



Bridge House Estates Board

Date: WEDNESDAY, 15 SEPTEMBER 2021
Time: 1.45 pm
Venue: VIRTUAL PUBLIC MEETING (ACCESSIBLE REMOTELY)

Members: Deputy Dr Giles Shilson (Chair)
Dhruv Patel (Deputy Chair)
Henry Colthurst
Alderman Professor Emma Edhem
Alderman Alison Gowman
Deputy Jamie Ingham Clark
Paul Martinelli
John Petrie
Judith Pleasance
Deputy Henry Pollard

Enquiries: Joseph Anstee
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Accessing the virtual public meeting

Members of the public can observe this virtual public meeting at the below link:

<https://youtu.be/fHiwU-45zvA>

This meeting will be a virtual meeting and therefore will not take place in a physical location following regulations made under Section 78 of the Coronavirus Act 2020. A recording of the public meeting will be available via the above link following the end of the public meeting for up to one municipal year. Please note: Online meeting recordings do not constitute the formal minutes of the meeting; minutes are written and are available on the City of London Corporation's website. Recordings may be edited, at the discretion of the proper officer, to remove any inappropriate material.

John Barradell
Town Clerk

AGENDA

Part 1 – Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATION UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **BOARD MINUTES***
To agree the public minutes and non-public summary of the meeting held on 14 July 2021.

For Decision
(Pages 7 - 16)

Cross-Cutting Strategic Ambitions and Governance

4. **MANAGING DIRECTOR'S REPORT**
Report of the Managing Director of Bridge House Estates (BHE)

For Information
(Pages 17 - 20)

5. **APPOINTMENTS TO THE GRANTS COMMITTEE OF THE BRIDGE HOUSE ESTATES BOARD**
The Town Clerk to be heard.

For Decision

Ancillary Object - Bridging Divides

6. **CITY BRIDGE TRUST GRANTS OF OVER £500,000 FOR APPROVAL**
Reports of the Managing Director of BHE

- a) **Trust for London Collaborative Projects Extension Funding**

For Decision
(Pages 21 - 24)

- b) **Legal Education Foundation - Justice Collaborations**

For Decision
(Pages 25 - 34)

- c) **Strategic Initiative: Catalyst (Centre for the Acceleration of Social Technology)**

For Decision
(Pages 35 - 42)

Finance

7. **REQUEST FOR UPLIFT TO THE CENTRAL CONTINGENCY BUDGET**
Report of the Chamberlain
- For Decision**
(Pages 43 - 46)
8. **BHE BUDGET UPLIFT REQUEST - STAFFING**
Report of the Chamberlain
- For Decision**
(Pages 47 - 50)
9. **CAPITAL FUNDING UPDATE***
Report of the Chamberlain
- For Decision**
(Pages 51 - 62)
10. **BUDGET MONITORING: 1 APRIL TO 31 JULY 2021***
Report of the Managing Director of BHE and the Chamberlain
- For Information**
(Pages 63 - 70)

Other

11. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
12. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**
13. **EXCLUSION OF THE PUBLIC**
MOTION – With the Court of Common Council for the City Corporation as Trustee of Bridge House Estates (Charity No. 1035628) having decided to treat these meetings as though Part VA and Schedule 12A of the Local Government Act 1972 applied to them, it now be moved that the public be excluded from the meeting for the following items of business on the grounds that their consideration will in each case disclose exempt information of the description in paragraph 3 of Schedule 12A, being information relating to the financial and business affairs of any person (including the City Corporation as Trustee of the charity) which it would not be in the charity's best interests to disclose.
- For Decision**

Part 2 – Non-Public Agenda

14. NON-PUBLIC BOARD MINUTES*

To agree the non-public minutes of the meeting held on 14 July 2021.

For Decision
(Pages 71 - 78)

15. NON-PUBLIC APPENDICES - REQUEST FOR UPLIFT TO THE CENTRAL CONTINGENCY BUDGET

To be considered in conjunction with the report at Item 7.

For Decision
(Pages 79 - 80)

Primary Object - Bridges

16. RESOLUTION OF THE HEALTH AND WELLBEING BOARD

To consider a resolution of the Health and Wellbeing Board meeting on 16 July 2021.

For Information
(Pages 81 - 82)

17. SUICIDE PREVENTION IN THE CITY OF LONDON

Report of the Deputy Town Clerk & Chief Executive

For Decision
(Pages 83 - 100)

18. GATEWAY 3 - SECURE CITY PROGRAMME (SCP) - VULNERABLE PEOPLE WORKSTREAM

Report of the Director of the Built Environment

For Decision
(Pages 101 - 138)

Investments

19. CAS: AGREEING TARGETS AND IMPLEMENTATION ACTIONS FOR A NET ZERO PATHWAY FOR FINANCIAL INVESTMENTS FOR EACH FUND

Report of the Chamberlain

For Decision
(Pages 139 - 170)

20. **PERFORMANCE MONITORING TO 31 JULY 2021: BRIDGE HOUSE ESTATES***
Report of the Chamberlain
- For Information**
(Pages 171 - 184)
21. **GATEWAY 5 - REFURBISHMENT OF ELECTRA HOUSE, 84 MOORGATE, EC2 -
BHE - TO FOLLOW**
Report of the City Surveyor
- For Decision**
22. **BRIDGE HOUSE ESTATES: OUTSTANDING LEASE RENEWALS & RENT
REVIEWS - 1ST JANUARY 2021 TO 30TH JUNE 2021***
Report of the City Surveyor
- For Information**
(Pages 185 - 188)
23. **BRIDGE HOUSE ESTATES - RENTAL ESTIMATES MONITORING REPORT***
Report of the City Surveyor
- For Information**
(Pages 189 - 194)

Finance

24. **DELEGATED AUTHORITY REQUEST: APPOINTMENT OF EXTERNAL
AUDITORS**
Report of the Chamberlain
- For Decision**
(Pages 195 - 196)
25. **GUILDHALL COOLING PLANT REPLACEMENT**
Report of the City Surveyor
- For Decision**
(Pages 197 - 254)

Other

26. **REPORT OF DECISIONS TAKEN UNDER DELEGATED AUTHORITY OR
URGENCY***
Report of the Town Clerk
- For Information**
(Pages 255 - 260)
27. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

28. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

Part 3 - Confidential Agenda

29. **BHE TOM PROPOSAL - TO FOLLOW**
Report of the Managing Director of BHE

For Decision

*NB: Certain non-contentious matters for information have been marked * with recommendations to be agreed without discussion, unless the Committee Clerk has been informed that a Member has questions or comments prior to the start of the meeting.*

BRIDGE HOUSE ESTATES BOARD Wednesday, 14 July 2021

Minutes of the virtual meeting of the Bridge House Estates Board held on
Wednesday, 14 July 2021 at 11.00 am

Present

Members:

Deputy Dr Giles Shilson (Chair)
Dhruv Patel (Deputy Chairman)
Henry Colthurst
Alderman Emma Edhem
Alderman Alison Gowman
Deputy Jamie Ingham Clark
Paul Martinelli
John Petrie
Deputy Henry Pollard

Officers:

David Farnsworth	- Managing Director of Bridge House Estates
Paul Wilkinson	- City Surveyor
Karen Atkinson	- Chamberlain's Department
Amelia Ehren	- Town Clerk's Department
Anne Pietsch	- Comptroller and City Solicitor's Dept.
Simon Latham	- Town Clerk's Department
Nicholas Gill	- City Surveyor's Department
Paul Monaghan	- Department of the Built Environment
Ola Obadara	- City Surveyor's Department
Alison Bunn	- City Surveyor's Department
Christopher Earlie	- Open Spaces Department
Samantha Grimmitt-Batt	- City Bridge Trust
Catherine Mahoney	- City Bridge Trust
Fiona Rawes	- Head of Philanthropy Strategy
Neil Robbie	- City Surveyor's Department
Richard Woolford	- Town Clerk's Department
Paul Wright	- Deputy Remembrancer
Lily Brandhorst	- City Bridge Trust
James Graham	- Chamberlain's Department
Lisa Moore	- Chamberlain's Department
Scott Nixon	- Town Clerk's Department
Charlie Pearce	- Chamberlain's Department
Ciaran Rafferty	- City Bridge Trust
Grace Rawnsley	- Community Education Officer
Gordon Roy	- District Surveyor
Joseph Anstee	- Town Clerk's Department

1. **APOLOGIES**

Apologies for absence were received from Judith Pleasance.

2. **MEMBERS' DECLARATION UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations.

3. **BOARD MINUTES***

RESOLVED – That the public minutes and non-public summary of the meeting held on 4 May 2021 be agreed as a correct record.

4. **MANAGING DIRECTOR'S UPDATE REPORT**

The Board received the regular report of the Managing Director of Bridge House Estates (BHE) providing an update on key areas of activity across the charity. The Managing Director of BHE introduced the report and drew Members' attention to the key points. The Chair advised that he had received positive feedback on the induction sessions that had taken place so far, and encouraged Members to continue to attend the remaining sessions or view the recordings of sessions they had not been able to attend. The Chair further reported that he had recently visited City YMCA, a BHE Social Investment Fund investee, with officers, and encouraged Members to attend visits where possible.

RESOLVED – That the report be noted.

5. **YEAR 1 PLAN FOR CLIMATE ACTION** and
6. **YEAR 1 PROGRESS REPORT FOR CLIMATE ACTION***

The Board considered a report of the Chamberlain and the Executive Director, Innovation and Growth, setting out the implementation plan for the areas relating to BHE during Year 1 of the Climate Action Strategy (CAS) programme, and a report of the Chamberlain reporting on progress to date on the Financial Investments workstream under the Climate Action Strategy (CAS). The Chair introduced the item and thanked Members for their attendance at the training sessions and workshops in support of this work.

Members commented that whilst there should be a degree of alignment with the other City Corporation Funds, there could be separate consideration on the long-term approach for BHE given its charitable status. Furthermore, beyond climate action, the charity could develop an ethical investment framework for both property and non-property investments. The Chair agreed that this would be a useful area to explore and advised that this could be taken away for further consideration.

RESOLVED – That the Bridge House Estates Board in discharge of functions for the City Corporation as Trustee of Bridge House Estates (Charity no. 10345628) and solely in the charity's best interests:

- i. Note the summaries of project plans for the delivery of CAS outcomes under the areas accountable to the Bridge House Estates Board;

- ii. Agree to make a relative contribution from BHE funds to the mobilisation budgets in 21/22 financial year for a total of £643k in revenue (income) funding. This is comprised of the following:
 - a. Design Standards - £55k (18% as BHE 18% of the IPG floor space)
 - b. Resilience in Buildings - £165k (18% as above)
 - c. Net Zero in Investment Property Group - £311k (18% as above)
 - d. Financial Investments - £58k (33% straight split with other two funds)
 - e. Purchased Goods and Services - £25k (5% as nominal agreement)
 - f. Strategic Implementation - £29k (6% as BHE percentage of overall Y1 budget);
- iii. Note that any specific investment decisions arising from the Y1 mobilisation work to be taken separately for all portfolios, including for BHE;
- iv. Note the progress to date and next steps in the preparation of a Transition Pathway for Paris alignment of the City Corporation's and BHE's Financial Investments;
- v. Note the upcoming workshops to prepare Members for the resulting decisions on the Pathway in the Autumn.

7. FUNDER COMMITMENT ON CLIMATE CHANGE

The Board considered a report of the Managing Director of BHE providing Members with details of the Association of Charitable Foundations (ACF) hosted Funder Commitment on Climate Change (FC) and recommending the Bridge House Estates Board support the City Corporation as trustee becoming a signatory to the FC for BHE. The Chair introduced the item and drew Members' attention to the principles of the FC set out within the report.

RESOLVED – That the Bridge House Estates Board, in discharge of functions for the City Corporation as Trustee of Bridge House Estates and solely in the charity's best interests, agree the City Corporation as Trustee for Bridge House Estates becomes a signatory to the Funder Commitment on Climate Change.

8. MODERN SLAVERY STATEMENT UPDATE FOR 2020/21

The Board considered a report of the Chamberlain seeking approval to publish and adopt an update to the published Modern Slavery Statement developed in response to the Modern Slavery Act 2015. The Board noted that BHE supported several organisations relevant to this area through City Bridge Trust.

RESOLVED – That the Bridge House Estates Board, for the City Corporation as Trustee of Bridge House Estates (Charity Reg. No. 1035628), endorse for onward approval by the Court of Common Council the proposed policy update to the City Corporation's Modern Slavery Statement published in 2018.

9. **GOVERNANCE ARRANGEMENTS: ESTABLISHMENT OF A GRANTS COMMITTEE AND CO-OPTION PROTOCOL**

The Board considered a report of the Managing Director of BHE setting out several proposals to support the Board in the effective administration and governance of the charity. The Chair introduced the item and thanked Members for their attendance at the Strategic Away Half-Day meeting in June. The Chair reported the Board's intent to establish a Grants Committee during this year, with other functions reserved to the Board until the next municipal year.

The Board then discussed the proposed constitution and terms of reference set out in the report. Members agreed that four Members of the Court, preferably Members of the Board, plus two external Co-opted Members, would be appropriate, with the Committee to be reappointed annually by the Board, and Co-opted Members to be appointed for up to three years, after the current year. The Board noted that a majority of elected Members must be present to constitute a quorum of any Committee appointed by the Board. A Member suggested that the Committee explore different formats for their meetings, such as evening meetings, and try to be innovative in its ways of working.

The Board then considered options for a financial threshold to be applied for funding decisions in making the delegation to the Committee, and agreed that a threshold of £500,000 would be appropriate, with decisions at or in excess of this amount to be considered by the Board upon the recommendation of the Grants Committee.

The Chair then sought expressions of interest in appointment to the Grants Committee. As there were more expressions of interest than proposed vacancies, the Chair suggested that the Board delegate authority for the appointments to be agreed following the meeting, which was agreed. The Board then considered the proposed co-option protocol set out in the report, and its adoption subject to the two co-opted members of the previous City Bridge Trust Committee being appointed as co-opted members of the new Grants Committee for one year, should they be willing to serve.

