



Grants Committee of the Bridge House Estates Board

Date: MONDAY, 6 DECEMBER 2021
Time: 10.30 am
Venue: VIRTUAL PUBLIC MEETING (ACCESSIBLE REMOTELY)

Members: Paul Martinelli (Chair)
Dhruv Patel (Deputy Chair)
Alderman & Sheriff Alison Gowman
Judith Pleasance
Jannat Hossain (Co-opted Member)
William Hoyle (Co-opted Member)

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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/efjrtOgq8p8>

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.

Lunch will be served in the Guildhall Club following the meeting

**John Barradell
Town Clerk**

AGENDA

Part 1 – Public Agenda

1. APOLOGIES

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

3. MINUTES

To agree the public minutes and non-public summary of the meeting held on 30 September 2021.

For Decision
(Pages 5 - 10)

4. SUMMARY OF BRIDGING DIVIDES

To note a summary of the Bridging Divides programme.

For Information
(Pages 11 - 12)

5. MANAGING DIRECTOR'S REPORT

Report of the Managing Director of Bridge House Estates (BHE)

For Information
(Pages 13 - 32)

6. GRANT FUNDING ACTIVITY: PERIOD ENDED 16TH SEPTEMBER 2021

Report of the Managing Director of BHE

For Decision
(Pages 33 - 52)

7. ALLIANCE FUNDING - ROSA (18979) AND GREATER LONDON AUTHORITY (18980)

Report of the Managing Director of BHE

For Decision
(Pages 53 - 68)

8. HACKNEY CVS (19011) BAOBAB FOUNDATION (19019)

Report of the Managing Director of BHE

For Decision
(Pages 69 - 80)

9. GRANTS COMMITTEE - OFFICER DELEGATIONS

Report of the Managing Director of BHE

For Decision
(Pages 81 - 88)

10. CITY BRIDGE TRUST OPERATIONAL RISK REGISTER

Report of the Managing Director of BHE

For Decision
(Pages 89 - 102)

11. CBT BUDGET 2022/23 AND BUDGET MONITORING FOR THE PERIOD ENDED 31 OCTOBER 2021

Report of the Managing Director of BHE and the Chamberlain

For Decision
(Pages 103 - 114)

12. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

13. ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT

14. 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

15. NON-PUBLIC MINUTES

To agree the non-public minutes of the meeting held on 30 September 2021.

For Decision
(Pages 115 - 118)

16. PIPELINE OF STRATEGIC INITIATIVES

Report of the Managing Director of BHE

For Information
(Pages 119 - 122)

17. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

18. ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

GRANTS COMMITTEE OF THE BRIDGE HOUSE ESTATES BOARD Thursday, 30 September 2021

Minutes of the meeting of the Grants Committee of the Bridge House Estates Board
held at Committee Room 1 - 2nd Floor West Wing, Guildhall and via Microsoft
Teams on Thursday, 30 September 2021 at 3.00 pm

Present

Members:

Paul Martinelli (Chair)
Dhruv Patel (Deputy Chair)
Alderman & Sheriff Alison Gowman
Judith Pleasance
Jannat Hossain (Co-opted Member)
William Hoyle (Co-opted Member)

Also in attendance:

Deputy Dr Giles Shilson

Officers:

David Farnsworth	- Managing Director of Bridge House Estates
Tim Wilson	- City Bridge Trust
Dinah Cox	- City Bridge Trust
Samantha Grimmett-Batt	- City Bridge Trust
Stewart Goshawk	- City Bridge Trust
Catherine Mahoney	- City Bridge Trust
Fiona Rawes	- City Bridge Trust
Hikmot Ademosu	- City Bridge Trust
Donna Buxton	- City Bridge Trust
Caspar Cech-Lucas	- City Bridge Trust
Lorna Chung	- City Bridge Trust
Hannah Davey	- City Bridge Trust
Clara Espinosa	- City Bridge Trust
Emma Horrigan	- City Bridge Trust
Sandra Jones	- City Bridge Trust
Natalie Jordan	- City Bridge Trust
Julia Mirkin	- City Bridge Trust
Kate Moralee	- City Bridge Trust
Geraldine Page	- City Bridge Trust
Lydia Parr	- City Bridge Trust
Matthew Robinson	- City Bridge Trust
Anneka Singh	- City Bridge Trust
Nina Sofaly	- City Bridge Trust
Nan Smart	- City Bridge Trust
Ian Tokelove	- City Bridge Trust

