



Trustees' Annual Report and Accounts

2013 – 2014

YOUTH SHELTER

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

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**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2014
(incorporating the directors report)**

Section one: Reference and Administrative Information

The name of the charity

Youth Shelter is also a Company Limited by Guarantee

Charnwood Independent Youth Action officially changed its name to Youth Shelter on 17th January 2012

Registration numbers

Registered Charity Number 1103101

Company Number 04177320

The address of the registered office

27-31 Pinfold Gate, Loughborough, Leicestershire, LE11 1BE

The Management Committee

Gill Thompson

Kate Kells

Marisa Leung

Liz Robson

Darren Wallis

Company Secretary

Jane Fele

Senior Staff members

Marie Davis	CEO
Keith Taylor	Accommodation Services Manager
Imogen Clark	Community and Client involvement Manager
Sonya Watson	Adult Support Services Manager
Jane Fele	Finance Manager

Bankers:

National Westminster Bank plc Market Place LOUGHBOROUGH LE11 3NZ

Auditor

John F. Mould & Co., 19-20 Baxter Gate, LOUGHBOROUGH LE11 1TG

Section two: Structure, Governance and Management

Governing document

The charity is a charitable company limited by guarantee, incorporated on 29th December 2003. CIYA was registered as a charity on 6th April 2004. The charity officially changed its name from CIYA to Youth Shelter on 17th January 2012.

The company was established under a Memorandum of Association which established its objects and powers. It is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the management committee. The directors retire by rotation, the longest serving first and at the rate of one third each year. The retiring directors may offer themselves for re-election at the AGM.

Directors may also be co-opted during the year if there are vacancies but submit for election at the next AGM.

The search for additional trustees continues through contacting companies operating Social Responsibility Policies and other organisations complementing Youth Shelter objects.

The trustees aim is to balance experience and skills from the financial, housing, social, youth and community sectors.

Trustee induction and training.

The trustees invite potential new trustees to meet them informally, explain the role of trustee and confirm their willingness to become involved. Key policies on Equal opportunities, Confidentiality, Professional Boundaries, Substance misuse, Conflict of Interests and Family members are brought to their attention during their induction.

New trustees are met by the Chair and CEO and briefed on the actions, current plans and priorities of the charity.

Trustees are also directed to the resources available through the Charity Commissions' website.

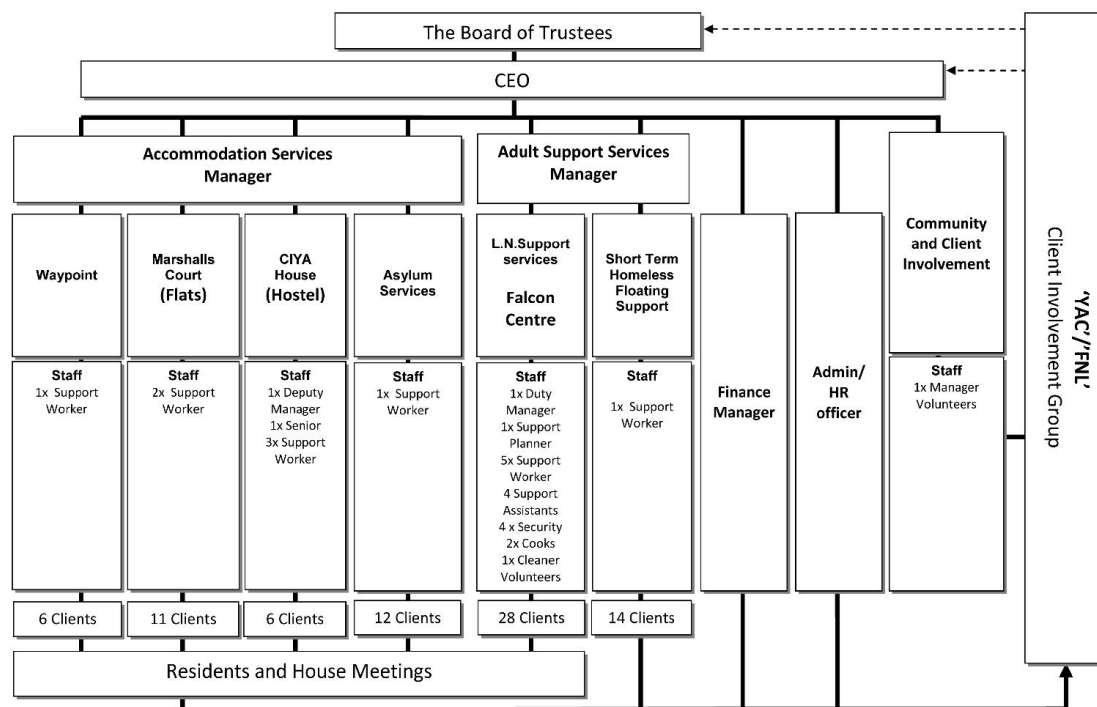
The organisational structure

Youth Shelter has a simple line accountability structure. The management committee set direction and monitor performance on a 6 weekly cycle. The CEO reports in to those meetings and the Central Services manager acts as company secretary.

