

<b>Committee</b>	<b>Date</b>
City Bridge Trust	11 <sup>th</sup> May 2017
<b>Subject</b> City Bridge Trust Funding Strategy 2018-2023	<b>Public</b>
<b>Report of</b> The Chief Grants Officer	<b>For Decision</b>
<b>Report Author</b> Sufina Ahmad	

### Summary

This paper provides:

- An update of the work completed for the Strategic Review from February 2017 to-date;
- A finalised version of the strategy for your approval; and
- Details on proposed next steps in terms of recommending the agreed final strategy to Court in July 2017.

### Recommendations

Members are asked to:

- a) Note the update on the work completed since February 2017 to finalise the strategy, and raise any questions;
- b) Receive a short presentation from the Head of Strategic Review to aid your decision-making for approving the strategy, recognising that your agreement can be given along with stipulations for changes you wish to see incorporated ahead of the agreed final strategy being taken to Court in July 2017; and
- c) Review the proposed next steps and provide your feedback on the options outlined, including how you would like to engage with/be updated on the refining of the strategy in the coming weeks.

### Background

1. The City of London Corporation (CoLC) is the Trustee of the charity Bridge House Estates (Charity No. 1035628). In 1995, the decision was taken to create City Bridge Trust (CBT). The surplus income available was to be applied for charitable activities, in accordance with a governing Scheme brought into effect on the 20 April 1995 (by Statutory Instrument 1995/1047).
2. The Scheme requires the Trustee, where there is applicable income (i.e. income surplus to the requirements to maintain and support the 5 Bridges which is the primary object of the charity), to settle a policy for the application of that income and to consult such persons as the Commission may direct. The Commission, by Order dated 10 July 1997, has directed the Trustee *inter alia*:

*“...to consult with such persons, bodies corporate, local authorities, government departments and agencies, voluntary organisations and other bodies as the Trustee might think appropriate from time to time, having regard to the purposes, functions and interest of the consultees, and to inform the Commission in writing of the consultation process it progressed from time to time”.*

3. Since 1995, in accordance with this scheme, reviews involving considerable consultation have been conducted every five years. In your May 2016 Committee meeting you agreed a resource package to support the development of this strategy. At your February 2017 Committee meeting you received a detailed update on the consultation and research. You also agreed to the publication of a draft strategy, and for your Head of Strategic Review to consult on this draft strategy with Members, CoLC and CBT officers and external stakeholders. This consultation has resulted in a finalised version of the strategy being developed, which is included as Appendix A, and presented to you for your approval in today’s meeting.
4. The intention is for the strategy to be formally agreed by the Court of Common Council (Court) in July 2017.

## **Progress Update**

5. Below is an update on progress made on the Strategic Review, since your last full update in February 2017:

## **Research**

6. To support the development of this review, the following pieces of research have been commissioned and shared externally and internally:
  - a) A London Needs Analysis – Literature Review, *Olivia Dix* (published October 2016)
  - b) Grantee Perception Survey, *Center (sic) for Effective Philanthropy* (published December 2016)
  - c) Mapping the London Funding Ecology, *Collaborate CIC* (published January 2017)
  - d) Social Investment Scoping Report, *Eva Varga* (published February 2017)

A Funding Approaches Review (formerly referred to a Funding Best Practice Paper) was commissioned through Rob Bell, a former director at the Paul Hamlyn Foundation, and has now been completed. This paper will be particularly useful when informing the design and delivery of the various funding tools and funder plus options that are discussed in the strategy. Appendix B provides an Executive Summary of the Review, and the full report, along with the rest of the research commissioned for the review can be found on the CBT website using this link: <https://www.citybridgetrust.org.uk/strategic-review/research-for-the-review/>.

## **Feedback from the consultation on the draft strategy**

7. Since **February 2017**, the following consultation activities have been carried out:

a) **External Stakeholder Engagement**, which has included:

- Publication of an advert promoting the Strategic Review in City AM in February 2017;
- Publication of an interview with your Chief Grants Officer and your Head of Strategic Review in the Charity Times in February 2017;
- Regular promotion of the draft strategy via the CBT website and Twitter from February 2017 onwards;
- An online survey seeking feedback on the draft strategy from 9<sup>th</sup> February 2017 until 31<sup>st</sup> March 2017, which received eighty four responses;
- Attendance at various workshops by your Head of Strategic Review to promote the draft strategy, including London For All Conference organised by the London Voluntary Service Council; and
- Ten external focus groups, each aimed at ten to twelve attendees, including a focus group organised by Citizens UK London for its members in South and West London, another organised by Inclusion London for its members from across London and a meeting with the Senior Management Team at London Youth. One hundred and twenty people attended these Focus Groups, and less than ten of those people had been to the engagement meetings carried out before December 2016, resulting in us receiving new inputs in to the strategy.

b) **Member Engagement:** including a Members' Breakfast (25 Members attended), one-to-one meetings, regular updates at CBT Committee Meetings, Member Inductions and updates for the Members' Briefings.

c) **Alderman Engagement:** through one-to-one meetings, updates for the Members' Briefings and a presentation to the General Purposes Committee on 9<sup>th</sup> May 2017.

d) **CoLC Officer Engagement:** through an internal staff communications campaign which ran from 18<sup>th</sup> February 2017 to 8<sup>th</sup> March 2017 and meetings with senior officers from CoLC departments, including the Town Clerk's Office, Chamberlain's, Comptroller and City Solicitor's, Communications, Children and Community Services, Open Spaces, Economic Development Office and the Office of the City Remembrancer.

e) **CBT Team Engagement:** through one-to-one meetings, fortnightly e-updates and three staff focus group sessions in April 2017.