Anne Pietsch
Joseph Anstee
Tim Fletcher
Kerry Nicholls
Julia Megone
Nathan Omane

- Comptroller & City Solicitor's Dept.
- Town Clerk's Department
- Town Clerk's Department
- Town Clerk's Department
- Chamberlain's Department
- Chamberlain's Department

The Chair welcomed Members, officers and those observing via YouTube to the meeting, the inaugural meeting of the Committee following its appointment by the Bridge House Estates Board on 15 September.

1. **APOLOGIES**

There were no apologies.

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

There were no declarations.

3. **TERMS OF REFERENCE**

The Committee noted its terms of reference, as agreed by the Bridge House Estates (BHE) Board.

4. **SUMMARY OF BRIDGING DIVIDES**

The Committee noted a summary of the Bridging Divides programme.

5. **MANAGING DIRECTOR'S REPORT**

The Committee considered a report of the Managing Director of BHE providing an update on key areas of activity and outlining upcoming activities. The Managing Director of BHE introduced the report and the Committee discussed the updates provided.

Wembley National Stadium Trust (WSNT)

The Managing Director of BHE advised that City Bridge Trust (CBT) was seeking to extend the existing contract with WSNT by two years, to March 2024, the existing contract having worked well for both organisations, and demonstrating one of CBT's key values in collaboration and working with other funders. The Committee agreed that the contract should be extended.

Nomination to LocalMotion

The Managing Director of BHE updated the Committee on the LocalMotion funder collaboration, to which CBT was a contributor, and advised that CBT was seeking the nomination of one Member to act as a LocalMotion "Board Champion" attending two to six cross-initiative learning meetings per year to increase understanding of the work at board level and foster connections directly between places and Board Members. The Chair asked that Members consider whether they would like to be nominated and get in touch with him and the Managing Director if so. The Committee then agreed to delegate authority to appoint to the position following the meeting.

Learning Case Study – SafeLives

The Managing Director of BHE drew the Committee's attention to the learning case study set out in the report. The Managing Director advised that CBT had not yet resumed in-person assessment or monitoring visits, but was looking to do so as soon as possible and with regards to latest guidance on Covid-19. In response to question from a Member, the Managing Director of BHE then confirmed that learning points from case studies were reintegrated into the work of CBT with a view to assisting grantees and future reporting.

The Chair of the BHE Board, observing, advised that he had recently attended a Social Investment Fund visit to the City YMCA, and encouraged Members to participate in visits when possible, as they were useful opportunities.

RESOLVED – That the Grants Committee of the BHE Board:

- a) Note the report;
- b) Agree the extension to the Wembley National Stadium Trust contract until 31st March 2024;
- c) Delegate authority to the Chair and Deputy Chair to appoint a member of the Committee to undertake the role of LocalMotion 'Board Champion'.

6. BRIDGING DIVIDES FUNDING STRATEGY INTERIM REVIEW - IMPLEMENTATION UPDATE

The Committee considered a report of the Managing Director of BHE providing an update on the 11 recommendations that were approved by the former City Bridge Trust (CBT) Committee in March 2021 following the Interim Bridging Divides Funding Strategy Review carried out from December 2020 to March 2021. The Managing Director of BHE introduced the report and drew Members' attention to the key points.

In response to a question from the Deputy Chair regarding the core conversion offer to grantees, the Managing Director of BHE confirmed that multiple communications of the offer had been made, and the offer had subsequently been reviewed in conjunction with CBT's learning partner. The feedback received was that whilst many organisations were likely to have been too busy to give full consideration to the offer, CBT could have been clearer in setting out the value and benefits of core conversation to the grantees.

The Committee noted the formal recommendation to recommend to BHE Board and the Court of Common Council to re-commit to and extend the Bridging Divides strategy by a further five years. The Managing Director of BHE advised that the Court of Common Council would be asked to re-commit to the framework of the strategy, and that the formal wording would be brought back for approval ahead of its submission. The Chair added that the recommendations would be subject to the discussion in non-public session regarding strategic funding.

