

<b>Committee:</b> City Bridge Trust (CBT)	<b>Dated:</b> 11 <sup>th</sup> May 2017
<b>Subject:</b> Progress Report	<b>Public</b>
<b>Report of:</b> Chief Grants Officer	<b>For Information</b>

## **Summary**

This is a regular report by the Chief Grants Officer. You are asked within this report to note:

- The Work Continues.
- Civil Society Futures – The independent Inquiry,
- Charity Commission,
- Strategic Review update,
- Stepping Stones,
- Human Resources update,
- Finance update,
- LGBT strategic support,
- Learning: Praxis, and;
- Grant-making (if today's grants are approved, 10% of your Investing in Londoners core grants budget for 2017/18 will have been approved).

## **Recommendation**

- a) That the report be noted.

## **Main Report**

### **The Work Continues**

1. Whilst we undertake our 5 year Strategic Review, the Trust's everyday work continues in every London Borough. I continue to make Friday visits to see some of the 500+ charities you are supporting at any one time throughout Greater London. Members are reminded they are very welcome to join any of the visits.
2. Most recently I visited The Log Cabin, Ealing. Your grant supports the part-time Counsellor who works with young people aged 14 – 25 who are disabled, or have additional needs, or who are in need. Your Chief Grants Officer visited the leafy site next to Northfields Tube, was given a full tour of the impressive facility (the charity is co-located with Local Authority young people support services) and met the Counsellor you support. She is impressive and clearly doing vital work with young people across the borough.

## **Civil Society Futures – The independent Inquiry**

3. It is a fast changing context for community and voluntary sector organisations: from geopolitics, through to funding and the new relationships between the statutory, private and voluntary sectors. There has also been a reduction in trust of institutions and this has flowed through to some aspects of the charitable sector. Against this backdrop, you will recall that you are contributing to the funding of an Inquiry into the future of civil society along with several other major funders (Baring Foundation, Esmée Fairbairn, Barrow Cadbury, Paul Hamlyn, Lloyds Bank Foundation, Lankelly Chase and Calouste Gulbenkian Foundation).
4. Julia Unwin has been appointed to lead the Inquiry and she is supported by a secretariat of four organisations - Citizens UK, Goldsmiths University, Forum for the Future and openDemocracy.
5. The Inquiry 'kicked off' on Thursday 20th April with the online hub going live, the social media campaign starting and Julia Unwin doing a keynote speech at the NCVO Conference on 21st April 2017.
6. CBT forms part of the Inquiry's Funder Observer Network, and will be meeting with 25 other funders on 9<sup>th</sup> June to discuss progress and feed into the Inquiry. Your Chairman and I will be attending this event.
7. Further updates will be provided to this Committee at key junctures of the Inquiry. More information can be found at: <https://civilsocietyfutures.org>

## **Charity Commission**

8. The Charity Commission for England and Wales announced that it would soon be opening a consultation on whether charities might contribute to the costs of the regulator. Now, with HM Treasury's approval, that consultation looks imminent.
9. The exact nature of the charge is not yet known i.e. What would the threshold be for small and large charities? Would charities be affected on a sliding scale? How would charities be grouped? There is currently no information available on how the Commission plans to implement the charge. CBT will maintain a watching brief on this, working through the National Council of Voluntary Organisations (NCVO) and the Association of Charitable Foundations (ACF) and provide a further update to this Committee in due course.

## **Strategic Review Update**

10. Following your consideration of the first draft of the Trust's 2018-2023 funding strategy, your Head of Strategic Review and I would like to thank all Members for their contributions to date in developing the strategy. A

separate paper follows with the final draft of the funding strategy for your consideration.

11. Once the funding strategy has been approved by Members of this Committee, the strategy will go before Court of Common Council this July. A detailed implementation plan is being developed by your Officers, and will be reported to a future committee. This will include consideration of the resources that will be required to deliver the funding strategy effectively.