All the scheme managers report to the CEO on performance, costs and progress against objectives/service development. These services are managed

within Leicestershire County Council's Quality Assessment Framework (QAF) with annual validation visits and quality monitoring systems. During 2013-14 Youth Shelter was validated as achieving the highest level A in all areas of the QAF.

The structure approved by the Trustees is shown below.



Youth Shelter is part of Centrepont's partnership scheme which provides an opportunity to take part in national network groups for staff and clients. Due to other organisational commitments we have not been able to take part in any events this year but we have are confident we can rectify this during 2014-15. Our partnership with Centrepont allows us to offer AQA accredited lifeskills modules to our service users which has become an integral part of our Move On Plan for our young people and part of their support agreement. Each young person completes at least six modules at entry level one. In 2014-15 for the first time our services users will be able to achieve up to level 2 in certain independent living skills subjects.

Section three: The management of risk

1] Government spending reviews: The most significant threat Youth shelter has faced to date is that of the austerity measures introduced by the coalition government to reduce the deficit and balance the budget. One of the austerity measures was to reduce the amount of money provided to county councils by 20 per cent by 2016-17. Every city and county council faces the same cuts to their

budgets but their solutions are locally defined. Leicestershire have suggested a cut of 78 per cent to their homeless prevention services reducing their spending to just £300,000 per year. This extensive reduction in funding essentially brings an end to supported accommodation across Leicestershire, such as the Falcon Centre, and greatly reduces the amount of floating support offered thereby ending our homeless floating support service. At the time of writing the spending cuts were out for consultation with the general public. The outcome of the consultation and the final County Council decisions will not be known until September 2014.

The contracts for our young people supported accommodation services; CIYA House and Marshalls Court have been moved over to sit with the Children and Young Peoples Services (CYPS) budget. While CYPS still have to make similar savings to their budget they are not at the same point in the process and the likelihood of any reductions within the next financial year are unlikely. The threat to our young people services is more likely to be with restrictions on age ranges as CYPS only work with young people up to the age of 18. A further restriction could also be to only accept those young people leaving care who are over 18 or those who have failed in foster care or children's homes. These types of restrictions could damage Youth Shelter's ability to carefully control the mix of clients at the hostel and create a more unpredictable and unstable environment. Elements of this have already been seen during this year following other measures to reduce the number of 18+ young people seeking supported accommodation.

2] Welfare benefit reform: Fortunately the roll out of universal credits has been delayed and as yet this is not a present issue for our clients. Measures have been agreed so that vulnerable people living in supported accommodation will still have their housing benefit paid directly to the RSL or charity providing the accommodation, providing a safety net for all concerned. The greatest issue for our clients is when they have left supported accommodation and they are made to move over to the universal credit. Once living independently they will be expected to manage without any of the existing support agencies in place as the services will have been decommissioned.

The Community Care Grant (CCG) was no longer available from central Government in 2013-14. This was temporarily replaced with the Local Welfare Provision (LWP) by local government for a limited period of two years. The criteria to receive LWP are stricter and the amount of money provided is greatly reduced. This benefit is invaluable to someone leaving supported accommodation to provide necessities such as a cooker, bed, sofa and cooking utensils. Unfortunately the funding for LWP will to end in 2015 and at this time it seems very unlikely anything will replace it.

New stricter rules and guidelines for jobseekers are proving to be difficult for some of our clients resulting in repeated sanctions on their benefits. All jobseekers have to apply for 5 full time jobs every week, prove that the jobs are within a reasonable travelling distance and they are equipped with the skills necessary to do the job. This is especially difficult for our clients with English as

a second language. Applying for part-time jobs instead of full-time jobs will also lead to sanctions on benefits reducing their income from £56 per week to £34 per week and the majority of jobs advertised are part-time. As most of our clients have to pay a personal charge towards their rent, a reduction of this scale to their income immediately impacts on their ability to pay their personal charge. This in turn can significantly impact on the charity's income and our ability to maintain our schemes budgets.