8. Feedback on the draft strategy has been broadly positive and very supportive of the new direction being outlined. The following list summarises the overarching feedback received, which has been incorporated in the strategy presented to you today:

a) Values -

80% or more of survey respondents felt that each of the values highlighted were either 'very important' or 'important'. The values were also well supported in the face-to-face discussions.

More clarity was requested in terms of what was meant by the fifth value ('Being adaptive and creative, with a clear sense of purpose'), particularly in terms of the meaning behind the word creative, and the role of innovation under this value. There were also some requests for more clarity on the meaning of early action. CBT was encouraged in most cases to be even bolder and more explicit about what it hopes to achieve under each value, and this point was made in particular when discussing the 'care for the environment' value.

b) Language –

Those engaged in the consultation were positive about the style and tone of the strategy, and encouraged us to retain this. However, there were discussions about the inclusion of words like disadvantaged, marginalised, inequalities, divides. Overall many felt that there was a clear desire to show that as a funder CBT recognises the assets and intrinsic value in those experiencing these deficits, but that in some places the wording of the strategy could be changed to reflect this more clearly. Therefore, the strategy has been shared with an external consultant, who has worked with other funders, and is an expert in applying asset-based language, and he has provided recommendations which have been incorporated in to the strategy presented in today's meeting.

c) What CBT will fund –

CBT was encouraged to adopt flexibility and some breadth in the definition of its funding priorities. Perhaps the best shorthand for what CBT was encouraged to achieve in describing its funding priorities was simply to: 'be specific, but not prescriptive'. Through the consultation it was agreed that CBT would add a fifth funding priority (advice and support); provide some examples of the kinds of activities that could be funded under each priority; make clearer whether or not CBT would continue to fund civil society infrastructure organisations and to clarify what thriving means to CBT in the context of the vision outlined.

d) CBT's ambitions –

There were many questions about what success would look like for CBT in 2023, when the strategy comes to an end. Therefore, CBT has re-imagined the section in the draft strategy called 'CBT's ambitions' and replaced it with a 'Defining success' section.

e) CBT's funder plus offer and toolbox –

There was a lot of support and encouragement for CBT to expand the ways in which it could support organisations to access its funding and non-monetary resources. CBT was encouraged to be bold in the re-design of its funding approaches and processes, and there was strong support for a comprehensive funder plus offer which does more to utilise the non-monetary assets we have access to as a funder, particularly through the CoLC as CBT's corporate trustee. The need for ambitious funder plus support was seen as critical, given that there are many civil society organisations that are struggling to survive and carry out their work successfully.

f) Transparency –

CBT was commended for outlining potential success measures, through its ambitions, and for committing to ensuring there was regular and ongoing learning. Many of those involved were also supportive of the consultative and collaborative

approach undertaken to-date for the review. There was a real sense that for these reasons CBT was committing to transparency and dialogue from internal and external partners to support it in not only designing its strategy, but in implementing it too.

g) Clarity –

There was consistent feedback that in the finalised strategy more clarity would be needed in terms of what CBT means in terms of the values it expresses, what it will fund, and the diversity of its funding approaches. There was also feedback about simplifying some of the funding priorities, e.g. place based funding did not need to incorporate both communities of place and communities of interest. CBT was regularly encouraged to better highlight how the values it had outlined linked to the funding priorities. Finally, there were some requests for the inclusion of statistics or references to research to evidence further some of the issues identified.

### **Finalised CBT Strategy for 2018 to 2023 Strategy**

9. To devise this strategy, your Head of Strategic Review and the wider CBT team have consulted extensively with a range of different partners, spanning many London networks and sectors, including: Londoners; civil society (i.e. voluntary and community sector) organisations; the public and private sectors; funders and policy makers; the CBT team and Members and officers within the City of London Corporation. In addition, CBT has commissioned research and surveys that have added to the strong evidence base from which this strategy has been devised.

10. The key points to highlight are:

a. Developing the new strategy entitled *Bridging Divides* has allowed CBT to consider carefully the kinds of increasingly complex social problems it tackles; the approaches it take to investing in these matters and the way in which it can use its power and partnerships to make positive change happen. *Bridging Divides* shows that in order for CBT's work to be effective, it must first recognise the following:

- CBT's funding supports work tackling poverty, disadvantage, need and inequality.
- Much of the work CBT funds manages the consequences of these overlapping issues.
- CBT will tackle the root causes of these issues more effectively by working with partners across civil society, and public and private sectors, and by encouraging all potential partners to consider learning available.
- Adopting multiple approaches, which are adaptive and reviewed regularly making fuller use of not only CBT's funding but also our knowledge and non-monetary resources, will enable CBT to pursue an ambitious strategy successfully.

b. *Bridging Divides* is a vision and values led strategy. CBT is London's largest independent charitable funder, and from 2018 to 2023 all of the work that it does will link to its vision for London to be a city where all individuals and communities can thrive, especially those experiencing disadvantage and marginalisation. CBT will take a 'total assets' approach to achieving this vision, meaning that as well as its £100 million of funding over five years, it will also ensure the best use of its other non-monetary resources: including the links it has to civil society, other funders and

the wider funding ecology, and the links of its trustee, the City of London Corporation, to local, regional and national Government and the private sector.