## **Human Resources Update**

12. Since the last Committee, Rebecca Green (Grants Administrator) has secured a role as a Grants Manager at the AB Charitable Trust (AB). Rebecca's new role will be part time (3 days per week) and so, for a 12 month period, Rebecca will be staying on with CBT as your Grants Administrator for 2 days per week. This arrangement is likely to commence in mid-June, when she takes up her new role at AB. Additional administrative resource is being organised.
13. Marek Habrda has accepted a 12 month contract to undertake the grants monitoring and evaluation role, previously delivered by Simrat Kaur-Gupta. Marek will start this role on 1<sup>st</sup> May 2017.
14. The 12 month Social Investment On-Purpose scheme completed in April 2017. Both Kyro Brooks and Neha Chandgothia were each in post for 6 months, and both delivered outstanding work on your behalf. Building on their work and to strengthen the Social Investment team, a Social Investment Fund Associate is to be recruited. This job will go out to advert after undergoing the standard job evaluation process.
15. Scott Nixon's contract to deliver the Head of Projects role has been extended for a further 6 months, whilst the wider resource needs of the department are reviewed in light of the Strategic Review,

## **Finance update**

16. CBT has been increasing the strategic approach to its grant making including more longer-term, proactive grants developed in partnership with experts and based on evidence of need.
17. This approach has been taken in respect of 80% of the additional money agreed for grant-making as a result of CBT's 20<sup>th</sup> Anniversary: with detailed plans having been developed and agreed by this Committee to focus grants on the employability of disabled people and those with mental health issues; and also improving the resilience of London's voluntary sector (infrastructure support). The remaining 20% has been committed to charities through the core Investing in Londoners (IIL) grants programme.

18. To deliver these plans and commit the funding allocation to the expert charities selected as grant recipients, a report has been submitted under urgency to Resource Allocation Sub-Committee to approve the carry-forward of the remainder of the 20<sup>th</sup> Anniversary grant funding (agreed by Court but uncommitted as yet to specific charities) of £4,448,000 to the 17/18 financial year. This was requested under urgency to enable the CBT Committee to agree detailed 5 year grant proposals at its May and July 2017 committee meetings.
19. As part of CBT's 5 year strategic review to inform the 2018-2023 grant spend, consideration is being given as to how the approach to the grants budget might be improved to better support the delivery of high impact, longer-term grants: a detailed paper for the CBT Committee and Resource Allocation Sub Committee (RASC) is proposed.
20. A copy of the full report submitted to RASC under urgency is provided at Appendix 1, for Member information.

### **Stepping Stones Fund**

21. Since I reported on this initiative at your March meeting UBS has confirmed a very welcome co-funding contribution of £50,000 towards the round which, alongside the considerable employee volunteering input and room space they make available, maintains this excellent partnership. We continue discussions with a further potential co-funding partner, although this is more likely to come to fruition in a subsequent round of the scheme.
22. The fourth round of Stepping Stones will close to first stage applications on 10th May and Tim Wilson will be able to provide an update on the level of interest at your Committee meeting. Once officers have shortlisted these initial applications the full proposals and detailed assessment reviews will take place over the summer, with awards made in September (the decision panel including your Chairman, Deputy Chairman and a UBS representative).

### **LGBT strategic support**

23. At your last meeting you were advised that the Trust had received 3 proposals for furthering LGBT support in London, with the intention that these would be brought to this meeting for your decision. However, as the full assessment process has not been completed on all of them they will now be deferred until your June Committee as it is more sensible to consider them together, including a more recent, additional, request for interesting work in this area.

### **Learning: Praxis**

24. Your grantee Praxis is currently in receipt of a grant of £182,000 over three years to provide specialist one-to-one advice, casework and support to London-based migrant and refugee women clients who have survived/experienced trafficking and/or gender-based violence.

