

Committee:	Dated:
City Bridge Trust	24 th November 2016
Subject: Way Ahead – Supporting the Infrastructure of London’s Civil Society	Public
Report of: Chief Grants Officer	For Decision

Summary

City Bridge Trust (CBT) is committed to grant-funding the infrastructure that supports London’s civil society through its Supporting London’s voluntary sector programme. Additional money was released from the Bridge House Estates’ charity surplus on the occasion of the Trust’s 20th Anniversary last year. The Court of Common Council, on recommendation from the CBT Committee, agreed that 40% of the additional money could be spent on the infrastructure underpinning civil society organisations in London. This comes at a time when London Councils is withdrawing funding from this area. Research was commissioned to help inform this additional spend. This report builds on that research and recommends that the money is divided into two funds:

- i. A Bridge Fund – as the Way Ahead delivery model will take time to develop, there is an immediate need to ensure that the knowledge and skills of some organisations’ employees are not lost as the funding is cut. A £1M fund is proposed to support organisations for 12 months with grants up to £50,000; on condition they engage with the work to design a new delivery model. Expert resource will also be made available to support organisational change management;
- ii. A Cornerstone Fund - £1.5M a year for 2 years proposed to fund a pan-London strategic fund, working with other funders and key stakeholders, to support the infrastructure underpinning London’s civil society, informed by the collaborative work developing the Way Ahead research report recommendations.

Recommendation

Members are asked to agree (from the additional grant funding agreed by the Court of Common Council to support London’s civil society infrastructure) that:

- a) £1M be allocated to create a Bridge Fund to:
 - i. support London’s civil society infrastructure organisations with grants of up to £50,000 each for 1 year;
 - ii. fund additional expert advice on organisational change if required;

- b) In principle, £1.5M a year for 2 years be used to provide cornerstone funding to support a pan-London strategic fund, working with other funders and key stakeholders, to support the infrastructure underpinning London's civil society (full details of which to be brought back to this Committee for final agreement)
- c) £24,000 is allocated to CBT to manage, monitor and administer the fund and related grants referred to in (a) above and to develop the fund referred to in (b) above.

Main Report

Background

Civil Society

1. CBT is committed to tackling disadvantage in London and working towards a fairer capital city. As part of this work, and as a key component of a thriving city, civil society has an important role to play (civil society is sometimes referred to as the third sector of society or the community and voluntary sector - distinct from government and business).
2. CBT has always been deeply committed to civil society through its grant-making and, in particular, through the Supporting the Voluntary Sector strand of its Investing in Londoners grants programme. This commitment was underlined when additional money was released from the Bridge House Estates' charity surplus on the occasion of the Trust's 20th Anniversary last year: the CBT Committee and Court of Common Council agreed that 40% of this additional money could be spent on the infrastructure underpinning London's civil society organisations.

Research

3. In order to determine how best to commit this money, at a time of particular budgetary pressure across the sector, you funded research, commissioned through your grantee London Funders (the membership network for funders and investors in London's civil society), into the future of infrastructure support for London's civil society. London Funders led this research, working in close partnership with two key infrastructure bodies, London Voluntary Services Council (LVSC)¹ and Greater London Volunteering (GLV)².
4. The starting point for this research was three beliefs: first, that London needs a vibrant civil society to prosper; second, that in order to achieve a strong and vibrant civil society, just as any other sector in London, civil society needs access to appropriate business, technical and enterprise support, as well as a 'voice' within the on-going debate about London, its governance and the issues it faces; and third that the challenges presented by the current economic situation provide opportunities to review and re-think how that support is provided to London's civil society.

1 London Voluntary Service Council is the collaborative leader of London's voluntary and community sector.

2 Greater London Volunteering is the regional partnership body for volunteering in London.

- In May 2016, you received a report on this research – the final research report being called ‘The Way Ahead’. This included recommendations: a key one being that the redesign detail of how support to London’s civil society is provided should be worked up collaboratively.