- c. CBT will apply the following values throughout its work:
  - i. Inclusion and representation
  - ii. Care for the environment
  - iii. Early action
  - iv. Collaborative working with Londoners, communities and all sectors
  - v. Being adaptive, creative and purposeful
- d. CBT will fund five priorities under *Bridging Divides*:
  - i. Connecting the capital
  - ii. Reducing inequalities
  - iii. Positive transitions
  - iv. Advice and support
  - v. Every voice counts
- e. CBT will offer organisations flexible funding, including grants of different sizes and durations, social investment, match funding and where possible access to individual and corporate philanthropy. CBT will offer organisations that want and need it support, beyond just its money through a funder plus offer, relating to matters such as: governance; organisational development; business planning; social investment readiness; partnership development; exit strategy planning; specialist organisational infrastructure and eco-audits.
- f. CBT wants its funding processes to be fair, representative and proportionate. CBT wants organisations it partners with to feel empowered and supported.
- g. In this five-year period, during which there is likely to be much geo-political uncertainty, CBT will seek to learn what works, what its best contribution can be, and how it should adapt its strategy. CBT will be helped by its working partners to interpret the information it gathers and act upon what it has learnt through such collaboration. Whilst the overarching strategic direction may not change, CBT expects that its implementation will vary greatly in response to its learning and changing context.
- h. The detailed information about how each part of this strategy will be implemented, such as the funding processes and guidelines, will be articulated separately in an Implementation Document.

## **Implementing the Strategy**

- 11. From May 2017, your Head of Strategic Review will begin drafting an Implementation Document, under the direction of your Deputy Chief Grants Officer. Once finished this document will provide a detailed guide on how the strategy will become operational. Regular updates on the implementation work will be presented to this Committee.

## **Proposed Next Steps**

12. You are asked to discuss and approve the finalised strategy attached at Appendix A, accepting that you may wish to have certain amendments made before the strategy is taken to Court in July 2017.
13. With your approval, the proposed next steps planned for the Strategic Review are set out in Appendix C.
14. Your input on these next steps, and in particular the ways in which you would like to be engaged on the finalising of the strategy in coming weeks, are welcomed at this meeting.

**Appendices:**

**Appendix A – City Bridge Trust Funding Strategy, 2018-2023 – *Bridging Divides***

**Appendix B – Executive Summary of Funding Approaches Review, by Rob Bell**

**Appendix C – Proposed Next Steps**

# City Bridge Trust

## Funding Strategy, 2018-2023 *Bridging Divides*

*This document will be finalised and published externally in July 2017*

May 2017



NOT FOR WIDER CIRCULATION: THIS STRATEGY WILL BE FINALISED AND PUBLISHED  
EXTERNALLY IN JULY 2017



## Welcome Note

Written by: Alderman Alison Gowman, City Bridge Trust Chairman

*This will be added prior to this strategy being taken to the City of London Corporation Court of Common Council for their approval in July 2017.*

## Contents Page

Introduction	3
Executive Summary of Strategy	5
City Bridge Trust's Next Funding Strategy	7
Implementation	15

## Introduction

City Bridge Trust (CBT) was set up in 1995, as the charitable funding arm of Bridge House Estates, with the City of London Corporation as our sole trustee. During this time we have distributed more than £364 million to over 4,500 organisations from every London borough. We are now London's largest independent funder, distributing up to £20 million each year.

Every five years CBT conducts a review and assessment of the work that we do, in order to begin developing our next funding strategy. This process helps to ensure that we remain relevant and alive to the changing needs of Londoners and informs our funding strategy for the next five years and a grants budget totaling around £100 million.

In September 2016 the formal work for planning CBT's 2018 to 2023 funding strategy began. To create this strategy we have consulted extensively with a range of different partners, spanning many London networks and sectors including: Londoners; civil society (i.e. voluntary and community sector) organisations; the public and private sectors; funders and policy makers; Members and officers within the City of London Corporation and the CBT team. We have also commissioned research and surveys and these have added to the strong evidence base from which this strategy has been devised. We are immensely grateful to everyone who has so generously given up their time to share their expertise with us.

Throughout the engagement and consultation undertaken, discussions on the inherent inequality, poverty, disadvantage and increasing need faced by Londoners were understandably prevalent. Research by organisations such as Trust for London, through its 'London Poverty Profile', show the income, pay and wealth inequalities faced by Londoners and the negative implications of these on outcomes relating to housing (including the private rented sector), homelessness, employment, benefits and welfare reform, education and health. Most recently, Trust for London commissioned research on 'A Minimum Income Standard for London 2016/2017'. The research shows that it costs between 18% and 56% more for households to reach decent living standards in London, compared to the rest of the UK; meaning that 4 in 10 Londoners cannot afford a decent standard of living, with 57% of children and 39% of working-age adults falling below the standard and 27% of pensioners not meeting the standard.

Alongside this narrative, those involved in the strategic review process have always been keen to emphasise the many advantages to living in London and being a Londoner. London is a city constantly in flux, where new communities live alongside those Londoners who are already benefitting from the many opportunities that the city has to offer, in terms of its culture, heritage, diversity, resilience and wealth. We are both heartened and humbled to hear first-hand the many ways in which we can support Londoners to use their talents to make London a city where everyone can thrive.

There was much reference to 2016 being a year of unprecedented political changes in the UK, with the outcome of the Brexit vote resulting in the triggering of Article 50 in March 2017. These potentially seismic shifts come on the back of a financial crisis, a recession, global economic slowdown, loss of faith in some institutions, significant reductions in

public spending and, for civil society, intense scrutiny as to their role and effectiveness in creating a fair and good society.

Through our next strategy, *Bridging Divides*, we will work with partners from across society to use our £100 million of funding over five-years and our other non-monetary resources to bridge the divides that exist within London. CBT is unique in the support and input that we can provide - we have strong connections to civil society and the communities they represent through our funding, along with strong connections to local, national and regional Government and the business sector through our trustee, the City of London Corporation. These connections are particularly significant in times when the topic of the winners and losers from globalisation is being hotly contested by so many in the UK and globally.