RESOLVED – That the Bridge House Estates Board, in discharge of functions for the City Corporation as Trustee of Bridge House Estates (charity no. 1035628) and solely in the charity's best interests:

1. Approve the establishment of a Grants Committee of the Board to have delegated responsibility, in furthering the charity's ancillary object, for decisions relating to the application of income surplus to that required for the charity's primary object and in making relevant recommendations on matters of related strategy and policy to the Board; and, subject to any comments and consideration of financial thresholds, to approve the draft Terms of Reference at Appendix 1 to reflect the thresholds agreed;
2. Delegate authority to the Town Clerk, in consultation with the Chair and Deputy Chair, to agree the appointment of Members to the Grants Committee in line with the agreed constitution of the Committee;

3. Note that the Board will itself continue to discharge all other functions delegated to it by the Court of Common Council until April 2022, keeping the arrangements it has adopted for the charity's governance administration under review to ensure they are operating effectively, consistent with a charity trustee's obligations;
4. Agree to recommend to the Court of Common Council that the Protocol for Co-Option of External Members to the Bridge House Estates Board and its Committees as set out in Appendix 2 be adopted;
5. Subject to Recommendations 1 and 4 being approved, and the agreement of the Court to the proposed adoption of the Protocol for Co-Option of External Members, to recommend to the Court the requirements of the Protocol be exceptionally waived such that the two co-opted members of the previous City Bridge Trust (CBT) Committee are appointed as co-opted members of the new Grants Committee, having regard to their specific skills, knowledge and experience, and the fair, transparent and competitive process they were previously subject to, for a 1-year term; and
6. Resolve that the Audit & Risk Management Committee's advice be sought as appropriate in relation to audit and risk matters as they affect both the external audit of Bridge House Estates Annual Report, and otherwise as they affect audit and risk management for the charity which operates and is managed within City Corporation's operational and management audit and risk framework adopted in the discharge of all its functions.

10. TOWER BRIDGE HV SYSTEM REPLACEMENT AND INCREASING RESILIENCE

The Board considered a report of the City Surveyor requesting delegated authority in respect of the HV System Replacement and Increasing Resilience project at Tower Bridge. The City Surveyor introduced the report and outlined the reasons for the delegated authority request.

RESOLVED - That authority for the GW5 sign off (due in the middle of July 2021) be delegated to the Town Clerk, in consultation with the Chair and Deputy Chair of the BHE Board.

11. FUNDING APPLICATIONS AND REJECTIONS

a) City Bridge Trust Grants of Over £250,000 for Approval

The Board considered a report of the Managing Director of BHE advising Members of funds recommended for approval for grants of over £250,000. The Chair introduced the item and drew Members' attention to the grant recommendation.

RESOLVED – That the Bridge House Estates Board receive the report and approve the recommended amount for the following application:

1. Greater London Volunteering (charity reg. no. 1115303)

APPROVED £500,000 over three years (£200,000; £175,000; £125,000) towards salaries and running costs supporting the continued development and work of London Plus, through the legal entity of Greater London Volunteering.

b) **City Bridge Trust Grants Recommended for Rejection**

The Board considered a report of the Managing Director of BHE outlining a total of 6 grant applications that were recommended for rejection. In response to a question from the Chair, the Managing Director of BHE outlined how the City Bridge Trust team offered feedback and assistance in respect of applications that could not be accepted, with rejections usually a last resort, often because of a lack of responsiveness from the applicant.

RESOLVED – That the Board reject the grant applications listed in the accompanying schedule to the Report.

12. **UTILISATION OF FUNDING WITHIN THE BHE GRANTS DESIGNATED FUND**

The Board considered a report of the Chamberlain proposing a reconsideration of the decision taken by Finance Committee in February 2021, as approved by the Court of Common Council in March 2021, which reduced the amount of the additional allocation of income reserves made available for charitable funding from £200m to £180m. The Chamberlain introduced the report and advised that as a result of unrealised gains made on the financial investments that represent the unrestricted income reserves as at 31 March 2021, it was recommended that the BHE Board approve a return to the full £200m allocation being made available.

RESOLVED – That the Bridge House Estates Board, in discharge of functions for the City Corporation as Trustee of Bridge House Estates (charity reg. no. 1035628) and solely in the charity's best interests, approve that the full amount of £200m that was allocated to the Grant-making Designated Fund in March 2020 be utilised for charitable funding in furthering the ancillary purpose of BHE.

13. **BRIDGE HOUSE ESTATES PROPOSED FINANCIAL REPORTING PACK**

The Board received a report of the Chamberlain providing an example for the proposed style of a financial reporting dashboard for Bridge House Estates (BHE) to enable the BHE Board to have an overview of the charity's financial position and performance. The Chair introduced the item and gave thanks to officers for their work in this area. The Chamberlain then introduced the report and drew Members' attention to the key points. Giving their feedback on the data provided, Members suggested including investment yields against their targets if appropriate to assist in understanding performance, and use of the same scale on income as for expenditure for the graphs if possible.

RESOLVED – That the report be noted.

14. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
There were no questions.
15. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**
There was no other business.
16. **EXCLUSION OF THE PUBLIC**
RESOLVED – That with the Court of Common Council for the City Corporation as Trustee of Bridge House Estates (Charity No. 1035628) having decided to treat these meetings as though Part VA and Schedule 12A of the Local Government Act 1972 applied to them, the public be excluded from the meeting for the following items of business on the grounds that their consideration will in each case disclose exempt information of the description in paragraph 3 of Schedule 12A, being information relating to the financial and business affairs of any person (including the City Corporation as Trustee of the charity) which it would not be in the charity's best interests to disclose.
17. **NON-PUBLIC BOARD MINUTES***
RESOLVED – That the non-public minutes of the meeting held on 4 May 2021 be agreed as a correct record.
18. **REPAIRS, MAINTENANCE & 20-YEAR FORWARD MAINTENANCE PLAN - BRIDGEMASTER'S HOUSE AND HORACE JONES HOUSE**
The Board considered a report of the City Surveyor.
19. **BRIDGE HOUSE ESTATES - BRIDGE SECURITY AND SUICIDE PREVENTION REVIEW**
The Board received a report of the Managing Director of BHE.
20. **TOWER BRIDGE (BRIDGE HOUSE ESTATES CHARITY REGISTRATION NO.1035628) FULL YEAR PERFORMANCE REPORT APRIL 2020 TO MARCH 2021***
The Board received a report of the Director of Open Spaces.
21. **ORACLE PROPERTY MANAGER (OPN) REPLACEMENT**
The Board considered a report of the City Surveyor.
22. **DELEGATED AUTHORITY REQUEST: REFURBISHMENT OF TOWER CHAMBERS, 74 MOORGATE, EC2 - BRIDGE HOUSE ESTATES - GATEWAY 5**
The Board considered a report of the City Surveyor.
23. **DELEGATED AUTHORITY REQUEST: REFURBISHMENT OF ELECTRA HOUSE, 84 MOORGATE, EC2 - BRIDGE HOUSE ESTATES - GATEWAY 5**
The Board considered a report of the City Surveyor.
24. **CITY FUND, CITY'S ESTATE AND BRIDGE HOUSE ESTATES - SCHEME OF DELEGATIONS AND GATEWAYS**
The Board considered a report of the City Surveyor.

25. **CITY FUND, CITY'S ESTATE & BRIDGE HOUSE ESTATES - QUARTERLY DELEGATED AUTHORITIES UPDATE - 1ST APRIL 2021 TO 30TH JUNE 2021***
The Board received a report of the City Surveyor.
26. **CITY FUND, CITY'S ESTATE, BRIDGE HOUSE ESTATES (1035628) AND STRATEGIC PROPERTY ESTATE - ANNUAL VALUATION***
The Board received a report of the City Surveyor.
27. **CITY FUND, CITY'S ESTATE AND BRIDGE HOUSE ESTATES: ARREARS OF RENT AS AT MARCH 2021 QUARTER DAY MINUS 1***
The Board received a report of the City Surveyor.
28. **ALL FUNDS – RENTAL ESTIMATES MONITORING REPORT***
The Board received a report of the City Surveyor.
29. **CITY FUND, CITY'S ESTATE & BRIDGE HOUSE ESTATES - INVESTMENT PROPERTY 6 MONTHLY REVENUE REPORT AND PROJECT UPDATE***
The Board received a report of the City Surveyor.
30. **CITY'S ESTATE, BRIDGE HOUSE ESTATES AND CITY FUND: VACANT ACCOMMODATION UPDATE AS AT 1ST JUNE 2021***
The Board received a report of the City Surveyor.
31. **COMMERCIAL RENT - LEGAL ENFORCEMENT OPTIONS - TO FOLLOW**
The Board received a report of the City Surveyor.
32. **CITY FUND, CITY'S ESTATE AND BRIDGE HOUSE ESTATES - MSCI PERFORMANCE MONITORING TO 31 MARCH 2021 - TO FOLLOW**
33. **BHE FINANCIAL INVESTMENTS - PERFORMANCE MONITORING TO 31 MAY 2021: BRIDGE HOUSE ESTATES***
The Board received a report of the Chamberlain.
34. **REPORT OF DECISIONS TAKEN UNDER DELEGATED AUTHORITY OR URGENCY***
The Board received a report of the Town Clerk.
35. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
There were no questions.
36. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
There was one item of other business.

The meeting ended at 12.49 pm

Chair

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Committee	Date
Bridge House Estates Board	15 September 2021
Subject: Managing Director's Update Report	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045 Strategy</i> does this proposal aim to support?	1, 2 and 3
Does this proposal require extra revenue and/or capital spending?	No
Report of/ report author: David Farnsworth, Managing Director of Bridge House Estates	For information

Summary

To support the BHE Board in the discharge of its duties, this regular report provides an update on key areas of activity across the whole charity since the Board's last meeting in July 2021 and outlines upcoming activities for the Board to note.

Recommendations

- i. Members are asked to note the report.

Main Report

Bridge Activity Update

1. The Engineering Team in the Department of Environment continue to progress projects and ongoing work as part of the 50-year Bridge Maintenance Plan to support the effective management of the bridges. A key area of focus over the summer has been in relation to exploring the feasibility and impact of physical alterations to the bridges to assist with the City Corporation's suicide prevention efforts. A detailed paper on Suicide Prevention in the City of London can be found later in the agenda. There are no further significant engineering updates to highlight since the last report in July 2021.

Tower Bridge

2. On 9th August 2021 Tower Bridge was locked in a raised position caused by an issue with the Bridge's automated control system, meaning its bascules could not be lowered. During extensive troubleshooting by the technical team throughout the afternoon and night, the lead controls system contractor was dialled-in remotely and attended site. The failure of the system had also caused a transformer to fail (which was replaced) and issues with the Bridge's braking system. It also caused a fire alarm activation in one of the bridge's machinery rooms, which resulted in the activation of the gas suppression system and required Fire Brigade attendance. Officers onsite worked with the control system contractor to identify the cause of the issue and rectify. A test lift was conducted in the very early hours, with the Bridge being lowered and secured at approximately 01.00, after which the road and pavements were reopened.

City Bridge Trust (CBT) Activity Update

3. Interim Bridging Divides Review implementation of recommendations - Significant progress has been made on the 11 Interim Bridging Divides Review recommendations approved by CBT Committee on 5 March 2021. These will be considered in-depth by your up-coming Grants Committee, however by way of highlights:
 - a. CBT is developing a collaborative approach with several of London's civil society anchor organisations, inviting them to a round table to share initial thoughts on shaping a CBT Anchor Partners funding programme to support them and have them help to shape our future work. The aim is to launch the programme before the end of the financial year. This approach is being informed by the work of the Cornerstone Fund and it in turn will inform the development of other approaches including Test and Discover and the development of a Framework around what should be our key areas for funding, and our Every Voice Counts grants;
 - b. The core costs conversion offer for existing funding partners has been extended for a further year after a review by Renaisi (Learning Partner). Small grants are now being made for up to five years. Following approval from the Chair and Deputy of BHE Board the Eco and Access audit and Capital grants programmes have been un-paused. The Advice and Support priority area has also been un-paused, adapted to include fuel poverty and with a specific focus on those applications which demonstrate inclusion of marginalised communities in design and delivery of services and;
 - c. Strong progress has been made to consolidate the Funder Plus and Total Assets offer, set to relaunch in September. This offer is benefitting from the creation of BHE enabling greater sharing and learning across the institution. CBT continues to work collaboratively with partners on the London Community Response, which has enabled a coordinated response to the impact on London's Afghan community and refugees of the crisis in Afghanistan. Given the fast-changing nature of this issue, a real-time verbal update will be given to the Board on the latest position.

Primary and Ancillary Objects Linked Work - Suicide Prevention

4. An area which BHE has been contributing to recently both through activities related to its primary and ancillary object is as a consultee to the City Corporation's review of the effectiveness of its Suicide Prevention Strategy and accompanying Action Plan. As owner of the five Thames bridges, BHE has been involved in the discussions and has participated fully in presenting recommendations to Members. A detailed paper on Suicide Prevention in the City of London can be found later in the agenda: It is recommended that it is in the best interests of BHE to commission a feasibility study on whether any potential physical alterations to the bridges would be an effective method of preventing suicide.

5. In addition to any potential physical changes to the bridges, BHE can also support the aims of the Suicide Prevention Plan through associated actions in furthering its ancillary object in conjunction with other stakeholders. As such, as part of the interim review of Bridging Divides, a paper will be presented to the next Grants Committee of the BHE Board outlining a proposal to increase funding through CBT to charities focused on suicide prevention activities and mental health support. BHE remains committed to working in partnership and collaborating with stakeholders to support suicide prevention activities.

BHE Finance Update

6. The first budget monitoring report, covering all activities of the charity, is presented to the Board this month. The dashboard style report previously discussed continues to be developed in collaboration with other teams within the City Corporation, with further information to be added in due course. Any feedback from Board Members is most welcome.
7. Further included within today's agenda is a request to increase the central contingency budget held by the charity, providing Members with the financial resource to enable prompt reaction to changes in the operating environment that BHE exists within. In this period of change to the governance of the charity, it should be expected that new requirements will arise as the financial year progresses – officers are keen to work with the Board to agree and embed flexible processes that enable BHE to be reactive in its approach.
8. Members should note that the contingency report for consideration today includes a budget request for survey/design fees relating to required works at Bridgemasters and Horace Jones House. The aim of this project is to address various matters within this property. At this stage it is expected that actual works would take place in 2022/23 however the relevant Gateway report may result in a bid being presented to this Board separate to the normal annual budgeting process. Further information on this is provided within the non-public section of the meeting.