RESOLVED – That the Grants Committee of the BHE Board:

- a) Note the report; and
- b) Agree to recommend to the Bridge House Estates Board and Court of Common Council to re-commit to the overarching vision and mission of Bridging Divides 2018-2023 and recommend extending it for a further five years to 2028.

7. GRANT FUNDING ACTIVITY: PERIOD ENDED 16TH SEPTEMBER 2021

The Committee considered a report of the Managing Director of BHE providing the Committee with details of funds approved under delegated authority since the last meeting of the City Bridge Trust (CBT) Committee in March 2021 through to 16th September 2021; plus, any grant variations that have been approved under delegated authority and seeking approval for 1 grant application above the delegated authority threshold and 4 grant application rejections. The Managing Director of BHE introduced the report and drew Members' attention to the key points, also advising that details of recent London Community Response Fund (LCRF) grants would be circulated to Members following the meeting. The Chair commented that the former CBT Committee had received a heatmap illustrating the distribution of funding across London and asked that this be brought to the Committee as part of the update reports on grant funding.

The Committee then considered the grant applications appended to the report, and agreed the recommendations. The Committee then considered the applications recommended for rejection. In response to a question from a Member, the Managing Director of BHE confirmed that feedback was always offered to applicants following rejections, and that organisations were required to wait one year from the date of the original submission before reapplying. The Committee then further discussed the reasons for the recommendations to reject applications.

In response to a question from a Member, the Managing Director of BHE advised that officers were still working through many applications received following the unpausing of new applications, and that there would be more recommendations in respect of grant applications at future meetings.

The Committee then noted variations to a number of grants set out in the report. The Chair advised that learning points could be added to the commentary alongside grant variations, as it was useful for Members to understand the benefit of the variations. Arising from questions from Members in respect of Leonard Cheshire Disability and Centre for Mental Health, the Managing Director of BHE agreed that more information would be circulated to Members following the meeting.

RESOLVED – That the Grants Committee of the BHE Board:

- a) Note the report;

- b) Approve a grant of Habinteg Housing Association Ltd of £370,000 over 5 years (£70,000; £72,000; £74,000; £76,000; £78,000) for the salary costs of a f/t Access Advisor plus related costs of providing the Access Advisory Service for London; and
- c) Agree the rejection of 4 grant applications in respect of The Parochial Church Council of the Ecclesiastical Parish of St Andrew by the Wardrobe, London, Dementia Concern, Purley Islamic Community Centre, and The Sapphire Community Group.

8. BUDGET MONITORING REPORT FOR CITY BRIDGE TRUST (CBT): PERIOD ENDED 31 AUGUST 2021

The Committee received a report of the Managing Director of BHE providing a financial update for the period ended 31 August 2021 and an updated forecast outturn for the financial year ending 31 March 2022. The Managing Director of BHE introduced the report and drew Members' attention to the key points.

RESOLVED – That the report be noted.

9. GRANT APPROVAL THRESHOLD REVIEW

The Committee considered a report of the Managing Director of BHE asking Members to reconsider CBT officer delegations for grant approvals, recommending that the existing temporary officer delegations be authorised on a permanent basis, and that grant application rejections be included in these revised delegated authority arrangements. The Committee noted that, in addition to these delegations, the BHE Board had agreed that decisions on the award of funding of more than £500,000 for a grant, project or activity would be reserved to the BHE Board upon the recommendation of the Grants Committee.

The Committee discussed whether a mechanism for consulting the full Committee on grants within the delegated authority thresholds would be appropriate, in order that any comments or question could be made for the Chair and Deputy Chair to consider before deciding the application. Members felt that this could be beneficial for the consideration of some applications, and agreed to discuss the proposals further in non-public session.

10. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

11. ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT

There was no other business.

The Chair then thanked Members of the public observing via YouTube for their attendance.

12. 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.

13. PIPELINE OF STRATEGIC INITIATIVES

The Committee received a report of the Managing Director of BHE.

14. SUICIDE PREVENTION WITHIN THE CITY OF LONDON

The Committee received a report of the Managing Director of BHE.

15. STRATEGIC FUNDING DISCUSSION

The Committee discussed Strategic Funding.

16. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

17. ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

There was one item of other business.

The meeting ended at 4.53 pm

Chair

Contact Officer: Joseph Anstee
joseph.anstee@cityoflondon.gov.uk

Bridging Divides Eligibility Criteria

<ul style="list-style-type: none">• Registered charity• Registered Community Interest Company• Registered Charitable Incorporated Organisation• Registered charitable industrial and provident society or charitable Bencom• Charitable company• Exempt or excepted charity	<ul style="list-style-type: none">• Revenue grants cannot amount to more than 50% of an organisation's turnover/income in any one year• Organisations cannot hold more than one grant at a time, except where the application is for: an eco-audit, an access audit, or is made under one of the Trust's special one-off programmes or is a strategic initiative• Grants must benefit inhabitants of Greater London
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Bridging Divides Programmes

Connecting the Capital	Positive Transitions	Advice and support
Under review (Transition funding applicable)		
Voice and leadership	Specialist support services working with children and young people.	
Growing, greening and environmental projects	Specialist support services for older people.	
Arts, sports, health and/or well-being projects for D/deaf and disabled people	Ex-offenders leaving custody or serving community sentences.	
Arts, sports, health and/or well-being projects for older people	Mental health support and services for people who are experiencing or at risk of homelessness or are vulnerably housed	
Reviewed and un-paused		
Infrastructure funding: capacity building and representation	Support for refugees, asylum seekers and migrants	Provision of advice and support to disadvantaged individuals
Increasing the quality and scale of giving	Support and services for deaf and disabled people	Food poverty
Place-based giving schemes	Tackling abuse, exploitation, and hatred	
Eco-audits	Provision of advice and support to disadvantaged individuals	
Access improvements to community buildings (access audit/capital improvements)		
Pending review, but un-paused		
Small grants programme		

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Committee	Date
Bridge House Estates Grants Committee	6 December 2021
Subject: BHE Managing Director's report	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045</i> Strategy does this proposal aim to support?	1
Which Bridging Divides Funding Strategy priority does proposal aim to support?	All
Does this proposal require extra revenue and/or capital spending?	No
Report of: Managing Director, BHE	For information

Summary

To support the BHE Grants Committee in the discharge of its duties, this regular report provides an update on key areas of activity for you to note and agree, where necessary.

Recommendation

Members are asked to:

- a) Note the report.

Main Report

1. Interim Bridging Divides Review implementation- City Bridge Trust (CBT) continues to implement the recommendations arising from the early 2021 interim review of the *Bridging Divides* funding strategy. Most notably:
 - a) The Anchor Partners initiative seeks to develop a long-term, collaborative approach with key civil society organisations in London .Anchors are organisations with a cross community/cross-locality remit which often support smaller civil society organisations and are the backbone of the voluntary and community sector. Such organisations facilitate crucial work tackling inequality across the capital, supporting the mission and vision of *Bridging Divides*. CBT has identified a long list of potential partners with whom to co-design the programme and will host a meeting with them to share initial thoughts on shaping a programme of significant, long-term support. CBT aims to award developmental grants, to resource further participation, before the end of the financial year.
 - b) CBT's funding programmes continue to be updated, with 11 of the 19 pre-Covid strands now open to new applicants, having been reviewed and updated considering the current context in London, taking lessons

learnt from the pandemic into account. The remaining eight funding strands are being reviewed as part of a wider exercise to ensure learning from the health crisis is reflected in CBT's grant making. CBT is offering transitional funding support to organisations who would otherwise seek support through the strands that remain on pause from Monday 29th November. Transition funding is available for up to two years, with a maximum grant amount of **£50,000 per annum**. CBT's standard funding criteria will apply. Building on learning from the LCRF, CBT will undertake regular equity reviews – monitoring where applications are coming from, where funding is awarded, and how we can do better at reaching and engaging communities that are especially disadvantaged or marginalised. It is anticipated that the review of paused strands will conclude by the end of March 2022, following which transition funding will close.