Council tax benefit is now under the control of local councils. Charnwood Borough Council, after consultation, has replaced council tax benefit with a Council Tax Support Scheme. This means that everyone of working age will have to contribute something towards their Council Tax bill. The maximum Council Tax Support reduction for people of working age is 91.5%. The impact of this on our clients will be a council tax bill of approximately £3 per week and a further reduction in their available income to spend on food and other essentials.

3] Difficulties in finding new funders: We are continuing with our successful relationship with an external fund raiser who is paid by results. Applying to funders can be problematic as funders are looking for new schemes to fund rather than funding core costs to keep projects running. During 2013-14 we made a number of applications to grant making trusts and local authority funding pots. Most of our successful applications continue to be related to providing opportunities for young people not in education, employment or training.

Section Four: Objectives

Youth Shelter's objects

Our Memorandum of Association defines our objects as:

(a) The relief of need, hardship and distress experienced by homeless young people aged 16-25 years by the provision of temporary accommodation and by the provision of support and advice services calculated to relieve their conditions of need.

(b) The relief of need, hardship and distress experienced by homeless people regardless of age by the provision of support and advice services calculated to relieve the conditions of need whilst in temporary accommodation when referred for such by the Local Authority, Children and Young People Services and other agencies with whom Youth Shelter has service level agreements and thereafter for resettlement into independent accommodation.

(c) The relief of need, hardship and distress experienced by people aged 11 plus by the provision of support, advice, educational and community services calculated to relieve their conditions of need when referred to by Youth Shelter schemes, partner agencies or by any other support provider where a support agreement is in place.

Youth Shelter aims

Our mission statement remains:

'helping vulnerable people live independently and positively contribute to their community'

Trustees' direction

Demand for our services is greater than we can supply with present facilities, income and volunteer resources. We therefore have to prioritise and the Trustees' direction is

" . . . to help those with the most needs whom we can help the most ..."

This direction drives our appeals target to gain new sources of funding to support client services.

Public Benefit

The trustees give careful consideration to the Charity Commissions general guidance on public benefit [section 4 of the Charities Act 2006]. Our main activities and achievements are described in detail below.

All our activities focus on our stated objects and aims which are undertaken to both maintain and extend our charitable efforts for the public benefit.

Section five: Details of significant activities, achievements and performance

Falcon Centre:

The Falcon Centre was commissioned in 2012 following a review of quick access supported accommodation for high to medium needs homeless people across Leicestershire. The review found that the existing provision did not meet the needs of vulnerable people from the north of Leicestershire and they were looking for accommodation from this area to best meet those needs.

The existing provision, located in Wigston, was for 56 beds and the intention was for this to be split into two 28 bed quick access supported accommodation services; one for the north and one for the south.

The Falcon Centre opened in April 2013 with an initial investment from Leicestershire County Council of £75,000 to help with the set-up costs. The commissioned contract price for the service is £180,000 per year to provide quick access accommodation and support to vulnerable people, with medium to high needs, for 28 people.

The Falcon Centre accommodated its first residents on April 29th 2013. The

centre can provide accommodation for up to 29 residents and after just 3 weeks it had reached its capacity and has stayed that way ever since. At any one time the waiting list has contained over 50 referrals many with severe and complex needs. In just 11 months, up to the end of the financial year the Falcon Centre received 277 referrals and housed 107 of these referrals. Of the 107 housed 65 were diagnosed with mental health issues, 59 with drug misuse, 36 with alcohol misuse, 6 with physical health problems and 72 residents had two or more of these needs. The average stay of the residents was 12 weeks.

CIYA House [The Park Road Hostel] :

This provides 24/7 supported accommodation for six young people. The majority of the service users are referred to us via the Single Access Point [SAP], Youth Offending Service, Social Services or the Borough Council. The number of referrals to Youth Shelter remains steady year on year with 111 received during 2013-14. We find the clients referred are prioritised in favour of 16 -17 year olds and have increasingly more complex issues to deal with. It has also been noted that during 2013-14 there has been an increased number of high and complex needs young females who have not responded well to code of conduct conditions set within the hostel and have not engaged with the support offered. Young people aged over 18 now find it harder to get supported accommodation. Each client has a dedicated support worker and they work together to agree SMART actions in the client's re-settlement plan. The aim of each plan is to get the client nearer to the goal of independent living. We use the St Mungo process to track client's learning and progress. All clients are expected to take part in AQA life skills qualifications called Lifewise. The Lifewise units are part of a package of education we deliver under our partnership agreement we have with Centrepont a national charity for homeless young people.