BHE Investment Portfolio Update

9. Property Investments – On the investment property portfolio, the City Surveyor's Department have appointed a consultant (WSP) to undertake EPC and net zero carbon surveys for the BHE directly managed portfolio. This will inform the programme to achieve EPC B by 2030 and net zero carbon by 2040 on all directly managed buildings.
10. The Investment Property Group have agreed terms with the Royal Society for Blind Children for the short-term occupation of a room at 65 London Wall. This will reduce void costs and provide income for BHE while the room is marketed for longer term occupation.
11. A lease regear and development agreement at Millennium Bridge House, securing a premium of £5m with a further £7m to be paid during the course of the development, was reached in early August. This facilitates an exciting

redevelopment around the existing frame to extend the building to 240,000 sq ft of offices with new retail and restaurant units fronting the river and at roof level. The building is targeting a BREEAM Excellent rating on completion.

12. Financial Investments – A full report on the performance of the BHE financial investment portfolio is provided elsewhere in your papers today.
13. Social Investments – At the end of the most recent quarter (30th June 2021) the Bridge House Estates Social Investment Fund calculated a return of 3.2% IRR on £10.2m of monies drawn. The Fund has active commitments of £14.1m, divided almost 60:40 between residential property and fixed income loans
14. Members will recall that following agreement from the Chair and Deputy Chair of BHE Board new social investment placements are on hold pending completion of work on the Supplemental Royal Charter and agreement of any new social investment focus areas. Current work concentrates on portfolio management and the development of future plans.

Cross-Cutting Strategic Ambitions and Governance

15. BHE Brand positioning – The Charity & Philanthropy Communications Manager in conjunction with the BHE Strategic Review implementation team have led on a valuable research project to evaluate the current brand position of BHE and its associated teams. This project will create a coherent and compelling story and seeks to build a strengthened brand to increase engagement and impact in the future. A BHE Board Induction Session has been scheduled on this topic to engage Members in the process, and to work collaboratively with the Board to discuss and propose a plan for the future.
16. BHE Risk Register - In May 2021, the BHE Board approved a new BHE Risk Management Protocol and identified and approved eight principal risks. Officers are currently reviewing the risk register and a detailed report on all risks will be brought to the Board in November 2021 for review.

Conclusion

17. This report provides a high-level summary of activities across the whole charity to support the Board in the discharge of its duties. Further information on any of the updates given in this report can be provided to Members either verbally in the meeting or in written format as follow-up to the meeting.

David Farnsworth

Managing Director of Bridge House Estates

E: David.farnsworth@cityoflondon.gov.uk

Committee	Date
Bridge House Estates Board	15 th September 2021
Subject: Trust for London Collaborative Projects Extension Funding: Moving on Up & Strengthening Voices, Realising Rights. Grant Reference 18894.	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045 Strategy</i> does this proposal aim to support?	1, 2 and 3
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact (<i>insofar as they are considered to be in the best interest of BHE to support</i>)?	N/A
Does this proposal require extra revenue and/or capital spending?	No - approved funding held within designated fund noted below
If so, how much?	N/A
What is the source of Funding?	BHE Unrestricted Income Funds – designated fund for grant-making
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of: Managing Director, BHE	For decision
Report Author: Ciaran Rafferty	

Summary

This report requests funding to continue two Strategic Initiative projects through a funding partnership with Trust for London (TFL) who will manage the projects in question.

Recommendation

Members are asked to:

- **Agree a grant of £840,000 to Trust for London (TFL) to extend the current *Moving on Up* and the *Strengthening Voices Realising Rights* projects for an additional two years, subject to confirmation of the TFL match contribution at an equivalent level.**

Main Report

1. Members will be aware of Trust for London – an independent, endowed, charitable foundation tackling poverty and disadvantage in London. Previously known as City Parochial Foundation and founded in 1891 its assets derive from the philanthropy of the people of London over many years. Over the centuries the 112 parishes within the City of London received around 1,400 separate charitable gifts and bequests. Their income was to be used for the benefit of the church communities or, more often, the poor of those parishes. In 1986 the Government provided an endowment of £10 million when it abolished the Greater London Council and asked City Parochial Foundation to manage this new organisation, Trust for London. In 2010, the Foundation and the Trust were amalgamated into one organisation to form the new Trust for London. There has always been a very close relationship between TFL, City Bridge Trust, and the wider Corporation with the latter able to nominate 3 trustees from its Members.
2. CBT and TFL have worked in partnership on specific projects over many years – harnessing the financial and intellectual resources of both organisations to achieve greater reach and/or impact. Two such joint initiatives – currently in progress – are the focus of this report as they are recommended for continuation funding as below. Following an agreement in principle the TFL Board is due to decide formally in October on their match contribution to the projects.

Moving on Up (MoU)

3. CBT has jointly funded this initiative with TFL since 2015, along with Black Training and Enterprise Group (a strategic partner). MoU is aimed at increasing the employment rates of young black men in London. Phase 2 – currently in progress - has four main strands of work – a) Piloting a collective impact approach in Brent and Newham; b) A programme of employer engagement work focused on Construction, Finance and Digital sectors; c) Peer Ambassadors – 12 young black men aged between 16-24 who provide an input to the various aspects of the programme; d) Strategic Communications – including message testing with employers. The programme launched in early 2020, with two years' funding, and has been making good progress – not least through gaining significant commitment from the respective local authorities, the GLA and the Department for Work & Pensions. The recent interim report of the external evaluator concluded:

“As a result of Moving On Up, young black men have a better journey into employment than they would have had otherwise. A driver of this is the collaboration that happens between partners. By sharing training opportunities and job opportunities with each other, partners are unlocking a series of benefits that improve the experience of young black men on their route into employment. The first benefit is experienced by the other partners; advisors can focus more of their attention on the work they do reaching out to and communicating with individual job seekers rather than having to devote that time to finding job opportunities in the first place. It also means that advisors have more job opportunities to discuss with the young black men they're working with. Young black men feel that they are receiving a higher number of relevant job opportunities through Moving On Up than they would have otherwise; and on account of that flow of relevant job opportunities combined

with the level of attention they receive from advisors, young black men feel more motivated to persevere in their job search.”

4. There is still more to do, not least to improve the pathway for young black men into good jobs, ie those with good pay and progression routes. There is also more work to be done in helping employers recognise and recruit the talent and potential that is still being untapped; whilst additional funding would also enable a greater emphasis on communications – helping spread the word of the need for and advantage of bringing more young black men into meaningful employment.
5. Although the current work is not scheduled to end until early 2022 a decision on continuation funding needs to be made at this stage so that, if agreed, the participating organisations can be given sufficient notice to re-bid and to plan the expected developments to their work. At this stage all parties are keen to continue. The overall cost of extending MoU for an additional two years is £915,000 with CBT asked to contribute half – c.£457,000.

Strengthening Voices, Realising rights (SVRR)

6. The principal aim of the SVRR initiative was to create a fund to support organisations led by Deaf and Disabled People (DDPOs) to provide advice services to enable disabled people to access social protection support and benefits and to exercise their individual rights. The initiative is based on the principle that no policy should be decided nor service delivered by any representative without the direct participation of those affected by that policy or service – “*nothing about us without us*”. SVRR incorporates two strands – Phase 1 which commenced in late 2018 and funded 7 organisations initially (now 6) for their advice work and with capacity-building incorporated; and Phase 2, funded in early 2020 and with a focus on supporting DDPOs in their work to tackle some of the root causes of poverty and disadvantage for disabled people. The proposal is to extend the funding for a further two years, offering continuation funding to 6 organisations (with further capacity building support and evaluation) so that they can continue to provide much needed services to a community which has been one of the greatest adversely affected by the pandemic.
7. In both strands the awarding of funding to the organisations was through the “participatory” model with funds also made available to support a Grants Advisory Panel, with paid consultants from the disability movement. These panels have been very effective and included officers from both CBT and TFL. Panels have continued to meet throughout the course of the projects to act in a monitoring and advisory capacity. The total cost of this extension would be £770,000 with CBT asked to contribute half - c.£385,000.

Financial information

8. As an endowed grant-maker the financial review of Trust for London, as the grant holder, considers their broader ability to meet their grant-making aims. Audited accounts for the year ended 31st December 2020 show a strong balance sheet with total group funds of £368m. After expenditure, the charity incurred a net operating loss of £15m which, after net gains and losses on

investments and revaluation of the Trust's fixed assets, generated a surplus of £21m as shown below.

9. It is Trust for London's policy not to maintain any unrestricted reserves as ongoing working capital is available from the endowment under the total return policy adopted. A small proportion of the grant budget is permitted to be carried over the year end, if unspent.
10. Planned expenditure this year has increased greatly as the Trust has added £18.8m to its agreed drawdown from reserves for the year. This will allow it to carry out two special initiatives in response to the pandemic and has been enabled by the very good performance of the endowment. The 2021 budget does not show gains or losses on investments as these are not predicted in advance. However, Trustees are confident enough in the investment income to allow for the level of expenditure on grants as forecast. Plans for 2022 do not include additional draw-down on the same scale as in the current year – expenditure will probably return to the levels as seen in 2020.

Year end as at 31 December	2020	2021
	Audited Accounts	Budget - Trust only
	£	£
Income	10,283,404	8,276,000
Expenditure	(25,400,891)	(40,307,000)
Net surplus/(deficit)	(15,117,487)	(32,031,000)
Net gain/losses on investments	36,444,691	-
Other gains/losses	(150,000)	-
Total surplus/(deficit)	21,177,204	(32,031,000)
Total Funds	368,468,272	336,437,272

Conclusion

11. Funding partnerships such as those between CBT and Trust for London regularly achieve more than the sum of their parts as, amongst other things, they provide opportunities for greater expertise to be harnessed; for learning to be shared; and for the sector to see funders support their work and raise their issues through unity of voice. Continuation funding for the two initiatives outlined here will have a significant impact on two communities of people who are regularly at the sharp end of institutional injustice and disadvantage.

Committee	Date
Bridge House Estates Board	15 September 2021
Subject: Grant to Justice Collaborations. Grant Reference 18814.	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045 Strategy</i> does this proposal aim to support?	1,2,3
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact (<i>insofar as they are considered to be in the best interest of BHE to support</i>)?	N/A
Does this proposal require extra revenue and/or capital spending?	No - approved funding held within designated fund noted below
If so, how much?	N/A
What is the source of Funding?	BHE Unrestricted Income Funds – designated fund for grant-making
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of: Managing Director, BHE	For decision
Report Author: Sandra Jones	

Summary

This report requests a 1-year contribution of £500,000 to support a number of 3-year grants for specialist immigration advice services in the capital, matching funding from other funders such as Trust for London, The Legal Education Foundation and GLA.

Recommendation

Members are asked to:

Agree a grant of £500,000 over three years (£200,000; £150,000; £150,000) to The Legal Education Foundation – Justice Collaborations (TLEF) to contribute to the second round of grants for specialist immigration advice services in London.

Main Report

- Members will be aware of The Legal Education Foundation (TLEF), an endowed grant-making charitable trust whose purpose is “to promote the advancement of legal education and the study of the law in all its branches.” The endowment (valued at c.£200m) creates income which is used to make grants to a wide

variety of, mostly, charitable organisations working in different social, professional and academic settings and by commissioning research. A stated objective is to increase public understanding of the law and the capability to use it. TLEF funds and supports organisations such as law centres and advice centres across the UK. In London it has also developed strong and supportive links with the London Legal Support Trust, whom you are funding currently to help local advice centres to become Centres of Excellence.

2. CBT and TLEF have worked in partnership over many years in order to reach greater impact in the advice sector. One such joint initiative is the Justice First Fellowship Programme, now in its seventh year, which through co-funding (with TLEF) provides 6 Fellowships each to be based in London social welfare advice agencies, specifically those which have gained the Centre of Excellence accreditation.
3. In 2019 Justice Collaborations (JC) was set up as a subsidiary of TLEF as a result of discussions between TLEF and a number of independent funders (including CBT) in the UK. The initial work of JC is the Justice Together (JT) initiative which aims to ensure that people who use the UK immigration system can access justice and thrive. The initiative responds to the challenges faced by the legal advice sector and evidence that people in communities around the UK are struggling to access justice. The trustees recognise that this initiative cannot fill the gap left by the removal of public funding, however trusts and foundations provide vital independent resource for legal advice and representation in immigration, nationality and asylum law. CBT is represented on the London Advisory Group which has input and veto on any London grant recommendations which go to the grants committee for final endorsement/decisions. The grants committee comprises three JC trustees and three external advisors with experience of the immigration sector.
4. JC has undertaken an initial round of funding and by the end of June 2020 grant awards of over £6 million had been committed to the initiative through pooled funding, with the GLA committed through aligned funding. Contributing funders to the round included Paul Hamlyn Foundation, AB Charitable Trust, Baring Foundation, Unbound Philanthropy, Tudor Trust and Trust for London.
5. JC commissioned research about the “Demand and Supply for Immigration Legal Advice in London”¹ which was published in June 2021. Subsequently London Funders were commissioned by Paul Hamlyn Foundation, on behalf of the JT initiative, via a grant from the GLA to produce “A Strategy for Funding Immigration Advice in London”². These two reports fed into the development of JT’s Round 2 funding.
6. Summarising the conclusions of “Demand and Supply for Immigration Legal Advice in London”:
 - a. That there is a recruitment crisis in the immigration advice sector which is the single biggest obstacle to increasing capacity in London and therefore

¹ <https://justice-together.org.uk/wp-content/uploads/2021/06/A-Huge-Gulf-FINAL-report.pdf>

² https://londonfunders.org.uk/sites/default/files/images/29.6.2021_LF%20IA%20Funding%20Strategy%20Report%20v2_1.pdf

action needs to be taken both through the structuring of grants to organisations and a wider infrastructural focus on training and supervision; this needs to replace the loss of major provider organisations which used to train larger numbers of caseworkers, and to remove the cost of training from individual organisations.

- b. There is a large gap between the need and capacity in London despite the capital having the largest number of legal aid and OISC providers (Office of the Immigration Services Commissioner which regulates immigration advisers; ensuring they are fit, competent and act in their clients' best interests). This leaves people unable to access support with applications.
 - c. There need to be effective approaches to outreach and partnerships between community and specialist organisations and referral networks.
 - d. Community legal education has an important role in ensuring that people know when, where and how to access advice, and to protect them from exploitative or poor-quality advice.
 - e. Funding needs to be sustainable as short-term funding awards create difficulties with offering sustainable employment. Immigration casework tends to be long term and rarely accommodated within a framework of months – this results in a tendency for agencies to focus on one-off advice rather than casework.
 - f. Structural change is needed both around the immigration system and legal aid.
7. The autumn 2021 grants round (Round 2) is now open for advice and representation applications and has three streams; two influencing streams (local influencing and national influencing) as well as advice and representation. The criteria for this are at Appendix 1.
8. If you agree a grant £500,000 as recommended this will be for London only, and will join two other London specific funders; Trust for London (committed £1.5million over three years) and the GLA (amount to be confirmed, likely to be in the region of £300,000).