Finally this strategy acknowledges that further significant changes lie ahead globally, nationally and regionally, including the implications of a snap General Election, Mayoral and Local Government elections and the impact of Brexit. However, independent funders like us, many of whom have had a legacy over several hundred years, are able to offer constancy and continued commitment to communities during these most uncertain of times. This role is made easier when one considers the many successes within London and civil society from which we can learn.

Sufina Ahmad  
Head of Strategic Review, City Bridge Trust

May 2017

## Executive Summary of Strategy

CBT's next strategy, *Bridging Divides*, launches a new vision and strategic direction for us as a charitable funder. From 2018 to 2023, we will commit to using our funding, knowledge, networks and assets to support Londoners and London's communities who are experiencing disadvantage and marginalisation to thrive. London is a city of social and economic divides, and this strategy presents an opportunity to work across a range of networks and systems to ensure that London is a city that works for everyone.

Developing *Bridging Divides* has allowed us to consider carefully the kinds of increasingly complex social problems we tackle; the approaches we take to investing in these matters and the way in which we can use our power and partnerships to make positive change happen. *Bridging Divides* shows that in order for our work to be effective, we must first recognise the following:

- Our funding supports work tackling poverty, disadvantage, need and inequality.
- Much of the work we fund manages the consequences of these overlapping issues.
- We will tackle the root causes of these issues more effectively by working with partners across civil society, and public and private sectors, and by encouraging all potential partners to consider learning available.
- Adopting multiple approaches, which are adaptive and reviewed regularly making fuller use of not only our funding but also our knowledge and non-monetary resources, will enable us to pursue an ambitious strategy successfully.

A visual representation of the strategy is included on page 15 of this document. The key points to highlight are:

1. *Bridging Divides* is a vision and values led strategy. CBT is London's largest independent charitable funder, and from 2018 to 2023 all of the work that we do will link to our vision for London as a city where all individuals and communities can thrive, especially those experiencing disadvantage and marginalisation. We will take a 'total assets' approach to achieving this vision, meaning that as well as our £100 million of funding over five years, we will also ensure the best use of our other non-monetary resources: including the links we have to civil society, other funders and the wider funding ecology, and the links of our trustee, the City of London Corporation, to local, regional and national Government and the private sector.
2. We will apply the following values throughout our work:
  - Inclusion and representation
  - Care for the environment
  - Early action
  - Collaborative working with Londoners, communities and all sectors
  - Being adaptive, creative and purposeful
3. We will fund five priorities under *Bridging Divides*:
  - Connecting the capital

Reducing inequalities  
Positive transitions  
Advice and support  
Every voice counts

4. We will offer organisations flexible funding, including grants of different sizes and durations, social investment, match funding and where possible access to individual and corporate philanthropy. We will offer organisations that want and need it support, beyond just our money through a funder plus offer, relating to matters such as: governance; organisational development; business development; social investment readiness; partnership development; exit strategy planning; specialist organisational infrastructure and eco-audits.
5. We want our funding processes to be fair, representative and proportionate. We want organisations we partner with to feel empowered and supported.
6. During this five-year period there is likely to be much geo-political uncertainty, and so we will seek to learn what works, what our best contribution can be, and how we should adapt our strategy. Learning partners will help us interpret the information we gather through our work and turn this into knowledge we can act upon. Whilst the overarching strategic direction may not change, we expect that its implementation will vary greatly in response to its learning and changing context.
7. The detailed information about how each part of this strategy will be implemented, such as the funding processes and guidelines, will be articulated separately in an Implementation Document.

We are committed to improving the success and resilience of London's civil society. Many of the groups we spoke to during our consultation described the sector as being in 'crisis' or at a 'tipping point', due to both increased demand for its services and greater complexity of the needs being addressed. Alongside these challenges we see continued and dramatic reductions in funding, the impact of slow economic growth, increased competition within the sector, falling levels of public trust in civil society and increased (sometimes hostile) scrutiny of the role charities play. These issues were highlighted by the findings of The Way Ahead research CBT funded in 2016, on the future of London's civil society. This is why we have included more ways to access our funding, an ambitious funder plus offer (i.e. the kinds of support we can offer to organisations in addition to our money), a commitment to funding both innovation and the 'tried and tested' and a clear recognition that we have a role to play in reducing the power imbalance that can exist between a funder and the organisations they fund.

Through *Bridging Divides*, we will be a funder with a clear, ambitious vision and mission; funding priorities that are specific but not prescriptive and the resources to address these priorities through full use of the assets and networks we have access to as London's largest independent funder, with the City of London Corporation as our trustee.

## City Bridge Trust's Next Funding Strategy

Since 1995, CBT as the City of London Corporation's charitable funder has developed a clear mandate to serve Londoners and the communities to which they connect. We do this predominantly through funding civil society, as well as having clear links to local, regional and national Government, the private sector and the wider funding ecology. We intend to make better use of these assets and networks to support the organisations we work with in our next strategy - *Bridging Divides*.

As a funder we have already invested in thousands of organisations; and our next strategy continues to place vision and values at the heart of our funding processes, alongside themes and outcomes. The strategy also renews our commitment to remain ambitious about the impact and influence we can have to make positive social change happen.

This strategy is the result of listening to the considerable feedback provided, urging us to be flexible in our approaches and not to assume expertise on all social issues. Instead we were encouraged to empower communities, Londoners and organisations on the ground to tell us what they need in order to thrive.

### - CBT's vision and mission

Our revised vision makes clear our commitment to supporting individuals and communities in London experiencing disadvantage and marginalisation to thrive by overcoming the barriers and challenges they face. This builds on previous vision statements used by CBT and will sit at the heart of all our decisions.