Implementing the Way Ahead Recommendations

- Stakeholders from all sectors are working together to redesign the system: from volunteer led neighbourhood groups to City Hall. A multi-stakeholder System Change Group has been established, events to test the vision and recommendations are being held, and five themed groups (on Collaboration; Data Management & Sharing; Triage and Connecting; Campaigning and Influencing; and Consistent Commissioning) are being set up to build the knowledge base and test the practicalities.
- By March 2017, the change plan should be agreed, with a view to making the vision a reality during the remainder of 2017. It is important that sufficient resources are made available to support the transition, and to underpin the new system for the future.

Context for Considering Support for Implementation

- London Councils, representing 32 borough councils and the City of London, runs a grants programme supporting the voluntary sector to provide services to meet key areas of need in the capital. From 2014-2017, the grants programme funded four priority areas that required a response at a regional level: homelessness, sexual and domestic violence, tackling poverty through employment, and support to the voluntary and community sector.
- Following a review during 2016, London Councils decided not to continue with ‘Priority 4’, that is, grants for regional support of the voluntary and community sector. Despite this, London Councils are considering committing resources to fund officer time to support the implementation of the Way Ahead. Your Chief Grants Officer is very supportive of this, as it would allow for London Council’s pan-London, democratically accountable voice and expertise to continue to contribute to this important work.
- The total value of Priority 4 funding was c£1.3M per year, meaning a withdrawal of significant funding at the end of March 2017 from organisations who play a key role in supporting civil society at a regional level and whose expertise and knowledge are essential in the implementation of the Way Ahead vision. These organisations are:

Lead organisation	Partner Organisations
Advice UK	Law Centres Federation, Lasa.
Age Concern London	Opening Doors Age UK, London Older People Advisory Group.
Children England	Partnership for Young London, Race Equality Foundation.

Lead organisation	Partner Organisations
Inclusion London	Transport for All.
London Voluntary Service Council	Race on the Agenda, Women's Resource Centre, Refugees in Effective and Active Partnerships, Lasa.
The Refugee Council	

11. There are other regional support organisations who are not funded through the Priority 4 Grants programme, but that also may be facing funding challenge post March 2017. These include organisations such as Greater London Volunteering, who have an important role to play in the delivery of the Way Ahead, and who are included in the proposal set out below.
12. One of the key recommendations in the Way Ahead is the development of a London Hub: this could be made up of a network of organisations or be a formally constituted body which, working with specialist support, should develop standardised resources where possible, which can be customised and delivered locally. It is assumed that the development of the London Hub will require some merging, closing and organisational redesign within the regional and specialist support sector.

Proposal

13. London Councils' priority 4 funding ends at the end of March 2017 and the detailed work to implement the Way Ahead recommendations will not be concluded until the end of 2017. There is, therefore, a real risk that infrastructure organisations with expertise will lose vital staff and consequent skills and expertise before such time as the detailed work is complete (as above).
14. It is therefore proposed that the Trust's additional infrastructure support funding is split into two funds: Fund A, with a total budget of up to £1M, being a bridging fund (the Bridge Fund) and Fund B, with a total budget of up to £1.5M a year for 2 years being cornerstone funding (the Cornerstone Fund).
15. If agreed, the Bridge Fund will be used to support organisations in retaining their expertise during the 12 month period in which the Way Ahead implementation details are being worked through.
16. If agreed, the Cornerstone Fund will be used to provide anchor funding for a pan-London fund to support London's civil society. It is hoped that other funders will also wish to contribute to this fund so it is collaborative and well-resourced.