25. Praxis is also working in conjunction with Commonweal, which is in receipt of a £500,000 investment from the City of London Corporation's Social Investment Fund. A seven year loan has been awarded to provide good-quality accommodation for vulnerable migrants with no recourse to public funds through the purchase and management of seven homes in the Croydon area. The accommodation will benefit up to 210 families and 126 individuals over the investment term.
26. In 2013 Praxis Community Projects established Praxis Enterprise CIC as a vehicle to found an innovative language school with the help of social investment from charitable grant-making trusts and foundations, including City Bridge Trust. The purpose of the school was both to fulfil a social purpose and, in time, to generate a reliable source of recurring unrestricted income for the parent charity. In the summer of 2015 the enterprise closed and was placed into liquidation despite the best efforts of its management and directors to make it a success.
27. Given CBT's commitment to learning from its funding and supporting its grantees to do so, CBT funded the production of a report, the purpose of which was to consider the story of Praxis Enterprise CIC and explore what could helpfully be learned - both for those making social investments and for charities making use of social investment to establish substantial new ventures.
28. It is widely known that the majority of new businesses fail in their first two years. The purpose of the report was not to re-explore an area that was already extensively researched. Rather, to explore those particular points that are relevant to the developing field of social investment. The report asks: what is there to learn when charities establish new enterprises with funds from social investors? The report is available to view on the CBT website [here](#).

### **Grant Applications Summary**

29. Your meeting today will consider 88 applications of which 30 have been approved under delegated authority and 21 are being recommended for funding today (14 of these are under your Investing in Londoners programme, and 7 are under your 20th Anniversary Employability strand). Of the 30 awards to be noted as approved by delegated authority 27 of these were approved in the 2016/17 financial year, and 3 are in the current 2017/18 financial year. The total recommended sum from your Investing in Londoners grants budget is £1,665,300. If all recommendations are approved you will have spent 10% of your Investing in Londoners core grants budget for 2017/18 at this first meeting. The implications of today's recommendations are shown in Table 1 against the grants budget for 2017/18.
30. A final summary of 2016/17 grants activity, including those grants approved under delegated authority post the March Committee, has been

included as Appendix 2, by way of context for the 2017/18 data reflected in the tables and statistics presented below.

**Table 1: Overall spend against 2017/18 budget**

	Grants budget	Grants spend	Pending applications	% spend of annual budget
<b>Core 2017/18 Investing in Londoners grants budget</b>				
Original Grants Budget	£15,000,000			
20th anniversary budget uplift	£1,000,000			
Write-Backs & Revocations	£25,000			
UBS contribution	£50,000			
Carry forward 2016/17 (subject to approval)	£166,190			
<b>Total Budget Available</b>	<b>£16,241,190</b>			
<b>Today's recommendations</b>				
May 2017		£1,665,300		10%
<b>Total annual spend</b>		<b>£1,665,300</b>		10%
<b>Remaining budget</b>	<b>£14,575,890</b>			
<b>Proposed use of remaining budget</b>				
Submitted applications - under assessment			£1,915,072	12%
Stepping Stones			£550,000	3%
Strategic initiatives			£1,500,000	9%
Available grants balance			£10,610,818	65%
<b>Summary</b>				
<b>Grants committed</b>		£0		0%
<b>Grants recommended</b>		£1,665,300		10%
<b>Balance remaining</b>	<b>£14,575,890</b>			0%

Additional funding streams				
	Grants budget	Grants spend	Pending applications	% spend of annual budget
<b>Anniversary programme: employability (20th anniversary budget uplift of 40%)</b>				
2015/16 carry forward	£1,135,000			
2016/17 carry forward	£1,600,000			
<b>Total</b>	<b>£2,735,000</b>			
2017/18 new budget	£2,000,000			
<b>Total budget available</b>	<b>£4,735,000</b>			
Spend at previous meetings in 2017/18		£0		0%
Recommended grant spend today		£3,475,568		73%
Recommended non-grant spend today*		£1,259,432		27%
<b>Total spend</b>		<b>£4,735,000</b>		100%
<b>Remaining budget</b>	<b>£0</b>			0%
<b>Summary</b>				
<b>Grants committed</b>		£0		0%
<b>Spend recommended</b>		<b>£4,735,000</b>		100%
<b>Balance remaining</b>	<b>£0</b>			0%

\*This represents expenditure such as management costs, evaluation activity or related research that is recommend for approval but will not be awarded as a grant to another charity