Clients in the hostel tend to stay for 6 months before moving on to their own flat either in a supported scheme like Marshalls Court or local authority flat.

Marshalls Court Flats:

Marshalls Court is a site in Loughborough providing 10 purpose built single person flats. The clients each have a tenancy agreement with East Midlands Housing Association (EMHA), the registered social landlord.

Youth Shelter provides tenancy management under a contract with EMHA and one to one client support delivered under a contract with Leicestershire County Council.

The stay at Marshalls Court tends to be longer than CIYA House with an average stay of approximately 12 months. This is because the properties are completely self-contained single person flats, with a tenancy agreement as opposed to the licence agreement that is in operation at the CIYA House. This year the natural

path way of the short term accommodation services (Park Road, Asylum Services, Waypoint) leading to Marshalls Court tenancy's has proven to be effective, the two schemes are more closely interlinked and we are developing combined day service for the next financial year building on this further. During 2013-14 all but one of Marshalls Court residents came through one of Youth Shelter's Licence based schemes. The success of this route can be demonstrated by the 100% positive move-ons from the service in 2013-14. The Lifewise units are still offered to our residents at Marshalls Court either as a refresher or if a client has directly entered Marshalls Court, bypassing CIYA House. The units have recently been updated by Centrepont and we are now able to offer units at a more advance level up to level 2.

Client progress is tracked and monitored using the St Mungos Outcome Star and the locally agreed Move On Process Protocol thus providing evidence based information for the Borough Council to process housing applications.

Homeless Floating Support:

Our short term homeless floating support scheme provides support for up to 14 clients who have been placed in temporary accommodation by Charnwood Borough Council. The scheme provides support for people with complex issues to help them to move onto more permanent accommodation. Support is extended for up to six weeks once a client has moved into their permanent accommodation in order to aid successful transition and allow time for any referrals to be picked up by other tenancy support agencies.

During April 2013 to April 2014 Homeless Floating Support scheme continued to be successful in maintaining relationships with external agencies such as Teenage Parent Forum, The Bridge, Social Services and Mental Health Services. The support workers were heavily involved in work with Citizens Advice in relation to maximising income and reducing debt through Debt Relief Order applications. They were also actively involved in attending meetings with CYPS in relation to Child Protection cases and have reported concerns where needed.

During the last twelve months eighteen single people, one pregnant female, sixteen lone parents, two couples and six families were supported. The average time of support given was between 3 and 4 months. However, one couple were supported for twelve months due to a negative housing decision and requiring support to find a tenancy via the Tenant Finder Scheme. There were a number of referrals made to outside agencies to continue the support after the contract with Homeless Floating Support had ended. This has helped in continued success with maintaining tenancies. However, this support was not always taken up by clients.

Asylum Services:

It was a year of change for Asylum Services following a very lengthy tendering

process that began in October 2012 and wasn't completed until December 2013. By April 2013 we had been accepted onto the Framework with one other local provider. At this time Youth Shelter supported and managed two houses of 6 beds for young male unaccompanied asylum seekers (UASC). We were served the notice that our contracts were at an end in preparation for the new CYPs contracts and a model of spot purchase was used for a short interim while the process of tenders and awarding of contracts was completed. This had a massive impact on our service over 2013-14 and at one stage we only had 50% occupancy and the projects viability was at risk.

The contract for the 18+ unaccompanied asylum seeking children was finally awarded to Youth Shelter in December 2013. The contract was to provide support and accommodation for 6 UASC in one of our existing houses.

The other 6 bed house was retained by Youth Shelter to provide the housing management only as part of a working partnership agreement we developed with the other local support provider on the Framework.

Innovation Bursary Fund – Developing a Social Enterprise:

Youth Shelter made a successful joint application with a Leicester based company, Pedestrian, to Leicestershire County Council's Innovation Bursary Fund to develop a social enterprise with a group of 18-25 year old NEETs (not in education, employment or training). The proposal was for a project facilitator to work with a group of young people providing them with opportunities to learn about social enterprise, explore different types of employment and business, and engage with local business to offer work experience or share their experiences of business with the group.

Pedestrian are a social enterprise organisation that specialise in arts education for young people who are not successful within mainstream schools, colleges and training programmes. Pedestrian provided the group of young people with the opportunity to gain an OCN qualification in social enterprise.