Our mission is to reduce inequality and foster more cohesive communities, by using all of our assets and resources, monetary and otherwise, in pursuit of a London that serves everyone. This therefore includes doing more with the access we have to Londoners, the communities to which they connect, civil society, local, regional and national Government, the private sector and the wider funding ecology. Some of these links have been established directly by us, and others are made through our sole trustee the City of London Corporation.

We believe our renewed vision and mission will allow us to remain alive to the fast pace at which the needs of Londoners are changing.

### - CBT's values

CBT is seeking to partner with organisations that share our values. Our renewed set of values will inform all of our own ways of working, and is described as follows:

#### 1. Inclusion and representation

We will commit to representing and reflecting the diversity of London's communities through our work, ensuring that they have voice and leadership within our processes. As a result we know that we will have to consider carefully the best ways for us to remove the barriers some groups of Londoners experiencing higher levels of deprivation or exclusion will face in working with us, such as Disabled People, Black, Asian and Minority Ethnic (BAME) groups, refugees and migrants, and charities struggling to survive.

## 2. Care for the environment

Levels of air pollution in London are above health-based targets. Although air quality is gradually improving, and there are many plans and programmes in place to improve it further, it still represents a significant public health issue for Londoners. Socio-economically deprived areas of London often experience higher levels of air pollution and have less access to open spaces where pollution levels are lower away from busy roads. We will therefore prioritise reducing our own impact on air quality and continue to encourage environmental education throughout our networks, in terms of air quality and access to open spaces.

## 3. Early action

As a member of the funder alliance on early action, it has long been of interest to us to consider how we build a society that tackles the root causes of problems rather than coping with the symptoms and consequences of them. This also means being prepared to seize opportunities that will enable individuals and communities to thrive. Such thinking drives many of our decisions already, including, for example, being a Living Wage accredited employer and a Living Wage Friendly Funder, which commits us to paying the London Living Wage to our staff, including apprentices, and for all other posts that we fund, therefore reducing the prevalence of in-work poverty. Whilst we know that we will be likely to fund services at the acute end of need, across a wide spectrum of social issues, we will continue to be a strong advocate for creating a society that acts earlier to tackle root causes and invest in potential. We believe that in order to achieve this, we need to work with partners that have a strong commitment to evidence and learning from the work that they do.

## 4. Collaborative working with Londoners, communities and all sectors

Fulfilling our mission relies on us working together with partners from across civil society and the private and statutory sectors, in London and beyond, to support the development of new and existing approaches. Successfully supporting members of the community to thrive and to access the opportunities that London has to offer depends on people coming together, learning from each other and then effecting lasting change. This can take time and sometimes multiple attempts to engage, especially as we want to ensure that the skills, expertise and talent of partners are fully acknowledged and utilised.

## 5. Being adaptive, creative and purposeful

In pursuit of fulfilling our vision, we will learn from our own work and that of others, in order to demonstrate and improve our impact. This will also enable us to adapt our approaches to changes that may arise. We recognise that through being creative we can both adapt the tried and tested, whilst also adopting the entirely new, and we feel that there is space for both within our funding portfolio.

At CBT, we have been privileged to work with organisations that have effected tangible and significant positive changes for Londoners. Sometimes this has involved us taking more risks, and other times it has been as a result of working with established organisations with established methodologies.



In order to make funding decisions, we will explore with organisations how their ways of working are, and can be, aligned with the values that we seek to uphold. We are not expecting organisations to change the wording of their value base to mirror our own, in order to access our funding. The full details of how we will do this will be laid out in our strategy Implementation Document. We think that this approach will allow us to focus on the project idea, as well as the organisation and the people behind the idea. Through this strategy we hope that organisations working with us will see us as their partner.

#### - What CBT will fund

Before going in to specific priorities, our intention can broadly be summarised as funding work across a bridge of need and potential, that begins where individuals and communities are ‘surviving’ and ends when they are ‘thriving’. When we implement the strategy, we will have articulated further what we mean by the model below, which has been devised based on the consultation feedback for the strategy and through researching the sustainable livelihoods approach widely used in international development and poverty reduction by agencies such as the UK Government’s Department for International Development (DFID). For us, there are four stages on the journey across this bridge:

1. **Surviving** - individuals and communities are living on a day-to-day basis, and are usually at a crisis point. Often they are not receiving any statutory or non-statutory support; however they would normally be eligible for statutory support due to their circumstances. An example would be someone who is experiencing street homelessness. Investments at this stage might focus on meeting and stabilising acute needs.
2. **Coping** - individuals and communities in this stage are experiencing a degree of short-term stability. They are able to manage risks beyond the day-to-day, but lack sufficient resources to have greater control over longer term opportunities and impacts. They might be getting by, but they are not necessarily getting on. Continuing with the homelessness example this stage would mean that an individual is now in temporary accommodation, and more likely to be known to statutory service provision. Investments at this stage might focus on encouraging and developing greater capacity.
3. **Adapting** - individuals and communities are taking positive steps to develop specific attributes to move towards a thriving life, thus enabling them to progress towards long-term stability. For the aforementioned person experiencing homelessness, this means that they are now in longer-term transitional accommodation, where they can explore opportunities and perhaps engage in employment too in order to sustain themselves. Individuals and communities are likely to be receiving both statutory and non-statutory support from a variety of different organisations. Investments at this stage might focus on supporting positive risks and growing potential.
4. **Thriving** - individuals and communities are in a position of stability, with enough resources and resilience to succeed and continue to grow over the long-term. They are now mainly supported by non-statutory provision, and to conclude our

example of the person who was street homeless, they are now living life more fully in stable accommodation, with a secure social networks and source of income. Investments at this stage might focus on ensuring and sustaining impact.