- c) CBT's "Funder Plus" offer, *The Bridge Programme*, relaunched in October and is receiving a steady stream of applications. "Funder Plus" is an approach connecting grant funded organisations with a range of free, non-financial support to help address a specific issue, whilst enhancing capacity, resilience, and longer-term stability. Areas of support include Fundraising and Business planning, Management Systems, HR, and Governance. A learning session for the CBT team took place in November and this, along with an evaluation of the programme, will inform future recommendations to the Grants Committee.
- d) CBT continues to work with partners from the London Community Response (LCR) collaboration, shaping a further programme of work which builds on the learning of funding waves one to five in identifying ways to continue collaborating in a non-emergency context. LCR was an unprecedented collective emergency response grant programme, coordinated by London Funders, which saw collaboration between over 60 funders to respond to the emergent needs of Londoners during the Covid pandemic. CBT played a key role, operating a fund into which other funders, independent, public, and private, could donate – the London Community Response Fund (LCRF). LCRF awarded more than half of the grants (c.£30m of a £57m total) eventually made. By working together, funders were able to pilot more progressive approaches to funding, testing their individual and collective appetite for embracing greater levels of risk and shaping appropriate mitigations. Most awards made by the LCRF were to user-led organisations (run by people with direct experience of the issues the organisation is seeking to address). See Appendix 1 – LCRF All-waves precis report.
- e) London Funders is co-ordinating this new phase of work, convening several workshops with key players and drafting an initial set of principles, aims and objectives. Officers are now working with London Funders and a handful of other statutory, corporate, and independent funders, to shape how the model might adapt for non-emergency

contexts with a soft launch seeking new partners imminent. There is clear enthusiasm within this core group to support the evolution of LCR and to contribute funding in support of it with a likely focus on Children and Young People, in the immediate term. Whilst development work continues, CBT, along with around ten other funders, is in talks to sign a shared partnership agreement which sets out a desire to continue to collaborate, achieving impact which is greater than the sum of our parts.

- f) CBT is likely to request approval to make a leading contribution. The cost base for the model reflects that it will continue to trial a range of collaborative innovations and will also incorporate a dynamic process of learning and evaluation to ensure agile adaptations are made and learning consolidated for the benefit of the funding sector. The amounts that each contributor might allocate are still being discussed - a paper is planned for agreement via the urgency process (due to the requirement for a decision between Committee meetings) early in 2022 to seek approval to allocate funds to the initiative.
 - g) New collaborations with funders outside of the LC R have also been scoped, and a paper relating to this “Alliance Funding” can be found elsewhere in your papers today.
2. LocalMotion - is a collaboration between six funders joining forces to tackle economic, environmental, and social inequality in six places, utilising the resources of all six funders and places to have an impact which is greater than the sum of parts. So far, £585,000 has been allocated by CBT towards the initiative, and the second phase started in November 2021, when the new Memorandum of Understanding was signed by all six funders. Grant agreements are now being drawn up with places, so that funds can begin to be drawn down. Each funder is linked with one place, with CBT being connected to Enfield.
 3. At your last meeting expressions of interest were sought from Committee Members to engage with LocalMotion to become a “board champion.” William Hoyle has kindly accepted the role and attended the six-monthly LocalMotion learning event on 25th November. The online event was attended by funder trustees and staff, interim learning partner Renaisi, communications partner Barley Communications, and representatives from the places “core groups” (the organising groups responsible for generating strategy and distributing funds in each of the six areas). A series of presentations and workshops highlighted joint aspirations to utilise LocalMotion as a convening and catalysing opportunity.
 4. London Councils Grants Committee: The London Councils Grants Programme enables boroughs to tackle high-priority social need where this is better done at pan-London level. As Chair of the BHE Grants Committee, Paul Martinelli has been invited to sit on their committee to represent the City of London Corporation including Bridge House Estates. Yolande Burgess, London Councils Strategy Director, passed on thanks to Dhruv Patel for his contribution during his time on the committee and said they were looking forward to welcoming Mr Martinelli to their March meeting. The programme has a budget of around £25 million for the

period 2022-2026 and will have of focus on the housing and homeless and domestic abuse sectors.