Financial information

9. As an endowed grant-maker the financial review of The Legal Education Foundation, as the grant holder and including the consolidated results of both the Foundation and subsidiary JC, considers their broader ability to meet their grant-making aims. Audited accounts for the year ended 30th June 2020 show a strong balance sheet for the Foundation with total group funds of £245,678,000 after excluding restricted funds. The general funds, after deducting the pensions liability, are the free reserves of the Foundation. The balance on restricted funds on 30 June 2020 was £6.2million which include all funds of the JC, totalling £6.1 million.

Year end as at 30 June	2020	2021	2022
	Audited Accounts	Budget	Forecast
	£	£	£
Income	10,298,000	8,662,000	9,080,000
Expenditure	(7,503,000)	(8,681,000)	(9,080,000)
Net surplus/(deficit)	2,795,000	(19,000)	0
Net surplus(losses) on investments	(7,190,000)	not given	not forecast
Actuarial movement on pension scheme	(229,000)	not given	not forecast
Total surplus/(deficit)	(4,624,000)	(19,000)	0
Total Free reserves	245,761,000	245,742,000	245,742,000

Conclusion

10. Funding partnerships such as those between CBT and TLEF regularly achieve more than the sum of their parts as, amongst other things, they provide opportunities for greater expertise to be harnessed; for learning to be shared; and for the sector to see funders support their work and raise their issues through unity of voice. Funding in a strategic way towards Immigration advice will go some way towards addressing the issues identified in the two reports around immigration advice in London.

Justice Together – 2nd round criteria

General criteria

We particularly welcome applications that demonstrate some of the following:

- Work that is led by and/or informed by people with lived experience of the immigration system, which is properly resourced, equitable and inclusive. We encourage funding applications from migrant-led organisations.
- Recruitment processes that encourage candidates with lived experience to apply to posts funded by the initiative.
- Anti-racism embedded in the organisation and the work. As anti-racism is very important to Justice Together, the Grants Committee will review organisations' approach to anti-racism in terms of their external work and internal structures and processes.

We define anti-racism as:

- "an active and conscious effort to work against multidimensional aspects of racism." -*Robert J. Patterson, Professor of African American Studies at Georgetown University.*

- Partnership applications.
- Plans for sharing knowledge, learning and evidence to support and inform the wider immigration sector.
- Links between frontline advice and influencing work (locally or nationally).
- The skills and knowledge to undertake the proposed work including expertise by experience.

Advice and Representation grants

We want to work with advice partners in every part of the UK to strengthen local capacity and co-ordination in delivering specialist immigration advice, as well to draw on case data to support regional and national influencing work.

We are interested in a wide range of approaches by different types of organisations towards achieving these change goals:

3. A more accessible, sustainable, collaborative, and coordinated sector to strengthen and increase access to immigration advice and legal provision.

Please see the [Advice and Representation grants](#) page on our website for details of where in the UK grants are available and our [grants timetable](#) for the next application deadlines.

We expect to fund 2-3 grant partners per area for an initial 3-year grant period with additional grants in London. We anticipate making grants in the range of £90,000 - £300,000 for individual applications and £90,000 - £600,000 for multiple organisation partnerships/collaborations.

Please see the [Grant Partners](#) page on our website for descriptions of grants awarded in previous rounds.

See this map of [English regions](#) to understand the region boundaries we refer to on our open regions/countries.

What we will fund

1. Free or low-cost immigration legal advice and representation at OISC level 2 or above.
 - We expect to fund mainly in areas of law that are out of scope of Legal Aid.
 - We want to fund advice across different areas of immigration law.
 - Where possible, we would like to increase or strengthen capacity.
2. Coordination between advice providers including referral pathways within a geographical area or issue.
 - We would like to support new structures as well as strengthening existing co-ordination.
 - We would like to support collaborations and partnerships that improve and streamline a person's journey through the immigration system.
3. Where activities meet the [Justice Together goals](#), flexible core-type funding will be considered.

We particularly welcome applications from organisations that are led and/or informed by people with lived and learned experience of the UK immigration system.

We are interested in seeing applications that include both specialist advice and local influencing. We believe they go hand in hand. We recognise that not all applications will look the same: some will be exclusively specialist advice focused, some will include advice and local influencing, and some just local influencing. We want to hear from all the different ways this work comes together. With regard to choosing an application to submit: where the work proposed leans more towards advice, please fill out the advice application but include in your answers the activities you will be doing with regard to influencing, and vice versa. Read more about this in our [FAQs](#).

As part of advice applications, we would welcome:

- Partnership work including developing and testing new or existing co-ordination structures between community organisations, legal advice providers and other stakeholders in a geographical area.
- Alongside an application that increases specialist advice provision or referral pathways, we would welcome activities that improve organisational and individual understanding of racism and implementing structures to tackle systemic racism.
- Expansion to cover new and emerging populations in need, as well as geographic desert and drought areas.
- Developing and improving triage and referral systems within and between organisations.
- Promoting management capacity to build organisational resilience.

- Training and supervision for staff and/or organisations to become registered at OISC level 2 or 3.
- Promoting collective care strategies for front line workers.
- Developing organisational data recording and case management systems.

We welcome applications from any organisation that can offer immigration advice at OISC Level 2 or above. We can only fund work that is charitable, but applicants do **not** need to be registered charities. For private law firms, we will need confirmation that a grant does not contribute to profit.

In prioritising applications, we will consider the balance across different areas of immigration law, beneficiary groups and geographical locations.

Influencing grants general guidance

We want to work with influencing partners in every part of the UK to develop a shared strategy for transforming access to justice in the immigration system. 'Access to justice' means people's ability to secure their immigration rights and move forward with their lives. This encompasses dismantling systemic barriers and simplifying laws as well as provision of timely, high quality, affordable legal advice.

We are interested in a wide range of approaches by different types of organisations towards achieving these change goals:

1. A fair, timely and accessible immigration system.
2. A more sustainably resourced immigration advice and legal system.

Please see the [Local Influencing grants](#) page on our website for details of where in the local influencing grants are available and our [grants timetable](#) for the next application deadlines.

We anticipate making grants in the range of £90,000 – £300,000 for individual applications and £90,000 – £400,000 for multiple organisation partnerships/collaborations, for an initial 3-year grant period.

Please see the [Grant Partners](#) page on our website for descriptions of grants awarded in previous rounds.

See this map of [English regions](#) to understand the region boundaries we refer to on our open regions/countries.

What do we mean by influencing?

By 'influencing' we mean work that is focused on changing systems or structures. The target may be local or national government, statutory agencies, legal services and/or the public. It may be focused on changing draft legislation, regulations or guidance, government practice, public opinion and/or to improve the quality of advice and representation.

We recognise there are many different ways to change the world. We want to fund a range of approaches to transforming the immigration system, but with an emphasis on people with lived experience leading the change.

Some examples of what we might fund include:

- Community lawyering, which builds power and develops leadership of those with lived experience of the immigration system and where priority and direction for legal work are set by people with lived experience rather than directed by lawyers or policy professionals removed from the direct experience.
- Community organising that is led, developed and delivered by people with lived and learned experience of the immigration system and/or which coordinate with movement lawyering strategies.
- Strategic legal action including pre litigation research, interventions and implementation of wins in the courts.
- Strategic communications that build public support to ensure a fair and lawful functioning of the immigration system.
- Policy and public affairs work including with parliaments and assemblies, the Home Office, Ministry of Justice, Department of Justice, Office of the Immigration Services Commissioner, the Legal Aid Agency, Scottish Legal Aid Board and the Legal Services Agency Northern Ireland.
- Development and embedding of anti-racism within organisations and influencing strategies.
- Analysis and research to increase knowledge and understanding of barriers to justice in the immigration system and to identify solutions.
- Alliance building between national organisations, advice providers and grassroots groups including to track emerging patterns, identify areas for system change and use evidence from legal casework to develop influencing work.
- Influencing work that targets local council, local MPs, metro mayors, regional bodies and legal services, including to increase local funding for immigration legal advice.

We are also open to new tools – please [contact us](#) with your ideas.

We particularly welcome applications from organisations that are led and/or informed by people with lived and learned experience of the UK immigration system.

Please also see our [general criteria](#) above.

Local influencing grants

We welcome applications from organisations who plan to undertake local influencing work for local, regional or national change. In the local influencing strand, we will fund activities that seek to influence local authorities, metro mayors or regional bodies on issues of migration and funding, as well as activities that include local community organising and campaigning, e.g. work with the local authority to secure commitment to long-term funding of immigration

advice; influencing a Mayor to embed immigration advice within strategies to reduce homelessness and poverty; building local solidarity and power of people with lived experience to feed into wider movements for national change.

What we will fund:

- Increased influencing capacity including through staffing costs, consultancy, volunteer expenses and direct costs.
- Proposals from organisations led and/or informed by people with lived experience of the immigration system.
- Approaches that build solidarity, work together to understand systemic issues and coming come together to raise the voices of those with lived experience.
- Development and testing of new approaches to influencing with particular focus on community and movement lawyering models that build power and develop leadership of those with lived experience of the immigration system.
- Local co-ordination across different approaches to influence and/or with advice providers. We would like to support new structures as well as strengthening existing co-ordination.
- Training or skill development in campaigning, policy influencing, research or other relevant areas that connects grassroots organisations, individuals and organising with the Justice Together change goals.
- Where activities meet the [Justice Together change goals](#), flexible core-type funding will be considered.
- We can only fund work that is charitable, but applicants do not need to be registered charities.

We are interested in seeing applications that include both specialist advice and local influencing. We believe they go hand in hand. We recognise that not all applications will look the same: some will be exclusively specialist advice focused, some will include advice and local influencing, and some just local influencing. We want to hear from all the different ways this work comes together. With regard to choosing an online application to submit: where the work proposed leans more towards advice, please fill out the advice application but include in your answers the activities you will be doing with regard to influencing, and vice versa. Read more about this in our [FAQs](#).

National influencing grants

We welcome applications for national influencing partners who focus on change across the UK and/or in the devolved nations. We would like these partners to work alongside advice partners in the initiative to draw on their case data to spot trends and respond to threats and opportunities.

What we will fund:

- Increased influencing capacity including through staffing costs, consultancy, volunteer expenses and direct costs.
- Proposals from organisations led and/or informed by people with lived experience of the immigration system.
- Approaches that build solidarity, work together to understand systemic issues and coming come together to raise the voices of those with lived experience.
- Development and testing of new approaches to influencing with particular focus on community and movement lawyering models that build power and develop leadership of those with lived experience of the immigration system.
- Co-ordination across different approaches to influence and/or with advice providers. We would like to support new structures as well as strengthening existing co-ordination.
- Training or skill development in campaigning, policy influencing, research or other relevant areas that connects grassroots organisations, individuals and organising with the Justice Together change goals.
- Where activities meet the [Justice Together change goals](#), flexible core-type funding will be considered.
- We can only fund work that is charitable, but applicants do not need to be registered charities.

We are interested in seeing applications that include both specialist advice and local influencing. We believe they go hand in hand. We recognise that not all applications will look the same: some will be exclusively specialist advice focused, some will include advice and local influencing, and some just local influencing. We want to hear from all the different ways this work comes together. With regard to choosing an online application to submit: where the work proposed leans more towards advice, please fill out the advice application but include in your answers the activities you will be doing with regard to influencing, and vice versa. Read more about this in our [FAQs](#).

Committee	Date
Bridge House Estates Board	15 September 2021
Subject: Strategic Initiative: Catalyst (Centre for the Acceleration of Social Technology). Grant Reference 18906.	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045</i> Strategy does this proposal aim to support?	1,3
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact (<i>insofar as they are considered to be in the best interest of BHE to support</i>)?	1, 2, 3, 4, 9, 10
Does this proposal require extra revenue and/or capital spending?	No – approved funding held within designated fund noted below
If so, how much?	n/a
What is the source of Funding?	Bridge House Estates Unrestricted Income Funds: Designated Fund for CBT grant-making
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of: David Farnsworth, Managing Director, Bridge House Estates	For decision
Report Author: Samantha Grimmett Batt, Funding Director	

Summary

Established in 2015, the Centre for the Acceleration of Social Technology (CAST) aims to use digital for social good and create a more responsive, resilient, and digitally enabled social sector. The Digital Catalyst (later renamed Catalyst), launched in 2019, is a collaboration to drive the digital transformation of UK civil society and represented the first time the UK’s social sector had a dedicated, high-profile coalition jointly funding and championing this agenda.

As one of the founder funders, you contributed £200k per annum over two years towards the start-up costs. Other inaugural funders included the National Lottery Community Fund, Comic Relief, Esmee Fairbairn Foundation, Paul Hamlyn Foundation and the Department for Digital, Culture, Media and Sport (DCMS). Catalyst has supported civil society at an unprecedented level over the last two years, including providing support to thousands of London charities during the pandemic and engaging 150 London digital agencies in work to support the sector. Covid-19, and social distancing, caused a dramatic rise in the number of charities experimenting with and using digital to achieve their objectives. In the last year 83% of charities changed their services in response to demand and close to eight out of ten (78%) used digital to reach new audiences¹. Most charities are now committed to digital service delivery, with 73% planning to continue delivering this way and 71% embedding a hybrid model.

¹ [Charity Digital Skills Report 2021](#)

You are asked to contribute £900k towards the London elements of this national initiative over a further five years. This will enable Catalyst to continue to respond to this explosion in new digital experiments utilising co-ordination and collaboration to ensure good practice, prevent needless duplication, and make the best use of sector resources. It will also support a review and transition period which will embed a more equitable network-led model.