The journey outlined above will vary in length and outcome for different individuals and communities, with a degree of moving back and forth between the stages very likely, as well as a recognition that some stages will last longer than others on the journey. We also know that the groups we partner with and fund will work within some, or all, of these stages.

*Bridging Divides* has five different priorities, and for each priority we have provided some examples of the kinds of activities we may seek to fund. We recognise that our new priorities will include a wide range of potential activity, and so we will include much more detail of what we are looking to fund in our Implementation Document.

#### Priority 1: Connecting the capital

This funding stream is about geographical communities, from a street/ward level to a multi-borough/regional level. We part-funded the Institute of Voluntary Action Research (IVAR) to research the principles behind successful place based-funding, and their findings mean that we want to fund activities in a geographical place that can be broadly categorised as: of importance to communities; helps them to (re)build community assets and, in some cases, back projects that could result in positively and dramatically changing the prospects of a community long-term. Through this priority, we could fund work that covers the following kinds of activities:

- Supports community engagement and development work.
- Champions social action and empowers individuals and communities to come together to create the differences they want to see; and provides them with the tools to do this.
- Promotes environmental justice activities or education, in terms of the reduced/restricted access to open spaces/environmental activities and the high levels of air pollution, with a particular focus on areas of deprivation.
- Supports the work of civil society support organisations, working with a range of partners, to deliver place-based work that is needed.

#### Priority 2: Reducing inequalities

The socio-economic and health inequalities experienced in London are well-known. There are over 2 million Londoners living in poverty, based on the Joseph Rowntree Foundation (JRF) definition of poverty as ‘when a person’s resources are well below their minimum needs, including the need to take part in society’. London also has a disproportionately high number of the UK’s most deprived neighbourhoods, as defined through the UK Government’s Index of Multiple Deprivation. London is a city where the richest and poorest live side-by-side, but often lead parallel lives.

Through this funding we hope to tackle inequalities linked to: race; gender; participation and physical access; social mobility; access to services (education, employment, benefits,

health etc.) and culture and arts. We could consider funding work that covers the following kinds of activities:

- Raises awareness and seeks to tackle the issues of the day that are facing groups experiencing inequalities.
- Supports individuals and communities to achieve improved outcomes in terms of the poverty and inequalities they experience.
- Recognises the additional prejudices that those experiencing inequality and poverty can face, such as Disabled People being less likely to gain employment, or people from BAME backgrounds experiencing mental health issues being less likely to have access to the right services and support.
- Work that challenges hate and promotes inclusion: championing justice, tolerance and fairness for those who experience inequalities.

### Priority 3: Positive transitions

This priority will consider funding projects that empower Londoners experiencing inequality to make important transitions. This could be a young person wanting to break out of the cycle of being in and out of education or employment, to moving in to long-term and sustained education or employment. It could be support for a survivor of domestic abuse to leave their relationship and begin the journey of re-building their life. We want to help all Londoners to thrive, which often involves overcoming a range of barriers, through multiple partners from different sectors working together to support the transition.

We know that making successful transitions along the bridge of ‘surviving’ to ‘thriving’ has challenges and opportunities - goals can change and the pace of the transition will vary greatly for every person. With this in mind, we feel that it may be worth noting the following points as part of our decision-making:

- We are likely to work with a wide range of Londoners, with priorities and goals that differ from project to project.
- Specialist support and expertise may be essential for ensuring that people are successful in their transitions.
- Individuals in their communities may or may not be known to statutory services, but all would benefit from support from civil society and beyond to grow and sustain the progress they have made in their pursuit of a ‘thriving’ life.

### Priority 4: Advice and support

Given the upcoming and continuing political uncertainties, the ever increasing cost of living in London, especially in terms of housing costs, and the steady erosion of resilience within individuals and communities, we feel it is important to offer funding that can act as a ‘safety net’. We hope that through our commitment to early action we will fund our partners to prevent people from moving backwards on their journey to ‘thriving’. However, we also recognise that some work must still focus on essential support for those stuck in surviving and coping or needing help to manage changed circumstances. Through this work, we could fund activities that relate to:

- Advice and advocacy services that support individuals who are either experiencing, or at risk of experiencing, issues relating to: indebtedness, unemployment/in-work poverty, social welfare reform and homelessness.
- Services that support individuals and communities experiencing issues relating to hardship and crisis, including food poverty.
- Support to improve the resilience of individuals and communities, including those who have experienced violent crimes or a loss of their safety, e.g. sexual violence, and those who are experiencing mental health difficulties, including being at risk of suicide.
- Advice and advocacy services that support individuals who are experiencing difficulties in relation to their status as a refugee, asylum seeker, immigrant or economic migrant.

#### Priority 5: Every voice counts

Until we have representation at all levels, many assert that a fair and equal society is near impossible to achieve. This funding priority presents an opportunity to challenge the root causes for the divides that we have identified in this strategy, and considers the ways in which we can make London a city where everyone can thrive.

We expect that through this priority we will fund work that develops voice and leadership skills for individuals and communities that lead to tangible and lasting change for them and their communities. This could include advocacy for targeted groups, the upskilling of ‘expert citizens’ to influence solutions, along with opportunities for representation that can help shape the journey from surviving to thriving for more people. The work funded is likely to link back to our other four priorities. For example, voice and leadership skills might enable specific individuals and communities to impact on and benefit from activities connecting the capital, reducing inequalities, empowering positive transitions, and/or access to advice and support. This priority will also connect to our desire to ensure the continued success of civil society, which we will demonstrate through funding for new and existing specialist civil society support services.

#### **- Funder plus support and CBT’s toolbox**

It is important that every interaction or project that we support enhances the lustre of London’s civil society and the individuals and communities with which they work. Therefore, in this strategy we are committing to an expansion of the ways in which we invest our funding and resources in organisations, in order for us to create stronger partnerships with organisations that are always anchored in our vision and values.

