

Committee: Social Investment Board	Dated: 3 rd February 2021
Subject: Progress Report	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	3, 5 & 9
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: David Farnsworth, Chief Grants Officer and Director of City Bridge Trust	For Information
Report author: Tim Wilson, Funding Director and Social Investment Fund Manager, City Bridge Trust	

Summary

This paper provides short updates on the Bridge House Estates Strategic Governance Review (supplemented by a full six-monthly report in the non-public section of your pack) as well as the development of plans to refresh the charity's approach to social investment (much of which remains contingent on the wider BHE work).

Recommendation

Members are asked to note the report.

Main Report

Bridge House Estates

1. The November 2020 progress report noted that today's meeting would receive a copy of the BHE update paper covering the period from July 2020 – December 2020. This is included in the non-public section of your pack and covers all aspects of the BHE Strategic Governance Review as well as implementation plans. There are implications for Bridge House Estates' work on social investment, not least aligning plans with the aims and objectives of BHE's *Bridging London* strategy and acting on the anticipated decision of the Privy Council, if agreed, to provide BHE with an explicit power to socially invest. Most significantly, future social investment work will need to be put in context of BHE's investment objectives and reflective of any additional powers granted to the charity through Supplemental Royal Charter.

City Bridge Invest

2. The BHE Strategic Governance Review provides the framework for the development of plans to refresh the charity's approach to social investment. Since November we have worked with our partners at Finance for Sustainability and Impulse to map out how a social investment approach in London with a specific impact theme or borough focus might be designed. The investment model, including quantum and target rate of return will reflect the aims of the BHE investment strategy, as this is further developed through 2021. For the current quarter, we are working on the "Test and Discover" element of City Bridge Invest (see appendix 1), which explores the use of grant-funding to develop investible impact models and to identify City Bridge Trust portfolio grantees with strong enterprise capabilities.

Corporate & Strategic Implications

Strategic implications – Work on the BHE Strategic Governance Review and City Bridge Invest support the aims and objectives of BHE's overarching strategy, *Bridging London 2020 – 2045*. City Bridge Invest will support the charity in becoming a world-class charitable funder and responsible leader. The activities outlined are also supportive of the vision set out within the City Corporation's Corporate Plan (CP) for 2018-23 and reinforces the CP outcomes 3, 5 and 9.

Financial implications – The costs of work to develop City Bridge Invest is met by the City Bridge Trust's local risk budget.

Legal implications – None.

Risk implications – None.

Equalities implications – None.

Climate implications - None.

Security implications – None.

Conclusion

3. There has been considerable progress with BHE during the past six months, and much of the charity's work in 2021 will set clear parameters for the approach taken to social investment. We continue to consult widely with other funders and investors who are supportive of the high level model and BHE's potential to play a leadership role in the social investment market.

Appendix

City Bridge Invest: high level model

Tim Wilson

Funding Director and Social Investment Fund Manager (City Bridge Trust)

T: 02045261217

E: tim.wilson@cityoflondon.gov.uk

"City Bridge Invest"

A London-focused social investment provision working towards a city where all individuals and communities can thrive

Test & discover

Grant finance to research, test and develop investible solutions

Grants & zero-rated loans for early ideas

Calls for ideas from the wider sector

Thematic research

Main fund

Repayable finance

Cornerstone finance to catalyse projects with significant potential

Investment finance to support social activities within the Bridging Divides strategy achieving positive impact

Allowing for combinations of grant and investment finance

Sharing
learning (via
case studies
& networking
events)
Building
partnerships