Proposed Bridge Fund

17. It is recommended that you instruct officers to establish the Bridge Fund within the following framework:
- Pan-London infra-structure organisations are invited to apply for up to £50,000 each, limited to one year

- Any grant is subject to the following conditional requirements:
 - Engaging their stakeholders in co-producing plans for implementing the Way Ahead
 - Working with the Way Ahead Systems Change Group and contributing to the themed groups.
- The fund and how to apply is announced before Christmas.
- Decisions on both grants and any additional support are made within 6 weeks of launch.
- Organisations already funded by CBT are not precluded from receiving a Bridge Fund grant, but any existing funding will be taken into account.
- It is made clear that additional advice and support is available from Cranfield Trust and other experts to support organisational change and compliment any grant – such support to be determined in consultation with CBT officers.
- It is made clear that the Bridge Fund and any future Cornerstone Fund are not intended as substitute funding for London Council's Priority 4 funding – rather the funds are intended to support a transformational agenda working towards improved support and skills for civil society organisations in London.
- It should also be made clear that the Bridge Fund is not for supporting organisations working at borough level (funding for some of these organisations remains available through your Investing in Londoners grants programmes).

Proposed Cornerstone Fund

18. The Way Ahead makes a number of recommendations specifically for independent funders, providers of statutory funding and London Funders. These include working together to create a pan-London fund to support the new model and to ensure that civil society support provision is more evenly distributed across London. CBT is in conversation with other funders about the development of such a pan-London fund and very much hopes, if the CBT cornerstone funding is agreed in principle, it will be a strategic and collaborative effort.
19. It is recommended that you agree in principle to provide the cornerstone funding to support this pan London fund, with an in principle commitment of additional resources of circa £1.5M per annum for 2 years (commencing in 2017). This will build on, and be informed by, your wider support through the Investing in Londoners Strengthening London's Voluntary Sector programme.
20. This proposed pan-London fund will require bespoke governance arrangements, and these can be developed over the next year. It is anticipated that these arrangements would involve key stakeholders – for example London Councils. In addition, the provision of the Bridge Fund (above), if agreed, will enable key organisations during 2017 to inform the development of the proposed pan-London fund.

Conclusion

21. This paper is the culmination of considerable work undertaken by your officers with key partners in London. Considerable credit for this must be attributed to

your Deputy Chief Grants Officer and London Funders. The proposals come at an important moment for London's civil society – significantly impacted by the retrenchment of state funding, the knock on to London borough budgets and London Councils' funding priorities.

22. The proposed Bridge and Cornerstone Funds arise directly from the research you supported and London Funders commissioned. The Bridge Fund will provide time-limited support to key regional and specialist support organisations during a period of significant change. It will enable core knowledge and skills within the sector to be retained during a crucial phase in the development of the Way Ahead recommendations. It will also ensure wide buy-in across multiple stakeholders to the Way Ahead vision and that its implementation is produced together with networks of civil society.

23. This is an opportunity to use your position as London's largest independent funder to provide leadership and work collaboratively to further support London's civil society.

Summary of recommendations

24. Members are asked to agree (from the additional grant funding agreed by the Court of Common Council to support London's civil society infrastructure) that:

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 - ii. fund additional expert advice on organisational change if required;
- b) In principle, £1.5M a year for 2 years be used to provide cornerstone funding to support a pan-London fund, working with other funders and key stakeholders, to support the infrastructure underpinning London's civil society (full details of which to be brought back to this Committee for agreement)
- c) £24,000 is allocated to CBT to manage, monitor and administer the fund and related grants referred to in (a) above and to develop the fund referred to in (b) above.

Background Papers

- The CBT Committee, Future of London's Voluntary Sector Infrastructure Support – 24th May 2016.

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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)?	Yes
Support work within one of existing Investing in Londoners programmes (IiL)?	Yes
Or, meet a clear need that has arisen since(IiL) were agreed?	N/A
Have the potential for impact beyond that of an individual reactive grant or number of individual grants?	Yes
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?	Yes
Be made to an organisation(s) that conforms to the Trust's eligibility criteria and has the capacity and expertise to deliver the work?	Yes

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