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| Committee: Grants Panel | Date: 16 th October 2008 | Classification: Unrestricted | Report No: (GP 03/089) | Agenda Item: 5.2 |
| Report of: Corporate Director of Children's Services: Kevan Collins Originating officer(s) Dinar Hossain - Head of Youth and Community Services | | Title: Update on the Youth Capital Fund in Tower Hamlets Wards Affected: All | | |

1. **SUMMARY**

- 1.1 This report updates Members on the implementation of the Youth Capital Fund in Tower Hamlets and presents the recommendations for funding from the Youth Capital Fund grants panel.
- 1.2 **Appendix A** (To Follow - Please see paragraph 5.3 for details) contains the list of the projects recommended for funding in 2008/09 by the Youth Capital Fund Grants Panel.

2. **RECOMMENDATIONS**

Grants Panel is recommended to:-

- 2.1 Note the report on the implementation and use of the Youth Capital Fund in 2008/09.
- 2.2 Agree the recommendations for projects to be funded in 2008/09 as set out in Appendix A of this report.

Local Government Act, 2000 (Section 97) List of "Background Papers" used in the preparation of this report

Brief description of “back ground papers”

Name and telephone number of holder and address where open to inspection.

Youth Matters: Next Steps

Blossom Young, 020 7364 4839
Town Hall, Mulberry Place, 5 Clove Crescent,
London E14 2BG

Youth Opportunity Fund and Youth Capital Fund
Guidance Notes

Blossom Young, 020 7364 4839
Town Hall, Mulberry Place, 5 Clove Crescent,
London E14 2BG

3. BACKGROUND

- 3.1 'Youth Matters: Next Steps' challenged Local Authorities to put young people themselves in control of the things to do and places to go in their area. It proposed putting buying power directly in the hands of young people by providing an 'Opportunity Fund' and 'Capital Fund' in each Local Authority to be spent on local projects that young people want. Following an initial pilot of the funds from 2006/08, the DCSF has made provision for the funds for 2008/2011. Tower Hamlets has been allocated additional Youth Opportunity Fund funding through the Mayor's Offer in 2008/09.
- 3.2 The Government made available a budget in each Local Authority to be spent at young people's discretion on projects to improve things to do and places to go in their area. They proposed the Youth Opportunity Fund (YOF) to enable young people to establish their own small-scale projects, such as renting space in a community centre to put on activities, establishing a neighbourhood council or youth café, or running sports leagues and tournaments. They also established a line of capital funding over two years from April 2006, called the Youth Capital Fund (YCF), to enable Local Authorities to develop, in conjunction with young people, new approaches to strategic investment in youth facilities.
- 3.3 The aim of the Youth Capital Fund is to "provide a discrete capital budget to be spent on what young people want and need". The DCSF guidance states that "it is designed to work in tandem with the YOF to develop projects which contain both a capital and revenue element, noting that YOF must not be used to meet any ongoing costs associated with capital investment because of the risks around sustainability. Similarly YCF is not a substitute for mainstream capital funding and wherever possible should be matched from other sources".
- 3.4 In 2008/09, Tower Hamlets has been allocated funding for the Youth Capital Fund Plus. This is a one-off addition in 2008/09 only to fund new or refurbished youth facilities in neighbourhoods with high levels of deprivation, crime and anti-social behaviour and which currently lack good quality youth provision. The guidance states that "YCF Plus may be used to refurbish existing facilities or amenities in the identified local area, but should be driven by an ambition to deliver high quality facilities which signify major capital investment in the most deprived neighbourhoods. This investment should complement the level of ambition for facilities for young people across the whole local authority area. It should also inform the way that local areas plan and deliver facilities for young people, particularly the need for integrated and strategic planning".
- 3.5 Youth Matters stated that Local Authorities, building on existing practice, may adopt different approaches, but the key aim was for young people themselves to decide how the fund could be spent. In particular, the DCSF guidance stresses that YCF is "to be spent on what young people want and need" and one of the grant conditions is that "arrangements for implementing YCF should allow for the

active involvement of young people, with particular emphasis on those who are disadvantaged, in all aspects of planning, delivery, monitoring and evaluation of the YCF. This involvement should be developed with a view to mainstreaming it into capital and asset management more generally in the authority”.

- 3.6 In 2008/09 Tower Hamlets has been allocated £319,600 for the Youth Opportunity Fund, £125,320 additional Youth Opportunity Fund funding through the Mayor’s Offer, £183,600 for the Youth Capital Fund and £452,000 for the Youth Capital Fund Plus.