<b>Anniversary programme: infrastructure support (20th anniversary budget uplift of 40%)</b>				
2015/16 carry forward	£113,000			
2016/17 carry forward	£1,600,000			
<b>Total</b>	<b>£1,713,000</b>			
2017/18 budget	£2,000,000			
<b>Total budget available</b>	<b>£3,713,000</b>			
Spend at previous meetings in 2017/18		£0		0%
Recommended spend today		£0		0%
<b>Total spend</b>		<b>£0</b>		0%
<b>Remaining budget</b>	<b>£3,713,000</b>			100%
<b>Summary</b>				
<b>Grants committed</b>		£0		0%
<b>Grants recommended</b>		<b>£0</b>		0%
<b>Balance remaining</b>	<b>£3,713,000</b>			100%

<b>Annual funding for Prince's Trust funding (agreed Oct 14)</b>				
2017/18 budget	<b>£1,000,000</b>			
Balance to be drawn down	<b>£1,000,000</b>			
<b>Summary</b>				
<b>Balance remaining</b>	<b>£1,000,000</b>			100%

<b>Overall Grant Summary</b>				
<b>Grants committed</b>		£0		0%
<b>Grants recommended</b>		£6,400,300		39%
<b>Balance remaining</b>	<b>£19,288,890</b>			0%

31. The total of grants currently under on-going management by your Grants Officers is shown in Table 2. Prior to the approvals recommended for this Committee, the total sum for grants currently being managed is £28,125,000. Should the Committee approve the applications proposed at today's Committee this balance will rise to £33,265,868.

**Table 2**

**Grant commitments under management as at 27th April 2017**

<b>Table for 2017/18 year-to-date</b>	<b>£</b>	<b>£</b>
Prior year grant commitments brought-forward as at 31 March 2017		28,618,000
Grant awarded in 2017/18	0	
Grant write-backs in 2017/18	<u>(25,000)</u>	(25,000)
Payments made in 2017/18 to Grantees		(468,000)
<b>Current grant commitments as at 27th April 2017</b>		<b><u>28,125,000</u></b>



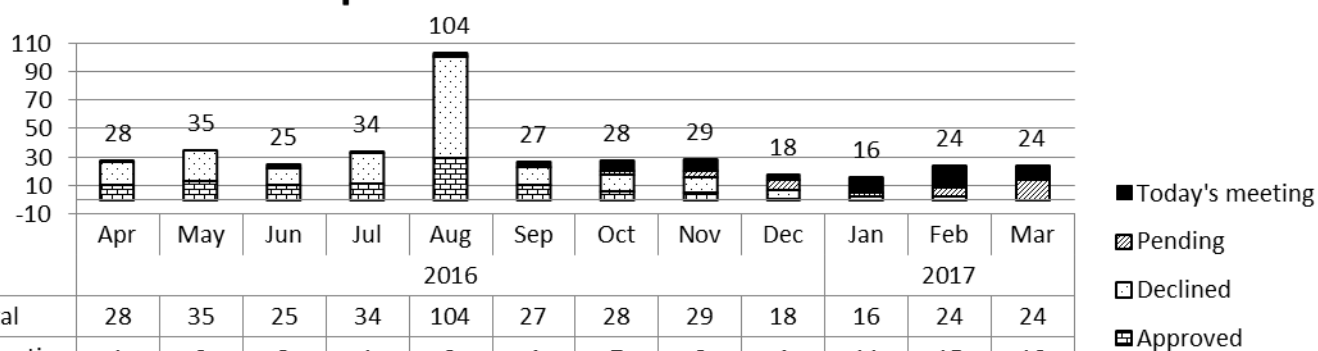
32. Table 3 shows the grant awards you have made this financial year under Investing in Londoners and today's recommendations by programme.