Within our strategy our funder plus support and toolbox are intended to depict simply what we consider to be our entire asset and resource base. Through the toolbox we are showing clearly our desire to provide a streamlined offer to groups of the ways in which they can access our funding, and this includes: core funding; small and large grants delivered over the short and long-term; access to funding to become social investment ready; social investment; funding for research and learning; match funding; strategic initiatives funding; funding for new ideas and support to access to giving in terms of time, talent and money. Whilst some parts of our funding offer will be available throughout the strategy, such as large grants, we anticipate that other funding options will be

available when needed, for example our match funding offer. In 2018, we will provide the exact criteria and processes through which these tools will be used and implemented.

Our funder plus offer will outline the kinds of support we can offer organisations in addition to our money. It will draw together a list of the assets we feel we have access to directly through our own networks and the networks of our trustee, the City of London Corporation. We want our funder plus work to add real value to an organisation, and so we will be mindful of the work already being done in this area by other funders, as well as working with organisations directly to understand what they would most benefit from - if anything.

The funder plus support offer will be outlined in detail in 2018, when the strategy is implemented. It will include support for organisations in the form of consultancy, training, networking and diagnostics/audits relating to a range of matters such as: governance; organisational development; social investment readiness; partnership development; exit strategy planning; specialist organisational infrastructure (IT, HR, property advice, monitoring and evaluation etc.) and eco-audits.

#### **- Defining success**

What would successful delivery of this strategy look like? We will consider this through two lenses -

We want to be the best funder we can be, particularly in terms of making our processes as effective as they can be, working collaboratively, taking on leadership responsibilities, assessing how effectively we are using our entire asset base in pursuit of a thriving London, and encouraging learning between London, our regions, the UK and the world. We want our work and our funding to make the most positive impact on reducing inequality and creating cohesive communities. Measures of success in pursuit of our vision will be designed during the implementation phase of this strategy, and against our five funding priorities.

#### **- A strategy that adapts and learns**

It is our privilege to be a funder, and we want to ensure that we are fulfilling the vision set out in this strategy by building in time to reflect on and learn from the work that we are doing. We will learn from this strategy on a continuing basis, as well as ensuring that we conduct a formal review of our work on an annual basis, with support from a range of internal and external partners, and formal learning partners. This will then allow us to learn what works, what our best contribution can be, and how we should adapt our strategy.



# City Bridge Trust - Funding Strategy, 2018-2023

## Bridging divides

CBT's vision and mission	CBT's values	What CBT will fund	Funder plus support	CBT's toolbox	Defining success	A strategy that learns & adapts
<p>We are London's largest independent charitable funder, and our vision is for London to be a city where all individuals and communities can thrive, especially those experiencing disadvantage and marginalisation.</p> <p>Our mission is to reduce inequality and grow more cohesive communities for a London that serves everyone.</p> <p>We will do this by using all of our knowledge, networks and assets to champion London's biggest asset - its people.</p> <p>The City of London Corporation (CoLC) is our trustee, and supports us to serve Londoners and the communities they are part of. We make these connections directly, as well as through civil society, local, regional &amp; national Government, the private sector and the wider funding ecology.</p>	<p>We believe that for London to be a city that works for everyone, we must live the following values in our own work:</p> <p>Inclusion &amp; representation</p> <p>Care for the environment</p> <p>Early action - creating a society that acts earlier</p> <p>Collaborative working with Londoners, communities and sectors</p> <p>Being adaptive, creative and purposeful</p> <p>When creating funding partnerships, we will explore how our partners live these values in their own day-to-day work.</p>	<p>As a funder working in London, we will support organisations to do great work in pursuit of our vision, mission and values. Our aspiration is to support work that enables individuals and communities to thrive.</p> <p>We will fund five funding priorities under Bridging Divides:</p> <p>Connecting the capital Reducing inequalities Positive transitions Advice and support Every voice counts</p> <p>In 2018, we will share the exact details of how our five funding priorities will be implemented:</p>	<p>We will offer extra support to our partners, in addition to our funding. These are the ways in which we think we can do this, with support from the CoLC:</p> <p>Organisational development support</p> <p>Specialist organisational infrastructure support</p> <p>Governance support</p> <p>Networking &amp; convening</p> <p>Access to cross-sectoral networks and partners</p> <p>Support to develop partnerships</p> <p>Investment readiness support</p> <p>Exit strategy</p> <p>Eco-audits</p>	<p>We will provide a clear offer to our partners on how they can access our funding including:</p> <p>Core funding</p> <p>Small &amp; large grants</p> <p>Short &amp; long term commitments</p> <p>Ideas fund</p> <p>Match funding</p> <p>Access to individual and corporate philanthropic networks</p> <p>Strategic initiatives</p> <p>Social Investment, including investment readiness options</p> <p>Research &amp; learning</p>	<p>We want to be the best funder we can be and use our funding to make a positive impact on reducing inequality and creating cohesive communities. Some of the ways we can measure this is by assessing our effectiveness in terms of the following:</p> <p>Being fair, representative &amp; proportionate in our processes.</p> <p>Working collaboratively with our partners; leading &amp; supporting when needed.</p> <p>Using our entire asset base in pursuit of a thriving London.</p> <p>Sharing learning between London, our regions, the UK &amp; the world.</p>	<p>During this five-year strategy we will seek to learn what works, what our best contribution can be, and based on our analysis of this, we will be clear about how we intend to adapt this strategy and its implementation. Learning partners will help us interpret the information we gather through our work and turn this into knowledge we can act upon.</p> <p>Learning will happen on a continuing basis as well as through formal annual reviews.</p>

## **Implementation**

This strategy represents an exciting next step for us as a funder. It signals clearly our intentions to develop our work with existing stakeholders, whilst also reaching out to new stakeholders, to support us in our work.