4. IMPLEMENTATION OF THE FUNDS

- 4.1 Officers from Youth and Community Services worked closely with young people to develop and administer the funds. We also worked in partnership with Youth Bank Tower Hamlets, drawing on their knowledge and experience of youth led grant-making. They have played a fundamental role in training the panel members and supporting young people to make applications.
- 4.2 Based on an evaluation of the fund carried out in 2007 and recommendations from Members’ Grants Panel in October 2007, the implementation of both the Youth Opportunity and Youth Capital Funds has included:
- Setting a maximum grant size – of £750-£5000 for Youth Opportunity Fund projects and £5000-£10,000 for local Youth Capital Fund projects
 - Increasing the opportunities for young people to get involved in grant making – by training an additional 41 young people in grant making in March 2008
 - Ensuring a fair distribution of grants across the borough – by establishing 4 local area panels in paired LAP areas
 - Improving the speed of grant-making – by having set deadlines for applications to the funds and reducing the time of the full process to 10 weeks from application to decision;
 - Increasing the number of groups monitored – by increasing this from 10% in 2006/08 to 25% in 2008/09
 - Only awarding grants to organisations who have completed the Youth and Community Services registration scheme. The scheme is in its final stages of completion and additional information has been sought from organisations offered funding to ensure it is used appropriately.
- 4.3 The Youth Capital Fund panel was drawn from the pool of 60 Youth Opportunity Fund panel members, all of whom have received accredited training in grant-making. Representation was from young people from each LAP area and included 6 young people who have been members of the Youth Opportunity Fund panels since the pilot in 2006. Some of the young people have now given over 200 hours of their time as volunteers and should be commended for their huge contribution.

- 4.4 For distribution of the majority of the Youth Capital Fund and the entire Youth Capital Fund Plus funding, the Youth Capital Fund grants panel developed the following recommendations:
- We aim to support one capital development in each LAP area. If no suitable application is received in a particular LAP we may withhold some of the available funding to allocate to a specific project where a need has been identified
 - We fund three grants at the level of up to £100,000 and five grants at the level of up to £50,000. We should require all projects to have some match funding from other sources
 - The remaining funding should be used for smaller developments, such as signage, lighting and capital equipment. However, the smallest 'capital' applications, for goods which are not depreciable, should be treated as Youth Opportunity Funding. Applications which are genuinely for capital, costing £5000 - £10,000, should be seen by the local Youth Opportunity and Capital Fund panels, but come to the borough-wide Capital panel for final approval. Local panels also have oversight of grants for significant equipment purchases.
 - Ensure that there is good project management support for groups to develop their schemes. Our experience with the NRF/LPSA funded schemes were that groups struggled to spend their funding, secure value for money, complete their schemes to time and develop their programme of subsequent activities. Strong project management is required to support the groups, receive and approve quotes and monitor progress.
- 4.5 The process for distributing the majority of Youth Capital Fund and all the Youth Capital Fund Plus funding was as follows:
- The funds were promoted during the borough's consultation on myplace and included guidance for organisations on ensuring young people's involvement in developing applications for these funding streams;
 - There was a public call for expressions of interest from organisations and young people and an opportunity was offered for all voluntary and community organisations to submit proposals for funding
 - Tower Hamlets in partnership with Youthbank Tower Hamlets worked proactively with identified groups where there was a need to help them develop strong applications, rather than wait and hope for them to apply. A number of potential schemes were identified for development based on existing capital programmes, a building audit undertaken of all Youth and Community Services contracted provision and from previous Youth Opportunity Fund applications received.
- 4.6 The Youth Capital Fund panel members worked on a set of criteria for the Youth Capital and Youth Capital Fund Plus funds, based on the DCSF guidance notes and local strategic priorities and agreed the following criteria for the funds:
- Genuinely comes from young people's ideas, and that the application booklet was completed by young people;
 - Includes a wide range of young people, particularly those who are marginalised or disadvantaged;

- Helps and benefits the local community;
- Has a long term impact for young people for at least 5 years;
- Helps young people achieve something positive;
- Is supported by an organisation with a track record of working successfully with young people;
- Helps young people stay safe and away from crime and antisocial behaviour;
- Is accessible to young people with a wide range of needs; and
- Is well managed to ensure it can be delivered by March 2008.