**Table 3: Investing in Londoners awards and recommendations by programme**

Fund/Program	Number of grants				Value of grants			
	Year to date	Today's meeting	Total	% total grants	Year to date	Today's meeting	Total	% total value
English for Speakers of Other Languages	0	0	0	0%	£0	£0	£0	0%
Improving Londoners' Mental Health	0	3	3	18%	£0	£191,950	£191,950	12%
Improving London's Environment	0	1	1	6%	£0	£80,000	£80,000	5%
Making London More Inclusive	0	5	5	29%	£0	£708,750	£708,750	43%
Making London Safer	0	2	2	12%	£0	£282,000	£282,000	17%
Older Londoners	0	0	0	0%	£0	£0	£0	0%
Reducing Poverty	0	2	2	12%	£0	£167,000	£167,000	10%
Resettlement & Rehabilitation of Offenders	0	0	0	0%	£0	£0	£0	0%
Stepping Stones	0	0	0	0%	£0	£0	£0	0%
Strengthening London's Voluntary Sector	0	2	2	12%	£0	£230,000	£230,000	14%
Strategic Initiatives	0	0	0	0%	£0	£0	£0	0%
Eco-audits	0	2	2	12%	£0	£5,600	£5,600	0%
Access Audits	0	0	0	0%	£0	£0	£0	0%
<b>Grand total</b>	<b>0</b>	<b>17</b>	<b>17</b>	<b>100%</b>	<b>£0</b>	<b>£1,665,300</b>	<b>£1,665,300</b>	<b>100%</b>

33. Chart 1 shows the flow of applications received over the last financial year and action taken, allowing any seasonal variations to be seen. This excludes Strategic Initiatives, Partnership Funds and the Anniversary Programmes as they are usually solicited rather than open programmes.

**Chart 1: Applications received and action taken between 1st April 2016 and 31st March 2017**



	2016					2017						
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Grand Total	28	35	25	34	104	27	28	29	18	16	24	24
Today's meeting	1	0	3	1	2	4	7	8	4	11	15	10
Pending	0	0	0	0	1	0	3	5	7	2	6	14
Declined	16	22	11	21	71	12	12	11	6	3	3	0
Approved	11	13	11	12	30	11	6	5	1	0	0	0

*The application shown as received in August 2016 was incomplete at the time and pending additional information which did not materialise until late February 2017.*

34. Between 1<sup>st</sup> April 2016 and 31<sup>st</sup> March 2017, 392 applications were received for the Investing in Londoners programmes. 100 applications have been approved and 188 declined (the remainder are pending). The spike in applications seen in August 2016 is due to the closing date for rounds of the Stepping Stones Fund. Otherwise applications are fairly evenly spread across the year, which is comparable to previous years.

35. Officers are asking you to consider 88 applications at this meeting. Of these, 21 are recommended for a grant, 16 are recommended for rejection, 15 applications have been withdrawn by applicants and 6 have been lapsed following several unsuccessful attempts by officers for further information. 30 applications have been approved under the scheme of delegations and are reported to this meeting for information (27 of these were approved outside of this financial year), see Table 4.

**Table 4: Action to be taken on applications today**

**Investing in Londoner's applications**

<b>Action to be taken</b>	<b>Number</b>	<b>Amount</b>
Applications recommended for grant to Committee	14	£1,629,150
Funding approved by delegated authority up to £10,000 (to note)	2	£5,600
Funding approved by delegated authority from £10,001 - £25,000 (to note)	0	£0
Funding approved by delegated authority from £25,001 - £50,000 (to note)	1	£30,550
Applications recommended for rejection	16	n/a
Withdrawn applications (to note)	15	n/a
Applications lapsed (to note)	6	n/a
<b>Total Investing in Londoners applications</b>	<b>54</b>	<b>£1,665,300</b>
<b>Other delegated approvals to note (approved outside of 2017/18 financial year)</b>		
Investing in Londoners	12	£253,500
Anniversary Programme: Infrastructure	15	£737,000
<b>Total</b>	<b>27</b>	<b>£990,500</b>

<b>Anniversary Programme: Employability</b>		
Recommended for grant to Committee	<b>7</b>	<b>£3,475,568</b>

**Appendix 1** - Report to Resource Allocation Sub-Committee under Urgency 'Carry forward of uncommitted grants budget 2016/17'

**Appendix 2** – Overall spend against 2016/17 budget

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