In the coming months we will work with colleagues internally and externally to develop a detailed plan, in the form of an Implementation Document, explaining how this strategy will be delivered from 2018. We will communicate the progress that we are making with this through our website, social media and communication in person or using email.

The full and exact details of what we intend to fund will be promoted in many different ways in 2018, in order to find ideas, projects and organisations to support. This document provides some high level detail on the kinds of things we might fund, but the Implementation Document will provide fuller details on this.

We will also be working on developing alternative formats of this strategy, in particular an easy-read version for Disabled People and versions available in different languages.

## **Executive Summary**

The report considers the role of charitable funders at a time when research carried out by the Association of Chief Executives of Voluntary Organisations (ACEVO) and Charities Aid Foundation (CAF) found that 20% of charities are 'struggling to strive'. There is an estimated 8,000 practising grant-makers in the UK, awarding in the region of £3 billion annually, with the top 2,500 grant-makers giving a total of £2.65 billion or 88% of the total annual spend. Research in 2015 confirms that spending by charitable funders has returned to pre-recession levels, but that this represents a fall in spending in real terms. The majority of grant spending is aimed at education and training (24%), health (11%), arts/culture (11%), welfare (9%), and children/youth (8%), according to analysis of 16,500 grants in 2015. CBT remains one of the UK's largest charitable funders: it is the fifth biggest in terms of its assets and sixteenth largest in terms of its annual spend at circa £20 million. CBT is part of a wider group of similar funders in terms of grant-spend and ambition, including the Tudor Trust, Trust for London, Comic Relief, Paul Hamlyn Foundation.

The paper considers a wide range of research into the effectiveness of the funding approaches that charitable funders adopt in pursuit of positive social change. The author proffers that ultimately it is about charitable funders being more strategic, intentional, straightforward and impact focused, with less bureaucratic and burdensome processes for charities. To support this analysis, the author provides summaries of the following reports: the Funder Conundrum, the Institute of Philanthropy, Project Streamline – a collaboration of grants managers from various US foundations, the Grantmaking Tango and the 'Inside the mind of the grant maker' report. Each piece offers its own checklist of the kinds of considerations that need to be made by funders, but there is overlap and alignment on the following:

- Funders understanding their own intentions and being clear about the approaches that will work for them.
- Funders find and support their applicants, and the types of evaluation and learning they adopt.

The role and actions of funders, individually and collectively, in a time of austerity is considered in the report. The research concludes that there is an opportunity for their work to make fuller and better use of civil society in tackling stubborn and deep-rooted issues – it is argued that civil society is undercapitalised currently. It also encourages funders to commit to courageous leadership that challenges them and civil society more widely, to achieve more and to respond more quickly to rapid and dramatic changes in the external world.

The majority of the report considers the approaches funders can take in order to distribute their monetary and non-monetary resources. In order to build the resilience of the social sector, the following approaches are analysed:

- a) Core and unrestricted funding
- b) Funding proven services
- c) Funding for organisational development
- d) Investing in intermediaries and second tier organisations
- e) Funding small scale work

The report also offers ideas on the approaches that can be taken to the following:



- a) Funding digital technology for good
- b) Initiating new organisations to 'plug gaps' or improve infrastructure
- c) Mergers and close down
- d) Funding to build on assets and strengths
- e) Peer led grant-making and participatory funding
- f) Place based funding approaches
- g) Funding community business
- h) Funding for people with ideas
- i) Funding policy, influencing and campaigns
- j) Collaboration

The report concludes that there are many approaches that can be taken to funding, but that these approaches should link back to the charitable funder's purpose, values and strategic objectives. The report adds that there is not a lot of innovation within the approaches taken, and the author suggests that there is a need for funding processes to undergo a significant overhaul in most cases, mainly due to the increasingly complex and seemingly intractable social challenges that funders seek to improve and change.

## **Appendix C – Proposed Next Steps**

## May 2017

- The Committee is asked to approve the finalised strategy on 11<sup>th</sup> May 2017, with any recommended and agreed changes being incorporated shortly afterwards.
- Stakeholders that have been engaged in the Strategic Review will be updated on the proposed next steps for this work until July.
- Website and social media communications updated to outline the proposed next steps until July 2017.
- Your Head of Strategic Review and your Communications Officer finalise plans with members of the Director of Communication's Team, and others, to consider how to launch the strategy following Court, including press releases, possible launch event(s), case studies or future scenarios to bring the strategy to life.
- Your Head of Strategic Review and your Communications Officer to begin work with design agency to convert the strategy in to a report for publication.
- Your Head of Strategic Review to begin work on converting the finalised strategy to an easy-read version for Disabled People and versions translated in to different languages, in time for July/August 2017.
- Your Head of Strategic Review and Deputy Chief Grants Officer to continue work on the Implementation Document for the strategy.

## June 2017

- Strategic Review progress update to CBT Committee on 15<sup>th</sup> June 2017.
- Your Chief Grants Officer and your Head of Strategic Review to present funding strategy to Chief Officers' Group on 21<sup>st</sup> June 2017.

## July 2017

- Your Head of Strategic Review and your Communications Officer to finalise the details needed to successfully launch the strategy, including press releases, with the support of other CoLC colleagues.
- Court agreement for the strategy will be sought on 20<sup>th</sup> July 2017.
- Your Head of Strategic Review to provide final update to the CBT Committee on progress made and planned next steps on 27<sup>th</sup> July 2017.
- Your Head of Strategic Review to ensure successful handover of work relating to implementing the strategy by 31<sup>st</sup> July 2017.