit)              | 2,113                             | (1,900)               | (500)               |
| - Unrestricted surplus/(deficit)            | 3,445                             | 1,900                 | 500                 |
|   | 5,558                             | 0                     | 0                   |
| Cost of Raising Funds                       | 0                                 | 1,500                 | 2,500               |
| - % of Income                               | 0.0%                              | 2.5%                  | 2.5%                |
| Operating expenditure (total funds)         | 68,354                            | 59,750                | 98,916              |
| <b>Free unrestricted reserves:</b>          |                                   |                       |                     |
| Free unrestricted reserves held at year end | 12,228                            | 12,228                | 12,228              |
| No of months of operating expenditure       | 2.1                               | 2.5                   | 1.5                 |
| Reserves policy target                      | 17,089                            | 14,938                | 24,729              |
| No of months of operating expenditure       | 3.0                               | 3.0                   | 3.0                 |
| Free reserves over/(under) target           | (4,861)                           | (2,710)               | (12,501)            |