Recommendation(s)

Members are asked to:

- a) Agree a grant of £900,000, over five years (£200k, £200k, £200k, £175k, £125k) to the Centre for the Acceleration of Social Technology for the continuation of the Catalyst digital network project, release of year two payments will be conditional on funding from the National Lottery Community Fund (or other funder(s) at a similar level of funding) being secured.**

Main Report

Background

1. CAST registered with the Charity Commission in 2015, and aims to create a more responsive, resilient and digitally-enabled social sector by supporting civil society organisations to embed digital and design across their services, strategy and governance. It works with sector leaders, funders and government to make this happen and is a trusted partner and adviser to the sector. Using a blend of research, systems and design-led approaches, CAST helps build organisations, products, and services that are responsive and resilient to ongoing social, economic and technological change.
2. In December 2018, Annika Small (the founder and then Director of CAST) chaired the Citizenship session at the Digital Skills Summit held at Mansion House. Following this, CAST delivered a series of “Design Hops”, also hosted at Mansion House, for funders to explore digital.
3. CAST regularly supports CBT in its funding activities, for example Dan Sutch, the current Director, sat on the London Community Response Fund advisory panel, and is also facilitating an upcoming workshop for Funding Managers, sharing learning from CAST’s work with charities over the course of the pandemic. Your officer also benefits from membership in a funders collaborative peer group around digital funding, convened by Catalyst and ACF.
4. Since its inception, CAST has employed a network approach to create best-in-class tools, guidance and learning programmes that deliver digital transformation to the charitable sector. In 2019, CAST injected fresh energy into this work, launching “Digital Catalyst” (since renamed just “Catalyst”) as an incubator project: an alliance of civil society organisations, funders, and digital agencies. This represented the first time the charitable sector had a dedicated, high profile coalition jointly funding and championing the digital agenda.
5. As one of the founding funders, alongside the National Lottery Community Fund, DCMS, Comic Relief, Esmee Fairbairn Foundation, and Paul Hamlyn Foundation, you supported the start-up costs of Catalyst at £200k per annum

over two years, which ended in June 2021. This was followed by a bridging grant of £50k in July 2021 to support Catalyst's core costs until the end of September. Your funding to date has supported the London element of this national work, recognising the urgent need to upskill civil society in digital literacy due to a combination of historical underinvestment and poor co-ordination.

Current Position

6. Digital Catalyst has achieved a great deal for London's charities in two years:

- a) 55 London based collaborators signed up to the Catalyst charter in the first year (140 in total). By the end of year two the network had grown from 50 digital partners to 500, and from a thousand charities to around 20,000 (of which around 5,800 are London based).
- b) The Catalyst website received 70,000 unique users from London and the number of registered tech-for-good digital support agencies in London quadrupled in the second year.
- c) Catalyst resources and services were accessed almost 200,000 times and its videos were viewed over 370,000 times.
- d) Provided training in digital and user-centred design, and digital leadership training, for example via the development of a Digital Code of Practice.
- e) Provided digital service design support for London's charities through "Design hops" and training initiatives and improved the provision of digital tools and support through resources like Digital Candle.
- f) Grew vibrant communities focused on digital via projects such as local networks, thematic convening, digital inclusion convening, tech4Good, network peer meet-ups, community spaces, and the Data Collective.
- g) Developed platforms for collective project reporting, a shared relationship facilitation tool, and digital reuse.
- h) Joined the City Bridge Trust Bridge Programme (Funder Plus) as a provider, offering capacity support for CBT's funded organisations.

And, during the Covid-19 pandemic, Catalyst:

- a) Scaled up direct support to charities through funding and expert support for London Anchor charities, for example the human connection framework and toolkit, which supported charities to pivot from location based to digital service delivery. This tool embeds relational wellbeing into services, recognising that a sudden transition to online service will not provide the same wellbeing outcomes for service users as those that existed face to face,
- b) Created DigiSafe – a step by step digital safeguarding tool accessed by hundreds of charities, and
- c) Contributed significantly to the distribution of £5m of National Lottery Community Fund grants (around 25% to London based charities).

Financial review

7. CAST is financially stable, with a steadily growing income since 2015. As noted, the charity played a pivotal role in Covid relief efforts and received extensive funding during 2020/2021 to deliver direct services and distribute

funds as a delegated funder for the National Lottery Community Fund. This exceptional year skews the income and expenditure trend. Note that the operational deficit shown for Y/E March 2022 includes expenditure of £1.7m of restricted funds carried over in the previous year and therefore has no impact on reserves.

8. The charity has enjoyed a diverse income stream in past years from a range of funding sources, including earned income, and expects to remain within its reserves policy of 3-6 months of operating expenditure in coming years.

Year end as at 31st March	2020	2021	2022
	Audited Accounts	Forecast	Budget
	£	£	£
Income & expenditure:			
Income	2,142,181	6,268,164	1,480,000
- % of Income confirmed as at 18/08/2021	N/A	100%	41%
Expenditure	(1,798,489)	(5,794,910)	(2,544,665)
Total surplus/(deficit)	343,692	473,254	(1,064,665)
Split between:			
- Restricted surplus/(deficit)	140,775	827,010	(1,069,769)
- Unrestricted surplus/(deficit)	202,917	(353,756)	5,104
	343,692	473,254	(1,064,665)
Cost of Raising Funds	22,585	29,019	25,000
% Income	1%	0%	2%
Free unrestricted reserves:			
Free unrestricted reserves held at year end	280,608	329,896	335,000
No of months of operating expenditure	4.3	5.1	5.2
Reserves policy target	195,000	195,000	195,000
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	85,608	134,896	140,000

Proposals

9. Continuation funding will allow Catalyst to continue ongoing support, maintain progress towards longer term plans, and transition towards a more equitable network-led model. It will enable London charities to benefit from technical and relational infrastructure created over the last two years, navigate valuable free assets via open IP, support the growth of the Data Collective London (which was convened by London charities to build on the previous work undertaken by Datawise), and ensure London based anchor charities gain access to and value from the vast range of free Catalyst services and resources.
10. The funding will also support a review, currently underway, to explore what a more equitable network-led model could look like. This will embed more inclusive, relational, and collective ways of working, particularly enabling participation from currently under-represented groups in the design of Catalyst for the future (including a participatory approach to funding applications). It is hoped that the potential of good digital design— to put power back into the hands of communities by shifting towards more user-led and responsive practice— can be harnessed in this next phase of Catalyst’s work. One of the

primary aims of this review will be to ensure than all digital practice is rooted in social justice, moving away from extractive, disempowering, or divisive methods.

11. Catalyst will continue tackling significant sector challenges that require a joined-up response, like digital inclusion and safeguarding in the coming years. During the crisis, over one in five organisations cancelled services, either because their users did not have the skills or tech to use them, or because staff lacked the skills or tech to deliver.
12. Catalyst will focus on other big-ticket items too, such as:
 - Dealing with the financial implications of Covid-19 and how digital can help,
 - Continuing to champion the importance of digital and new ways of working.
 - Thinking about how to design future emergency responses, and
 - Continuing to support and nurture collaborative community spaces around digital like Tech for Good London, a 10,000 strong network of people from charities, start-ups and the public sector, and NetSquared London, which hosts events for London voluntary organisations and digital experts.
13. The funding will also support a careful overarching review of Catalyst as it completes a transition away from a developmental mode towards a more established delivery model. This review, to be completed by the end of March 2022, will include consideration of the future of the strategy and activity of Catalyst, its relationship to CAST, and its place within the wider civil society eco-system. The organising structure and governance of Catalyst will also be reviewed and co-designed with the Catalyst network.
14. In the first two years of delivery, Catalyst cost £1.3m pa. Should you agree to this proposal, the share of CBT’s funding would equate to approximately 17% or less of the expected £1.1m minimum annual costing of the Catalyst budget over the next three years – well inline with expected London benefit. Similar annual budgets are expected in year four and five.
15. A breakdown of the anticipated CBT grant spend over the first three years is detailed below. Subsequent years will be broken down similarly, albeit in line with a tapered grant amount, and your officer will review the budget prior to releasing each year’s payment to ensure that the proportion of CBT funding is commensurate with the expected London benefit.

Catalyst spend	Year 1, 2 and 3, per year.
Collaborative network	£48,630
Reuse Infrastructure	£17,670
Insight, research & Development	£0
Core	£19,592
Redevelopment and transition	£77,875
Support and training	£36,233
Total	£200,000

16. Your officer has recommended a taper in the grant for the final two years to encourage the sustainability of Catalyst into the future, reduce the risk of overreliance on one/a few funders, and bring the level of CBT support in line with other infrastructure grants as the project becomes an established part of civil society infrastructure.

17. A five-year award is recommended in line with the commitments set out in the Bridging Divides strategy to do so where possible, and to follow established and emerging good practice within the funding sector²³. A five-year term also aligns with the IVAR open and trusting grant-making principles CBT has committed to and will ensure continued momentum between other potential funding awards currently under consideration for two, five and ten years from Esmee Fairbairn, Paul Hamlyn Foundation and the National Lottery Community Fund respectively. Hamlyn Foundation and Esmee Fairbairn Foundation also provided bridging grants for Catalyst in the summer, along with CBT.

Corporate & Strategic Implications

Strategic implications

18. This proposal supports the aims and objectives of BHE's overarching strategy, Bridging London 2020 – 2045. The activities will support the charity in becoming a charitable funder and responsible leader
19. This work meets the mission and vision of the Bridging Divides strategy, and the cross-cutting priorities. It also closely aligns with the Bridging Divides PACIER values, particularly Progressive, Adaptive, Collaborative, and Inclusive.
20. This initiative also aligns with recommendation 2(d) of the Interim Bridging Divides Review Recommendations.

Financial implications

21. The funding of civil society infrastructure has been factored into planning for the 2021-2022 Bridging Divides allocation.

Resource implications

22. All resourcing needs are costed into the relevant budgets for 2021-2022.

Legal implications

23. This report and its recommendations should be considered on the basis of what is solely in the best interests of the charity, BHE.

Risk implications

24. Risks and mitigations inherent in the funding process are captured in CBT's risk register.

Equalities implications

25. The City Corporation's Public Sector Equality Duty (PSED) applies to the exercise of the City Corporation's local authority functions only. Nonetheless, Bridging Divides has an explicit focus on reducing inequality, and this initiative also supports this objective. Catalyst will positively address inequality by developing a network-led approach that represents the communities accessing civil society and charitable sector services, particularly those whose

² [Lloyds Bank Foundation, Small Charities Responding to Covid-19 Summer Update](#)

³ [IVAR flexible Funding principles](#)

voices have traditionally been underrepresented, alongside the City Corporation's separate discharge of the PSED.

Conclusion

26. The work of Catalyst is strategically essential to London's civil society. Digital practice within this sector is still emergent, but it is clear that charities that embrace digital, data, and design respond more effectively to their users and are much more resilient. By continuing to collaborate with both CAST/Catalyst, and your funder peers the National Lottery Community Fund, Esmee Fairbairn Foundation, and Paul Hamlyn Foundation, your agreement to this funding allocation of £900,00 over five years will allow for both the continued development of this vital work and the establishment of a robust digital infrastructure legacy within civil society. Furthermore, the equity focused lens that Catalyst intends to apply to this project over the next five years aligns strongly with the Bridging Divides mission, which states that a healthy, vibrant and well-resourced voluntary sector, working with communities and across sectors, plays a vital role in making London's communities stronger, more resilient, and able to thrive.

Appendices

None – a copy of the full proposal can be made available on request.

Sam Grimmitt Batt

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Committee	Date
Bridge House Estates Board – For Decision Court of Common Council – For Decision	15 September 2021 07 October 2021
Subject: Request for uplift to the Central Contingency Budget	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045</i> Strategy does this proposal aim to support?	All
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£810k
What is the source of Funding?	BHE Unrestricted Income Funds
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of: Managing Director, BHE and The Chamberlain	For decision
Report Author: Karen Atkinson, Head of Charity and Social Investment Finance	

Summary

This report has been produced to update Members on the central contingency budgets held by BHE within the original 2021/22 budget, with a request for an uplift to be approved to enable the BHE Board to meet unforeseen and/or exceptional items that may be identified during the year.

Recommendation

It is recommended that Members, in discharge of functions for the City Corporation as Trustee of Bridge House Estates (charity reg. no. 1035628) and solely in the charity’s best interests:

- a) Note the central contingency budgets currently held by BHE for 2021/22 (paras 1-3);
- b) Approve that £50k be held as a contingency for consideration for joint projects undertaken with the City Corporation (para 4);
- c) Approve that £40k originally held as contingency for contribution pay be transferred to a central contingency fund (para 6).

It is recommended that Members, in discharge of functions for the City Corporation as Trustee of Bridge House Estates (charity reg. no. 1035628) and solely in the charity’s best interests endorse the following for onward approval by the Court of Common Council:

- d) Approve an uplift in central contingency budgets of £810k (paras 5-6);
- e) Approve the use of currently held contingency budgets of £108k as stated in this report (para 7).

Main Report

Background

1. The annual budgets prepared by departments for the activities of BHE that are within their responsibility do not hold any significant contingencies. A central

contingency budget has previously been overseen by the Finance Committee to meet unforeseen and/or exceptional items that may be identified across the range of activities undertaken by the charity.

2. The central contingency budget held for BHE for 2021/22 is £50k. In comparison, the contingency budgets held by City Fund and City's Cash for 2021/22 are £1.0m and £950k, respectively.
3. In addition to the above central contingency, the BHE budget includes provisions of £175k for apprentice costs and £40k for contribution pay. A review is taking place to determine if the apprentice costs budget will be utilised during this year, however a decision has been made by the City Corporation that contribution pay will not be awarded to staff in the year, hence this amount is no longer required for the original purpose.
4. To enable smooth decision making for cross-cutting Corporation projects, it is recommended that the original central contingency budget of £50k is ring-fenced in case of a request for additional funding for a project that affects all three funds, enabling the Finance Committee to consider the impact of the total request. The BHE Board would approve its portion of any such joint project. To date in 2021/22, there have been no new requests for joint funding that affects all three funds, hence this balance remains held in full.