The final aim and legacy of the project was to have a working social enterprise set up and run by the young people of the project. After considering many options the group came up with the idea of printing t-shirts and other merchandise. The label for the clothing was Mo-Wear and by the end of the project they had printed sweatshirts, hats and t-shirts and sold these on Loughborough Market.

Leicestershire County Council commissioned a report to evaluate the social return of the project and found that every £1 spent was equivalent to £10 in social return to the County Council.

This project has since achieved additional funding that has allowed it to continue and develop the further. It now provides an educational package for NEET young people to enable them to learn how to design, print, market and sell their t-

shirts.

Friday Night Life:

FNL is an activity based group to help promote the emotional and mental health of young people in Charnwood. The aim is to help young people overcome social isolation and develop their self-confidence. The scheme has been very successful and after a visit from Leicestershire County Council funding for a further 12 months was provided.

Queens Road:

This site was closed in June 2013 due to the opening of our new site the Falcon Centre.

Youth Offending Accommodation Scheme:

This scheme was decommissioned as the Youth Offending Service did not have any young people requiring accommodation in the Charnwood area. The priority need was based in the Hinckley area and at present we do not offer any accommodation in that area.

Waypoint, Shared Accommodation:

Waypoint was wound down March 31st 2014 after it failed to prove viable due to high rent arrears and damage. It did however house a number of young men who would have faced sofa surfing or street homelessness during the year. All the remaining residents moved on to independent accommodation before the scheme was closed. Two were provided with Local Authority accommodation within Charnwood, one returned their family home, one was asked to leave after non-payment of accommodation charges and two abandoned the property.

Fundraising:

We continue to enjoy support from “Action for Street Kids” which allows us to invest in clients at the Hostel, Marshalls Court and Asylum Services to help them develop their life goals.

The search for new funding partners continues. We recognise Grant Making Trusts face their own difficulties in the economic downturn but we need to gain their support if we are to continue to deliver the range of and quality of services we provide outside our contracted income.

Section six: Financial Review

The financial position:

The statement of financial activities for the year shows a surplus of £28,815.

The provisional budget for 2014/15 is balanced but requires careful consideration due to the continuing political climate of austerity that threatens all homeless

prevention services.

The audited accounts show restricted funds of £4,373. These restricted funds are due to awards for schemes running from June 2013 to June 2014.

Policy on reserves

The charity had unrestricted retained funds of £115,611 for 2013-14 compared with £86,796 for 2012-13.

The trustees have reviewed the policy on reserves and continue to support a “three month reserves” figure to cover staff wages and residual liabilities. The Charity Commissioners recommended level of 6 months reserves is seen as unachievable as it would also mean taking money away from client services.

Principal funding sources

Our main income is derived from the Leicestershire County Council Homeless Prevention contracts, rents and service charges for the accommodation we manage.

We also benefit from the successful bids we have made to various grant making bodies. Fundraising and capability building continue to be a priority for the year ahead.

Section seven: Plans for Future Periods

The current business for the period 2009 -14 “*Somewhere else and beyond...*” is ambitious and growth driven reflecting the needs of our client base. A considerable increase in funds is needed to meet all the projects identified in the plan and implementation of projects will depend on securing the funds and income needed.

The annual operating plan sets the following key actions

Special accommodation projects: developing bespoke accommodation solutions for clients in care, e.g. a shared house for leaving care 16-27 year olds.

Acquisition of workshops and training facilities: At the time of writing we are in the process of leasing our first facility to provide educational/training programme and workshop. This is the first step towards the goal of developing a social enterprise.

We believe developing these opportunities will allow clients to gain skills that will help them become economically active.

Sustainability: The priority action is to balance the provisional budget and secure new funding sources to meet the business plan objectives and any revenue shortfalls.

Somewhere Else: Due to the closure of our Queens Road office and the opening of the Falcon Centre the Somewhere Else element of the plan has been

suspended until a new plan has been developed.

Volunteers: We have been more successful in recruiting external and client volunteers to help meet the demands of the charity's expanding commitments.

This plan has come to the end of its 5 year life and a new plan was due to be developed during 2013 but unfortunately due to the opening of the Falcon Centre this has been delayed. As a matter of urgency the new plan will be developed in the early part of 2014-15.

Responsibilities of the Management Committee

Company law requires the management committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The management committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The management committee is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Management Committee

Members of the management committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 2.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part 15 of the

Companies Act 2006 relating to small entities.

Approved by the management committee on and signed on its behalf by:

K. Kells
Chair

15th July 2014