5. PROJECTS SUPPORTED

- 5.1 Twenty-three expressions of interest for Youth Capital Fund and Youth Capital Fund Plus funding were received. The Youth Capital Fund panel met and shortlisted 11 applications and invited these groups to submit full application forms. All shortlisted groups have been invited to make presentations to the Youth Capital Fund on Sunday 12 October where the panel will make final recommendations for funding.
- 5.2 The projects shortlisted by the Youth Capital Fund panel from the expressions of interest are as follows:
- £14,000 for Columbia Youth Centre in LAP 1 to install a security system for the centre
 - £59,715 for St. Hilda's East Community Centre in LAP 1 to develop a sensory room for use with disabled young people
 - £23,095 for the LAP 1-3 youth work contract delivered by Tower Hamlets Youth and Community Services for a minibus to transport young women to youth project activities
 - £100,100 for Wapping Youth Centre in LAP 4 to refurbish the interior and exterior of the building
 - £52,573 for Xstream East XSE Academy in LAP 4 for relocation and refurbishment within St. George's Town Hall
 - £100,000 for the Urban Adventure Base in LAP 6 to build a second floor for the building to include training rooms and workshop areas
 - £49,112.40 for Streets of Growth in LAP 6 to develop a community resource hub
 - £100,000 for Alpha Grove Youth Centre in LAP 8 for renovation and refurbishment of the youth centre
 - £83,557 for Café Vert, a project in George Greens School in LAP 8 to develop a youth café, training and workshop space
 - £100,000 for Tower Hamlets Youth and Community Services Rapid Response Team to renovate the four existing mobile vehicles
 - £50,000 for Tower Hamlets Youth and Community Services to deliver a borough-wide ICT strategy with improvements in ICT facilities in all contracted youth centres

5.3 Appendix A (to follow) is a list of the projects recommended to receive Youth Capital and Youth Capital Plus funding. Grants Panel should note that this list will be circulated as a supplemental agenda and is not attached to this report as the Youth Capital Fund panel are meeting on Sunday 12th October 2008 to finalise this list. The final version of the Appendix will be circulated directly after the 12th October meeting (early part of the week commencing Monday 13th October) to the Grants Panel.

5.4 It also anticipated that this meeting of the Grants Panel will receive a presentation from members of Youth Capital Fund panel. Officers will contact them with a view to asking them to present their recommendations to the Grants Panel. But these arrangements have yet to be confirmed at the time of agenda publication.

6. COMMENTS OF THE CHIEF FINANCIAL OFFICER

6.1 The funding for the Youth Capital Fund (£183,600) and Youth Capital Fund Plus (£452,000) is fully funded via grant from the Department for Children, Schools and Families.

6.2 The final allocation of the funds will be decided on October 12th, with the value of total of the approved projects being within the funding envelope of £635,600.

7. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

7.1 The arrangements in Tower Hamlets are consistent with the Guidance issued by the Department for Education and Skills and paragraphs 3.3 – 3.5 of this report provide details of the Government conditions the Council will be required to meet in order to access the available funds.

7.2 Although there are no immediate legal issues arising from this report each organisation which is funded by the Council has to enter into a legally binding agreement. This will ensure that careful monitoring is undertaken of any grants made to applicants.

8. EQUAL OPPORTUNITIES IMPLICATIONS

8.1 Youth work aims to make a significant contribution toward realising equal opportunities. The arrangements for the implementation of the funds seek to ensure that all young people have equality of opportunity and have access to the funds. Specific work has been done in implementing the funds to ensure the involvement of disadvantaged and marginalised young people and those traditionally underrepresented in youth work settings.

9. ANTI-POVERTY IMPLICATIONS

- 9.1 Youth work aims to tackle poverty and to engage young people who are at risk of social and economic exclusion. The arrangements for the implementation of the funds seek to ensure that the needs of disadvantaged young people are appropriately met.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 10.1 There are no direct sustainable action for a greener environment implications arising from this report. However, a priority of the youth work curriculum is to develop young people's global and environmental awareness and some of applications for funds have contributed to this.

11. RISK MANAGEMENT IMPLICATIONS

- 11.1 To ensure that risks associated with the funds are well managed a comprehensive monitoring and reporting process has been established. It has been identified that strong project management is essential for quality delivery of the projects.
- 11.2 In the event that funded organisations are not able to deliver the projects we will identify other partners that can support delivery of the projects or alternative projects.