Requested position

5. The establishment of the BHE Board, drawing together in a single committee all decisions relating to the charity, has both increased the level of focus on activities undertaken and drawn attention to new priorities. As a result, it has become clear that the BHE Board would benefit from holding an increased level of central contingency budget, which would be available for both revenue and capital spend. Such a budget would be directly overseen by the BHE Board, responsibility having been transferred from Finance Committee, with requests to the Board for allocations being required to demonstrate why the costs cannot, or should not, be met from existing budget provisions in the usual way.
6. It is therefore proposed that an uplift of £810k is requested to the current contingency budget of £50k which, together with the £40k originally set aside for contribution pay, will provide a total contingency for unidentified requirements of £900k. As stated in paragraph 4, £50k of this will be ring-fenced for joint projects of the City Corporation. Whilst in-year revenue spend by the other two main funds of the City Corporation is higher than that for BHE, Members will note that this is a period of significant change for the charity during which new ways of working are being considered which may require decisions to be taken in-year. Consideration will be given within the 2022/23 budget process for an appropriate recommendation for the BHE Board to consider as to an ongoing level of contingency budget to be held, taking account of the level of free reserves available.
7. Considering decisions proposed at today's board meeting, alongside those from the July meeting, the current position of the central contingency funds held would be as follows:

2021/22 Central Contingencies - Uncommitted Balances 15 September 2021					
	BHE Specific £'000	Contribution Pay £'000	Apprentice costs £'000	Joint Projects with City Corporation £'000	Total £'000
Contingencies:					
2021/22 Provision approved		40	175	50	265
2021/22 Provision requested @ Sept 2021	810				810
2021/22 Transfers	40	(40)			0
Total Proposed Provision	850	0	175	50	1,075
Previously agreed allocations @ July 2021	(160)	0	0	0	(160)
Pending request on Sept 21 agenda	(108)	0	0	0	(108)
Total commitments	(268)	0	0	0	(268)
Uncommitted Balances	582	0	175	50	807

The amounts which the Board has either previously allocated or are pending approval are detailed in **Appendix 1**, within the non-public agenda.

8. Strategic implications: The provision of a suitable contingency budget held by the BHE Board as outlined in this paper support the aims and objectives of BHE's overarching strategy, *Bridging London 2020 – 2045*.
9. Resource implications: nil.
10. Legal implications: nil.
11. Equalities implications: nil.
12. Financial implications: An adjusted forecast for 2021/22 of £810k as a centrally held contingency budget to be approved, alongside transfer of £40k previously set aside for contribution pay. This amount to be funded from unrestricted income funds held which are above the minimum reserves policy level.
13. Climate implications: nil
14. Security implications: nil

Conclusion

15. Members are asked to note the current contingency budgets held by BHE and to approve a suitable level of centrally managed contingency as befits a charity of its' scale of operations. Approval of commitments against the revised contingency budget is further requested, noting that approval will be requested from Court for the uplift in the level of contingency held.

Karen Atkinson

Head of Charity & Social Investment Finance

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Committee	Date
Bridge House Estates Board	15 September 2021
Subject: BHE Budget Uplift Request - Staffing	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045</i> Strategy does this proposal aim to support?	2 and 3
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£78k
What is the source of Funding?	BHE Unrestricted Income Funds
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of: Managing Director, BHE	For decision
Report Author: Scott Nixon, Head of Director’s Office	

Summary

This report requests approval of a 2021/22 budget uplift of £77,800 to fund 3 roles until 31st March 2022. These roles will support the implementation of the BHE Strategic Review until March 2022, until such a time the Phase 1 TOM proposal is implemented. This request has been reflected within the report elsewhere on your Agenda requesting an uplift in the contingency budget held within BHE and administered by the BHE Board which will require Court approval.

Recommendation

It is recommended that Members, in discharge of functions for the City Corporation as Trustee of Bridge House Estates (charity reg. no. 1035628) and solely in the charity’s best interests, and subject to the Court’s approval to an uplift in the contingency budget to be held within the control of the BHE Board as reported also on your Agenda today, approve a budget uplift of £77,800 for the 2021/22 operational budget held by BHE to fund the extension of 2 roles linked to the implementation of the BHE Strategic Governance Review and 1 additional role for BHE operational support.

- a) Implementation: To approve a 2 day a week extension of the existing BHE Review Programme Director role and a full-time 4-month extension to the existing BHE Transformation Project Accountant position until March 2022.
- b) Operational: To approve a 2.5 day a week BHE Project Officer role until March 2022.

Main Report

Background

1. In late 2018, the Bridge House Estates (BHE) Strategic Governance Review was initiated to assess how the governance, management and administration of BHE could be enhanced, with a view to increasing the impact and reach of the charity’s activities for the public benefit and to model good practice. Significant progress has

been made on various workstreams over the past two and half years. The BHE Review is now nearing completion and is transitioning into the 'implementation phase', as it seeks to finalise and embed the changes which have been agreed.

2. The demands on the BHE team have increased significantly during the last six months and this is expected to continue for at least the next 6 months of the implementation phase. To ensure the team is appropriately resourced, a budget uplift is requested to support 3 roles until March 2022.

BHE Programme Director

3. The BHE Strategic Governance Review was initiated to assess how the governance, management and administration of BHE could be enhanced, with a view to increasing the impact and reach of the charity's activities for the public benefit and to model good practice. The BHE Review Programme Director role, which will continue to be resourced through an internal secondment will ensure that the implementation phase of the Review is appropriately resourced, and momentum maintained so as to finalise and embed the changes which have been agreed. This role will also continue to release capacity restraints on the Managing Director of BHE.

BHE Transformation Project Accountant

4. Funding for a four-month extension to the fixed term contract (FTC) is sought to provide greater capacity to the Charities Finance Team in implementing the outcomes of the BHE Strategic Governance Review, who have taken on increased responsibilities over recent months. This is partly due to the impact of the Target Operating Model process, and a related pause on the creation of an enhanced permanent team structure to deal with financial activities that require reporting to the BHE Board.
5. The extension of the BHE Transformation Project Accountant is vital to ensure appropriate capacity to implement changes to financial operations of BHE e.g. resulting from the anticipated new powers to be obtained by way of the BHE Supplemental Royal Charter, and to support with the development and provision of regular reporting requirements to the Board.

BHE Project Support Officer

6. The level of work associated with BHE has increased significantly over recent months and additional resource to support the BHE team is requested for an initial 6-month period. This role will be advertised internally initially to ensure the knowledge is retained and developed within the organisation. The role will support the work of the BHE Task and Finish Group (TFG) in managing the portfolio of projects linked to the implementation of the BHE Strategic Governance Review and enhance the work being undertaken on the governance, management and administration of the charity.
7. Where necessary, positions presented to you in this report will be approved through the Town Clerk's current moratorium process on corporate recruitment. Whether these roles may be required on an ongoing basis or for an extended period of time will be considered as part of the Target Operating Model and the 2022/23 Business planning and budgeting processes.

8. Strategic implications: The posts outlined in this paper support the aims and objectives of BHE’s overarching strategy, *Bridging London 2020 – 2045*. All roles requested within this report will support the charity in becoming more effective and efficient in its operational delivery.
9. Resource implications: Funding of £77,800 is requested to support the 4-month extension to the post BHE Transformation Project Accountant; a 6-month BHE project officer role; and a 2 day a week BHE Programme Director role until March 2022.
10. Legal implications: nil
11. Equalities implications: BHE is committed to equal opportunities in service provision and for all its employees and promotes equity, diversity and inclusion in its employment practices.
12. Financial implications: A budget uplift for 2021/22 of £77,800 for staffing to be approved, funded from unrestricted income funds which are above the minimum policy level required to be held. This request has been reflected within the report also on your Agenda today which requests an uplift in the contingency budget held within BHE and administered by the BHE Board and will be subject to the required Court approval to that uplift in the charity’s contingency budget.
13. The table below separates the amounts requested for both the BHE strategic review implementation and operational support.

	Amount
BHE Strategic Review Implementation costs	£65,500
BHE Operational support costs	£12,300
TOTAL	£77,800

14. Climate implications: nil
15. Security implications: nil

Conclusion

16. In order to support the capacity needs of the BHE Strategic Review Implementation and BHE support costs to this financial year end it is requested that £77,800 is agreed (subject to the BHE Board’s consideration of contingency elsewhere in these papers, this sum to be drawn from the 2021/2022 BHE contingency.)

Scott Nixon

Head of Director’s Office

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Agenda Item 9

Committee(s): Resource Allocation Sub Committee – for Decision Bridge House Estates Board – for Decision	Date(s): 17 September 2021 15 September 2021
Subject: Capital Funding Update	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	The schemes for which funding is now requested span across a range of corporate outcomes
For Bridge House Estates (BHE), which outcomes in the BHE Bridging London 2020 – 2045 Strategy does this proposal aim to support?	1,2&3
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£3.992m
What is the source of Funding?	£3.974m from various City Fund Revenue and Capital Reserves, £15k from City’s Cash reserves and £3k from BHE Unrestricted Income Fund.
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of: The Chamberlain	For Decision
Report author: Dianne Merrifield, Group Accountant	

Summary

This report follows on from previous papers on capital prioritisation and the 2020/21 and 2021/22 rounds of annual capital bids.

Members are reminded of the two-step funding mechanism via the annual capital bid process:

- Firstly, within available funding, ‘in principle’ approval to the highest priority bids is sought and appropriate provisions are set aside in the annual capital and revenue budgets and the MTFPs.
- Secondly, following scrutiny via the gateway process to provide assurance of robust option appraisal, project management and value for money, RASC are asked to confirm that these schemes remain a priority for which funding should be released at this time.

The purpose of this report is two-fold - approval to the reallocation of funding between schemes to address an anticipated budget shortfall *and* to the release of funding post gateway approvals to allow schemes to progress.

The approved annual capital bids for 2020/21 total £85m of which £25.345m has been drawn down to date. A schedule of the current 2020/21 allocations is included in Appendix 1 for information. The second annual bid round for 2021/22 granted in principle funding approval to bids with a total value of £83.5m of which draw down of £5.387m has been agreed. A schedule of the current 2021/22 allocations is included in Appendix 2 for information.

There is one project - Frobisher Crescent fire compartmentation - reporting a funding shortfall of £403k. Adopting the 'one-in, one-out' approach, the required funding has been identified from compensating savings against the Barbican fire doors replacement project (refer to paras. 7-11). Approval is sought to reallocate £403k to provide top-up funding for this urgent Frobisher project whilst remaining within existing provisions.

In addition, subject to the approval of the above reallocation, the release of £3.992m to allow progression of the six schemes summarised in Table 1 (para 12) is now proposed. Funding for these schemes can be met from the provisions set aside from the reserves of the three main funds: £485k from City Fund capital and general revenue reserves, £947k from the On Street Parking Reserve and £2.542m from CIL; £15k from City's Cash Reserves and £3k from the Bridge House Estates Unrestricted Income Fund.

Members will recall that financial disciplines currently in place include that central project funding may be withdrawn for schemes that slip by more than one year. A review is underway and a report detailing any unallocated central funding provisions will be brought to committee for review following discussions taking place at the bi-lateral meetings.

Recommendations

Resource Allocation Sub Committee Members are requested -

- (i) To agree to apply the 'one-in, one-out' approach to reallocate £403k from savings on the Barbican fire door replacement project to provide top-up funding for the Frobisher Crescent fire compartmentation project.
- (ii) To review the schemes summarised in Table 1 and, particularly in the context of the current financial climate, to confirm their continued essential priority for release of funding at this time; and accordingly
- (iii) To agree the release of up to £3.989m for the schemes in Table 1 from the reserves of City Fund and City's Cash as appropriate, subject to the required gateway approvals.
- (iv) To note that in order to maintain sound financial discipline a review of unallocated central project funding provisions will be brought to Members following discussions taking place at the bi-lateral meetings.

Bridge House Estates (BHE) Board Members are requested –

- (v) To agree the release of an initial £3k contribution towards the costs of progressing the Wide Area Network upgrade project to the next gateway, to be met from the Unrestricted Income Fund with funding previously approved within the 2021/22 budget.

Main Report

Background

1. As part of the fundamental review, Members agreed the necessity for effective prioritisation of capital and SRP projects, with central funding allocated in a measured way. This has been achieved via the annual capital bid process which applies prioritisation criteria to ensure that corporate objectives are met and schemes are affordable.
2. The following criteria against which capital and supplementary revenue projects are assessed have been agreed as:
 - i. Must be an essential scheme (Health and Safety or Statutory Compliance, Fully/substantially reimbursable, Major Renewal of Income Generating Asset, Spend to Save with a payback period < 5 years.)
 - ii. Must address a risk on the Corporate Risk register, or the following items that would otherwise be escalated to the corporate risk register:
 - a. Replacement of critical end of life components for core services;
 - b. Schemes required to deliver high priority policies; and
 - c. Schemes with a high reputational impact.
 - iii. Must have a sound business case, clearly demonstrating the negative impact of the scheme not going ahead, i.e. penalty costs or loss of income, where these are material.

The above criteria were used as the basis for prioritising the annual capital bids.

3. The scope of schemes subject to this prioritisation relates only to those funded from central sources, which include the On-Street Parking Reserve, Community Infrastructure Levy (CIL), flexible external contributions and allocations from the general reserves of City Fund, City's Cash or BHE¹. This means that projects funded from most ring-fenced funds, such as the Housing Revenue Account, Designated Sales Pools and Cyclical Works Programmes *are excluded*, as well as schemes wholly funded from external grants, and tenant/ developer contributions e.g. under S278 agreements and S106 deposits.

*

4. Members are reminded of the two-step funding mechanism via the annual capital bid process.
 - Firstly, 'in principle' approval to the highest priority bids within available funding is sought and appropriate provisions are set aside in the annual capital and revenue budgets and the MTFPs.
 - Secondly, following scrutiny via the gateway process to provide assurance of robust option appraisal, project management and value for money, RASC

¹ Contributions from Bridge House Estates are limited to its share of corporate schemes such as works to the Guildhall Complex or corporate IT systems and are subject to the specific approval of the Bridge House Estates Board.

and/or BHE Board are asked to confirm that these schemes remain a priority for which funding should be released at this time.

Current Position

5. For the financial year 2020/21, Members have approved £85m of new capital bids across the three main funds. To date, £25.345m has been drawn down to allow 35 of these schemes to be progressed. A schedule of the current 2020/21 allocations is included in Appendix 1 for information.
6. Members have also agreed 'in principle' funding of a further £83.5m across the three main funds for the 2021/22 new bids and to date drawdown of £5.387m has been approved in respect of 8 schemes. A schedule of the 2021/22 allocations is included in Appendix 2 for information.

Proposals

'One-in, One-Out' Reallocation of Funding

7. Members have previously agreed that requests for additional funding outside of the annual capital bid process should be met from within the existing sums set aside for new schemes on a 'one-in, one-out' basis.
8. There is currently one project - Frobisher Crescent fire compartmentation - reporting a funding shortfall of £403k. This scheme was prioritised on health and safety grounds as part of the 2020/21 annual capital bids to undertake essential fire safety improvement works to the three residential floors (levels 7, 8 and 9) of Frobisher Crescent, part of the Barbican Estate.
9. At pre-tender stage, the project cost was estimated at £800k based on industry comparisons for similar works with guidance from an external consultant. However, the tender exercise has resulted in an increase in cost to £1.203m reflecting the particular complexity of the required works and giving rise to a funding shortfall of £403k.
10. Funding of up to £20m for the replacement of the Barbican Estate fire doors was approved 'in principle' as part of the 2021/22 capital bids. The Director of Community and Children's Services has confirmed that savings of at least £403k will be achieved, with the full extent of the cost reduction to be confirmed at the next gateway.
11. Adopting the 'one-in, one-out' approach, it is proposed to reallocate £403k of the anticipated savings on the Barbican fire door replacement scheme to allow the urgent Frobisher Crescent works to progress.

Current Requests for the Release of Funding

12. There are six schemes with ‘in principle’ funding approved as part of the capital bids that are progressing through the gateways (including the Frobisher Crescent top-up) for which release of £3.992m is now requested as summarised in Table 1:

Table 1: Project Funding Requests		Next Gate-way	Capital Bid Round	City Fund	City's Cash	Bridge House Estates	Total
				£m	£m	£m	£m
Funding to progress to the next gateway							
	Denton Pontoon and Pier Overhaul	G3/4	2021/22	0.050	-	-	0.050
	Wide Area Network Upgrade	G3/4	2021/22	0.032	0.015	0.003	0.050
Full Funding for Scheme Implementation							
	Frobisher Crescent Fire Compartmentation	G6	2020/21	0.403	-	-	0.403
	Dominant House Footbridge	G5	2020/21	0.287	-	-	0.287
	Finsbury Circus Pavilion and Landscaping	G5	2020/21	2.542	-	-	2.542
	Climate Action - Cool Streets and Greening	G5 (various)	2021/22	0.660	-	-	0.660
Total Requested for Release of Funding				3.974	0.015	0.003	3.992

Further details of the individual schemes are provided in Appendix 3 attached.

13. In accordance with step two of the capital funding mechanism, Members will wish to confirm that these schemes remain a priority for funding to be released at this time particularly in the context of the current financial climate.
14. The funding for these schemes can be met from the existing provisions set aside from the relevant reserves of the three main funds as set out in Table 1.
15. Additional approval of the BHE Board is required to release an initial £3k contribution towards the costs of progressing the Wide Area Network Upgrade project to the next gateway, to be met from the Unrestricted Income Fund.

Financial Discipline

16. Members will recall that financial disciplines currently in place allow for central project funding to be withdrawn for schemes that slip by more than one year - unless an exceptional case is agreed by the Resource Allocation Sub Committee. There is currently a significant number of schemes with either minimal or zero drawdowns against central funding allocations that were either agreed as part of the fundamental review or via the 2020/21 annual capital bids. Accordingly, a review is currently underway to identify any schemes that are not being actively progressed, to be reported following discussions taking place at the bi-lateral meetings. This will ensure that any unrequired funding is available to redirect to the highest priority areas.

Conclusion

17. The purpose of this report is two-fold - approval to the reallocation of funding between schemes to address unexpected shortfalls *and* to the release of funding for projects progressing through the gateways, to allow them to progress.

18. Adopting the 'one-in, one-out' approach, the reallocation of £403k to provide top-up funding for the Frobisher Crescent fire compartmentation project is requested to be met from savings on the Barbican Estate fire door replacement scheme (refer to paragraphs 7 - 11).
19. Requests for the release of £3.992m to allow six schemes to progress are set out in Table 1 (refer to paragraph 12 and appendix 3).
20. The funding for these schemes can be met from the existing provisions set aside from the relevant reserves of the three main funds as set out in Table 1, which were agreed via the 2020/21 and 2021/22 annual capital bids: £485k from City Fund capital and general revenue reserves, £947k from the On Street Parking Reserve and £2.542m from CIL; £15k from City's Cash Reserves and £3k from the BHE Unrestricted Income Fund. It should be noted that the release of the £3k Bridge House Estates contribution is subject to the approval of the BHE Board.
21. Members will recall that financial disciplines currently in place include that central project funding may be withdrawn for schemes that slip by more than one year. Therefore, a review of unallocated central funding provisions is underway which will be brought to committee for review following discussions taking place at the bi-lateral meetings.

Appendices

Appendix 1– 2020/21 Approved Bids

Appendix 2 - 2021/22 Approved Bids

Appendix 3 – Requests for Release of Funding – Scheme Details

Background Papers

- Annual Capital Prioritisation Report, 12 December 2019 (Non-Public).
- Prioritisation of Remaining 2020/21 Annual Capital Bids (Deferred from December 2019 Meeting), 23 January 2020 (Non-Public)
- Re-prioritisation of 2020/21 Approved Capital Bids, 18 September 2020 (Non-Public)
- Capital Funding – Prioritisation of 2021/22 Annual Capital Bids – Stage 2 Proposals, 10 December 2020 (Public)

Dianne Merrifield

Group Accountant, Capital

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Appendix 1

Approved Bids 2020/21						THIS REPORT	THIS REPORT
Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Funding Allocation After Re- prioritisation	Release of	Reallocation
						Funding Previously agreed	of Funding now requested
Critical End of Life Replacement							
Barbican Replacement of Art Gallery Chiller	0.300	-	-	0.300	0.300	0.018	-
Car Park - London Wall Joints and Waterproofing	2.000	-	-	2.000	2.000	-	-
Car Park - Hampstead Heath, East Heath Car Park Resurface	-	0.415	-	0.415	0.415	0.387	-
Central Criminal Court - Replacement for Heating, Cooling and Electrics for the East Wing Mezzanine including the sheriff's apartments.	1.000	-	-	1.000	1.000	1.000	-
Finsbury Circus Garden Re-instatement	2.558	-	-	2.558	2.558	-	2.542
Guildhall - North and East Wing Steam Generator replacement – including Art Gallery	0.744	0.396	0.060	1.200	0.002	0.002	-
Guildhall - West Wing - Space Cooling - Chiller Plant & Cooling Tower Replacement	1.860	0.990	0.150	3.000	4.433	0.279	-
Guildhall event spaces - Audio & Visual replacement / upgrade	-	0.330	-	0.330	0.330	0.045	-
Guildhall Yard - Refurbishment/ Replacement of Paviments	-	3.000	-	3.000	3.000	-	-
I.T - Computer Equipment rooms (CER) Uninterrupted Power Supplies (UPS)Upgrades and Replacements	0.090	0.100	0.010	0.200	0.200	0.200	-
I.T - Essential Computer (Servers) operating system refresh programme	0.068	0.075	0.008	0.151	0.095	0.095	-
I.T - Personal device replacement (Laptops, Desktops and tablet/mobile device)	1.013	1.125	0.112	2.250	2.250	2.250	-
I.T - Rationalisation of Financials, HR & Payroll Systems (ERP project)	2.654	2.949	0.295	5.898	6.768	0.554	-
I.T - Telephony replacement	0.873	0.343	0.034	1.250	0.500	-	-
LMA : Replacement of Fire Alarm, Chillers and Landlords Lighting and Power	1.397	-	-	1.397	1.397	0.145	-
Oracle Property Management System Replacement	0.713	0.380	0.058	1.151	1.151	1.150	-
Structural - Lindsey Street Bridge Strengthening	5.000	-	-	5.000	5.000	0.030	-
Structural - Dominant House Footbridge	1.025	-	-	1.025	1.025	-	0.287
Structural - West Ham Park Playground Refurbishment	-	1.279	-	1.279	1.279	0.863	-
Fully or substantially reimbursable							
Barbican Turret John Wesley High Walk	0.043	-	-	0.043	0.043	0.043	-
Chingford Golf Course Development Project	-	0.075	-	0.075	0.075	-	-
High Profile Policy Initiative							
Bank Junction Transformation (All Change at Bank)	4.000	-	-	4.000	4.000	4.000	-
Culture Mile Implementation Phase 1 incl CM experiments and Culture Mile Spine	0.580	-	-	0.580	0.580	0.580	-
I.T - Smarter working for Members and Officers	0.113	0.125	0.013	0.251	0.185	0.185	-
Rough Sleeping - assessment hub	1.000	-	-	1.000	1.000	0.788	-
Rough Sleeping High Support Hostel - Option 3	0.500	-	-	0.500	0.500	0.355	-
Secure City Programme	15.852	-	-	15.852	15.852	4.116	-
Statutory Compliance/Health and Safety							
Barbican Exhibition Halls	5.000	-	-	5.000	1.549	1.548	-
Barbican Podium Waterproofing, Drainage and Landscaping Works (Ben Jonson, Breton & Cromwell Highwalk) Phase 2 – 1st Priority	13.827	-	-	13.827	13.827	1.517	-
Covid19 Phase 3 Transportation Response*	-	-	-	-	0.568	0.568	-
City of London Primary Academy Islington (COLPAI) temporary site	-	0.300	-	0.300	0.583	0.583	-
Golden Lane Lighting and Accessibility	0.500	-	-	0.500	0.500	0.500	-
Guildhall - Great Hall - Internal Stonework Overhaul	-	2.000	-	2.000	2.000	1.740	-
Guildhall - Installation of Public Address & Voice Alarm (PAVA) and lockdown system at the Guildhall (Security Recommendation)	0.930	0.495	0.075	1.500	1.500	0.118	-
I.T - Critical Security Works agreed by the DSSC	0.112	0.125	0.013	0.250	0.250	0.250	-
I.T - GDPR and Data Protection Compliance in addition saving money in being able to share and find information quickly	0.090	0.100	0.010	0.200	0.200	-	-
Confined and Dangerous Spaces - Barbican Centre	2.000	-	-	2.000	2.000	0.098	-
Confined and Dangerous Spaces - GSMD	-	0.400	-	0.400	0.400	0.019	-
Fire Safety - Car Park London Wall - Ventilation, electrics, lighting and fire alarm works	1.370	-	-	1.370	1.370	0.250	-
Fire Safety - Works in car parks	1.032	-	-	1.032	1.032	0.699	-
Fire Safety - Frobisher Crescent, Barbican Estate (compartmentation)	0.550	-	-	0.550	0.550	0.800	*+0.403
Fire Safety - Smithfield sprinkler head replacement and fire door replacement.	-	0.150	-	0.150	0.150	0.020	-
Queen's Park Public Toilet Rebuild	-	0.380	-	0.380	-	-	-
Spitalfields Flats Fire Door Safety	0.146	-	-	0.146	0.146	-	-
Spend to save with a payback < 5 years						0.403	
Energy programme of lighting and M&E upgrade works (Phase 1)	0.440	0.489	0.049	0.978	0.743	0.050	-
I.T - GDPR Compliance Project Unstructured data	0.112	0.125	0.013	0.250	-	-	-
Wanstead Flats Artificial Grass Pitches (spend to save > 5 years)	-	-	-	-	1.700	-	-
The Monument Visitor Centre	-	2.500	-	2.500	-	-	-
Total Approved Funding Bids	69.492	18.646	0.900	89.038	85.006	25.345	0.403

*Reallocated from the 2021/22 annual bids funding

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Appendix 2

Approved Bids 2021/22				THIS REPORT	THIS REPORT		
Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Release of Funding Previously agreed	Reallocation of Funding now requested	Release of Funding now requested
Critical End of Life Replacement							
OSD - Tower Hill Play Area Replacement Project	0.120			0.120			
SVY - BEMS Upgrade Project-CPG Estate – Phase 1	0.507	0.375	0.022	0.904	0.451		
SVY - Smithfield Condenser Pipework Replacement		0.564		0.564			
CHB - IT SD WAN /MPLS replacement	0.320	0.145	0.035	0.500			0.050
CHB - IT LAN Support to Replace Freedom Contract	0.096	0.043	0.011	0.150			
CHB - Libraries IT Refresh	0.220			0.220			
BBC - Barbican Centre - Catering Block Extraction	0.400			0.400			
High Profile Policy Initiative							
DBE - Secure City Programme Year 2	4.739			4.739	1.400		
SVY - Guildhall Complex Masterplan - initial feasibility and design work		0.350		0.350			
Statutory Compliance/Health and Safety							
DCCS - Fire Doors Barbican Estate	20.000			20.000	0.275	* -0.403	
SVY - St Lawrence Jewry Church - Essential works (Top-Up Funding)		2.565		2.565	2.136		
SVY - Denton Pier and Pontoon Overhaul Works	1.000			1.000			0.050
OSD - Hampstead Heath Swimming Facilities - Safety, Access and Security Improvements		0.755		0.755	0.064		
DBE - Public Realm Security Programme	1.238			1.238			
DBE - Beech Street Transportation and Public Realm project (Top-Up Bid)	0.900			0.900			
MAN - Central Criminal Courts, Fire Safety and associated public address system (Top-up bid)	0.683			0.683			
MAN - Central Criminal Court Cell Area Ducting and Extract System Balancing	1.000			1.000			
SVY - Riverbank House, Swan Lane - repairs to foreshore river defence	0.500			0.500			
CHB - Public Services Network replacement	0.064	0.029	0.007	0.100			
GSMD - Guildhall School - Silk Street Ventilation Heating and Cooling		2.000		2.000			
GSMD - Guildhall School - Milton Court Correction of Mechanical Systems		0.600		0.600			
GSMD - Guildhall School - John Hosier Ventilation and Temperature Control		0.700		0.700			
CHB - IT Security	0.192	0.087	0.021	0.300			
Spend to save with a payback < 5 years							
SVY - Energy Reduction Programme – Phase 2	0.194	0.181		0.375			
Sub-Total - Bids Fulfilling the Funding Criteria excluding	32.173	8.394	0.096	40.663	4.326	-0.403	0.100
Climate Action :							
DBE - Public Realm (Pedestrian Priority)	6.050			6.050	0.051		
OSD - Climate Action Strategy		2.120		2.120	0.690		
DBE - Embed climate resilience measures into Public Realm works (Cool Streets and Greening)	6.800			6.800	0.320		0.660
SVY -Energy Efficiency / Net Zero Carbon - Investment Estate - City Fund	4.340			4.340			
SVY - Energy Efficiency / Net Zero Carbon - Investment Estate - Strategic Estate City Fund	0.000			-			
SVY - Climate Resilience Measures	4.000	0.000		4.000			
SVY - Climate Action Strategy Projects CPG Operational Properties	11.723	7.138	0.649	19.510			
Sub-Total - Climate Action	32.913	9.258	0.649	42.820	1.061	0.000	0.660
Total Bids Fulfilling the Funding Criteria	65.086	17.652	0.745	83.483	5.387	-0.403	0.760

*Reallocated as top-up funding for the Frobisher Crescent Fire Compartmentation Project (2020/21 Bid)

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Requests for Release of Funding – Scheme Details

The following provides details of the six schemes for which approval to release central funding of up to £3.992m is now sought, as summarised in Table 1 of the main report.

(i) **Denton Pontoon and Pier Overhaul – release of £50k to evaluate options**

- This project is for the extensive inspection and resulting refurbishment works to Denton Pier and Pontoon to address concerns highlighted via surveys undertaken by specialist consultants.
- The ‘in principle’ funding from central City Fund resources was agreed as part of the 2021/22 capital bids on health and safety grounds.
- The request is for the release of up to £50k to reach the next gateway.

(ii) **Wide Area Network Upgrade - release of £50k to evaluate options**

- The Corporation’s 120 remote sites connect to IT services using a Wide Area Network (WAN) provided by BT, based on Multiprotocol Label Switching (MPLS) technology. This project seeks to replace that with the latest technology using a Software Defined WAN (SD WAN).
- The ‘in principle’ funding of up to £0.5m, approved as part of the 2021/22 capital bids, was based on the essential need to replace the current system which is nearing end of life - to be met from the reserves of the three main funds on an apportioned basis.
- This request is for a drawdown of £50k to reach the next gateway which includes a sum of £3k from the Bridge House Estates Unrestricted Income Fund for which separate approval from the Bridge House Estates Board is required.

(iii) **Frobisher Crescent Fire Compartmentation – release of top-up funding of £403k to deliver the scheme**

- This scheme is to undertake essential fire safety improvement works to the three residential floors (levels 7, 8 and 9) of Frobisher Crescent, part of the Barbican Estate.
- The cost of these works was previously estimated at 800k, based on industry comparisons for similar works. Following tenders the cost has risen to £1.203m which reflects the particular complexity of the required works. Top-up funding of £403k is proposed to be reallocated from savings on the Barbican fire door replacement project.
- ‘In principle’ funding of £800k has previously been agreed via the 2020/21 annual capital bids. This request is for the drawdown of the proposed £403k top-up funding in order to facilitate delivery of these urgent health and safety works.

(iv) **Dominant House Footbridge – release of up to £287k to deliver the scheme**

- This project is for the repair of a fault on the Dominant House footbridge over the highway which has led to spalling on the footbridge support.
- The ‘in principle’ funding of up to £1.025m was approved as part of the 2020/21 capital bids to address concerns over its structural integrity, to be met from the On-Street Parking Reserve. A sum of £54k has previously been released to reach the current gateway.

- This request is for approval to drawdown a sum of £287k to meet the cost of delivering the proposed option, of which £18k is required now to reach the next gateway and the remainder to be released upon approval at Gateway 5 under Chief Officer delegated authority.
- It will be noted that the total sum required is £684k less than the 'in principle' allocation due to the lower cost option being progressed. The surplus funding will be retained within the On-Street Parking Reserve available for reallocation to other purposes.

(v) Finsbury Circus Pavilion and Landscaping – release of up to £2.542m to deliver the scheme

- This project is to re-instate Finsbury Circus pavilion, landscaping and gardeners' facilities following Crossrail's occupation of the site.
- The funding strategy comprises compensation payments from Crossrail (to replace facilities on a like-for-like basis) supplemented with central funding to ensure suitable facilities for this premier open space within the City. Allocation of a central funding contribution of up to £2.558m from City Fund CIL was agreed 'in principle' as part of the 2020/21 annual bids.
- The total estimated cost of the scheme is £5.518m (including risk), of which £2.976m can be funded from Crossrail compensation leaving a balance of £2.542m to be met from City Fund CIL. This request is for the release of £236k now to progress the design and tender with the remainder to be released upon authority to start work when approved by Members at Gateway 5.

(vi) Cool Streets and Greening – release of up to £660k to deliver 6 pilot projects in Year 1 of the Climate Action Strategy

- Cool Streets and Greening is a Climate Action Strategy programme which will deliver measures for climate resilient streets and open spaces in the Square Mile.
- 'In principle' funding of up to £6.8m was agreed as part of the 2021/22 Climate Action Strategy capital bids, to be met from the On-Street Parking Reserve.
- This year 1 request is for the release of up to £660k for the redesign of 6 existing projects to include pilot climate resilience measures, subject to the approval of the individual Gateway reports. These pilots will inform future year proposals for climate resilience.

Committee	Date
Bridge House Estates Board	15 September 2021
Subject: Budget monitoring: 1 April to 31 July 2021	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045 Strategy</i> does this proposal aim to support?	All
Does this proposal require extra revenue and/or capital spending?	No
Report of: Charities Finance Team, Chamberlains	For information
Report Author: Sachin Shah, BHE Transformation Project Accountant	

Summary

This report provides a financial update of Bridge House Estates (BHE) activities from the start of the current financial year to 31 July 2021 to enable the Board to have an overview of the charity’s financial position and performance, alongside updating on forecast changes made. Year-to-date, the charity has generated income of £14.3m in comparison to the budget of £15.1m. The income shortfall is mainly attributable to lower property rental income being a reflection of rent-free periods to existing tenants and voids as the charity continues to recover from the impact of the pandemic. This reduction is partly mitigated by revenue from Tower Bridge tourism activities exceeding budget targets as visitor numbers continue to rise.

Expenditure to date is £14.0m in comparison to the year-to-date budget of £50.8m resulting in a total under spend of £36.8m. The variance is driven by grant expenditure commitments being behind original plans with most reactive grant programmes paused over the year so far due to the impact of Covid-19 together with the decision to undertake an interim review of the funding strategy, Bridging Divides, to ensure that the strategy remained appropriate and able to meet the needs of London’s Civil Society in the changed context. The BHE Grants Committee will consider spending plans in more detail at its meeting on 30th September and an increase in the grant-spend rate is anticipated in both Q3 and Q4.

Recommendations

Members are asked to note this report and provide feedback on the content/presentation.

Main report

1. This paper reports on the range of activities across BHE and includes the current financial position of the charity and the latest projection of year end income, expenditure and overall funds held. Key information is summarised within a financial dashboard summary. The financial information includes the year to date variances and full year budget and forecast targets.

2. This report should be viewed with **Appendix 1: Financial Dashboard** and **Appendix 2: Statement of Financial Activities**, which includes the consolidated financial update across all BHE activities. Key variances are noted below.

Income

3. The year to date rental income shortfall is a reflection of the impact that the pandemic has had on tenants' revenues. In order to both assist through this period and to retain tenants in the long term, rent free periods or in some cases reduced rental rates were agreed to. The full year forecast has been reduced accordingly.
4. The year to date variance in financial investments income is due to the profiling of dividend income. The majority of the annual target is expected to be realised in the final quarter of the year. The phasing will be adjusted for future reports.
5. Tower Bridge tourism activities have generated twice the budgeted revenue to date. The budget was set with uncertainties on knowing when maximum capacity levels could be raised and expectations on visitor numbers, given both local and international travel restrictions. However, with these restrictions easing in recent months performance has exceeded plan, with a reforecast to be produced.
6. A small forecast reduction on Social Investment Fund interest income is as a consequence of the early repayment of one investment.

Expenditure

7. The phasing of the Bridges expenditure has been allocated periodically throughout the year however project spend has not followed the profiled budget. Included at **Appendix 1** is the graph showing the spend by bridge. Tower Bridge spend by far outweighs that on the other bridges to date, with the major project spend being the HV System Replacement. Reassurances have been given that the £17m forecast remains expected to be spent by the end of the year.
8. Grant commitments spend at £6.8m is significantly lower than the year-to-date budget of £40.7m. Other than continuation funding, Stepping Stones, the small grants programme and access audits (which remained continuously open), most reactive grant programmes were paused to date due to the impact of Covid-19 and the decision to undertake an interim review of Bridging Divides to ensure that the strategy remained appropriate and able to meet the needs of London's Civil Society in the changed context.
9. Following the review, the CBT Management Team undertook a prioritisation exercise which is still ongoing, and which has been complex given the external situation with Covid-19 and the multifaceted nature of the needs of the communities served by CBT's funding. However, funding for access audits, place-based giving schemes, food poverty and advice and support has now resumed, and further interim programmatic un-pausing is also expected which will result in an acceleration of expenditure towards the end of the financial year. It is likely that applications will take some time to filter through, and so the majority of this increase is not expected to be represented in commitment figures until the final quarter. Modelling is currently underway to forecast the expected spend in Q3 and Q4 and this will be reflected in the next financial update.

10. The full year forecast for grants commitments has increased by £3.2m as this includes expenditure utilising restricted fund balances available from the end of the last financial year, previously expected to be committed in 2020/21. A key element of this is the final grants awarded within the London Community Response Fund against funds provided by the National Lottery Community Fund.
11. The year to date underspend in financial investments is primarily due to phasing as the majority of the investment management fees are expected to be recognised towards the end of the financial year.

Funds

12. The total charity funds held balance is forecast to be £1,594.1m at the end of this year. In comparison to the original budget, this reflects an increase of £103.4m. This variance is primarily driven by the significant increases to the gains achieved at the end of the previous year which had not been the expectation when this year's budget was set. This has led to a positive impact to both the endowment funds and free reserves.

Conclusion

13. The net full year forecast remains broadly on target with budget, with the majority of the investment income reduction offset by operational savings and a boost in tourism visitor numbers. The forecast increase in grant commitments will be met through existing restricted funds held. However, it should be noted that grants spend to date is significantly lower than budget and the forthcoming update to this key area of spend, funded by the designated grant-making fund, will enable an improved estimate of the year end position.
14. Based on the latest forecast, free reserves are expected to remain far higher than the minimum target of £35m, although it should be noted that movements on free reserves are significantly impacted by gains or losses made on investments, which are reflected at year-end.

Appendices:

Appendix 1 – Financial Reporting Dashboard

Appendix 2 – Statement of Financial Activities

Sachin Shah

BHE Transformation Project Accountant

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Appendix 2 – Statement of Financial Activities

	2021/22 YTD			original budget £m	2021/22 full year			2020/21 full year draft actual £m	2021/22 forecast vs 2020/21 draft actual variance £m
	actual	latest approved budget	actual vs budget variance		latest approved budget	forecast	forecast vs budget variance		
	£m	£m	£m		£m	£m	£m		
Voluntary income	-	-	-	-	0.2	0.2	-	15.4	(15.2)
Charitable activities - Tower Bridge	0.6	0.3	0.3	2.7	2.7	2.9	0.2	0.5	2.4
Investment income:									
- Property Investments	12.9	13.7	(0.8)	26.9	26.9	26.1	(0.8)	27.0	(0.9)
- Financial Investments	0.7	1.0	(0.3)	2.8	2.8	2.8	-	2.5	0.3
- Interest receivable	-	-	-	0.1	0.1	0.1	-	0.5	(0.4)
- Social investment income	0.1	0.1	-	0.3	0.3	0.2	(0.1)	0.4	(0.2)
Total Investment income	13.7	14.8	(1.1)	30.1	30.1	29.2	(0.9)	30.4	(1.2)
Other income	0.0	0.0	0.0	0.4	0.2	0.2	-	1.1	(0.9)
Total income	14.3	15.1	(0.8)	33.2	33.2	32.5	(0.7)	47.4	(14.9)
Raising funds:									
- Property Investments	(2.5)	(2.5)	-	(9.3)	(9.3)	(9.1)	0.2	(9.1)	-
- Financial Investments	(0.0)	(1.7)	1.7	(5.1)	(5.1)	(5.1)	-	(5.9)	0.8
Total expenditure on raising funds	(2.5)	(4.2)	1.7	(14.5)	(14.4)	(14.2)	0.2	(15.0)	0.8
Charitable activities:									
- Repair & maintenance of bridges	(2.0)	(2.8)	0.8	(17.5)	(17.5)	(17.4)	0.1	(9.4)	(8.0)
- Tower Bridge tourism	(1.0)	(1.1)	0.1	(4.7)	(4.7)	(4.5)	0.2	(4.3)	(0.2)
Grants to voluntary organisations	(6.8)	(40.7)	33.9	(105.9)	(105.9)	(109.1)	(3.2)	(58.6)	(50.5)
Grant & social investment costs	(1.1)	(1.3)	0.2	(4.6)	(4.6)	(4.5)	0.1		(4.5)
Total expenditure on charitable activities	(10.9)	(45.9)	35.0	(132.7)	(132.7)	(135.6)	(2.9)	(72.3)	(63.3)
Other expenditure	(0.6)	(0.7)	0.1	(1.1)	(1.1)	(1.1)	-	(2.3)	1.2
Total expenditure	(14.0)	(50.8)	36.8	(148.3)	(148.2)	(150.9)	(2.7)	(89.6)	(61.3)
Net income/(expenditure)	0.3	(35.7)	36.0	(115.1)	(115.0)	(118.4)	(3.4)	(42.2)	(76.2)
Gains/(losses) on investments/pension scheme	-	-	-	69.3	69.3	69.3	-	149.0	(79.7)
Net movement in funds	0.3	(35.7)	36.0	(45.8)	(45.7)	(49.1)	(3.4)	106.8	(155.9)
Funds b/f as 01 April	1,643.2	1,536.4	106.8	1,536.4	1,643.2	1,643.2	-	1,536.4	106.8
Total funds c/f	1,643.5	1,500.7	142.8	1,490.6	1,597.5	1,594.1	(3.4)	1,643.2	(49.1)
Funds of the charity:									
Endowment funds				946.0	1,022.7	1,022.7	(0.0)	979.5	43.2
Restricted funds				-	0.3	0.3	-	3.8	(3.5)
Designated funds:									
- Bridges repairs				33.5	36.9	36.9	-	48.1	(11.2)
- Bridges replacement				174.5	174.5	174.5	(0.0)	168.7	5.8
- Grant-making				126.0	129.7	129.7	-	206.9	(77.2)
- Social investment fund				21.5	21.9	21.9	-	21.5	0.4
- Property dilapidations/service charges				0.4	0.4	0.4	-	0.4	0.0
Total designated funds				355.9	363.4	363.4	(0.0)	445.6	(82.2)
General funds				208.4	248.2	244.8	(3.4)	242.0	2.8
Pension reserve				(19.7)	(37.1)	(37.1)	-	(27.7)	(9.4)
Total general funds				188.7	211.1	207.7	(3.4)	214.3	(6.6)
Total charity funds				1,490.6	1,597.5	1,594.1	(3.4)	1,643.2	(49.1)
Free reserves				188.7	211.1	207.7	(3.4)	214.3	(6.6)
Minimum free reserves				35.0	35.0	35.0	-	35.0	-

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