5. Renaissi Mid-Year Review, Year 4: CBT engaged Renaissi as a learning partner in 2018, to support the Trust's work by developing an organisational culture of learning. As part of this work, Renaissi provides annual and mid-year learning reviews. For the year 4 mid-year review, officers requested a more extensive report than usual, given the degree to which the funding landscape had changed and CBT had pivoted its activities. The scope included providing an overview and commentary on the planned and potential recovery efforts of other London funders, reviewing the effectiveness of CBT's own planning towards recovery and reopening its funding strands and reviewing the extent to which CBT is achieving its ambition of becoming a more equitable funder. Staff interviews and a survey were conducted as well as a review of relevant documentation.
6. Staff engagement was again lower than optimal, and an action plan has been put in place to continue to increase engagement.
7. The report concluded with eight recommendations including providing an internal update on the outcomes of the prioritisation exercise and implementation of workstreams more generally, identifying further funding streams to unpause, developing a communications strategy to ensure that the wider funding sector and funded organisations are made aware of CBT's priorities during the recovery period, considering how CBT can prioritise and support collaborative working, to ensure that relationships and effective working practices developed during the pandemic are maintained, continuing to develop the focus on equitable funding, exploring participatory approaches to grant making, reflecting further on delivering a more ambitious approach to the climate crisis, and reviewing how a total assets approach can be more fully embedded into CBT's recovery plan, to ensure that it is drawing on the wider CoLC assets at its disposal.
8. All of the proposals have either been completed or integrated into the Interim Review of Bridging Divides implementation workplans.
9. BHE Website: Work has begun to build a new website that will reflect the work of all the Teams within BHE including CBT. The priority will be to ensure the website is engaging, simple to navigate, and makes grant applications easy. The site will also provide clear links to other teams in BHE, from the Bridges to social investment to our property portfolio. The process to create the site will be collaborative, via interviews and workshops conducted with officers, Members and end users to achieve the optimum solution.
10. Philanthropy House: prior to the pandemic, significant work was undertaken by your Philanthropy Director in collaboration with Officers from the City Surveyor's and Comptroller's departments to scope and explore the potential of a charitable co-location project (with a working title of 'Philanthropy House') in partnership with a couple of respected funder-membership bodies (the 'Project Partners'). Initial thinking focused on 21 Aldermanbury, close to the Guildhall Estate, but officers were subsequently instructed to develop business modelling for another nearby

location within the BHE portfolio, 74 Moorgate, owing to operational challenges with the original building.

11. Shortly before the pandemic, this work was paused pending further clarity on 74 Moorgate's post-development footprint. Your Philanthropy Director was then seconded to co-chair, on a full-time basis, the Funder, Voluntary, Community and Faith sectors' input into the Pan-London Strategic Response during the pandemic. Since that time, Officers have regrouped and concluded that;
 - a. it is too soon to undertake business modelling on the charitable co-location market with any level of accuracy owing to the shift in working patterns resulting from the pandemic; and
 - b. It would be more prudent to wait until the conclusion of deliberations relating to BHE's Transitional Investment Strategy Statement and the grant of additional powers to the trustee being sought by way of Supplemental Royal Charter, as this would ensure that account is taken of both the most up-to-date policies and available powers in terms of identifying and evaluating potential options to pursue in support of this project.
12. With this in mind, no specific action is being undertaken at this stage to progress this project pending the outcome of the Privy Council's decision-making on the Supplemental Royal Charter, noted in 11b above. At that point, officers will then review the Project Partners' ongoing appetite for engagement and determine whether the co-location market has settled sufficiently to enable more robust business modelling to take place, with decisions being taken in accordance with the charity's Investment Strategy in effect at that time.
13. Beacon Collaborative: Beacon Collaborative is a strategic initiative funded by CBT within the context both of the *Bridging Divides* strategy and the joint Philanthropy Strategy which focuses on the giving of time, assets, money and skills across BHE and the wider City Corporation. The Collaborative hosted its annual strategic conference at the Guildhall in late October with the Chairs and Deputy Chairs of the BHE Board and its Grants Committee attending. The Chair of the BHE Board gave the welcome speech followed by a speech by Danny Kruger MP, who is now a Principle Private Secretary in the Department for Housing, Communities and Levelling Up. A funding recommendation for Beacon is included in your papers for today's meeting.
14. Prince's Trust: A £10m grant was awarded in principle over a 10-year period to the Prince's Trust. The initiative started in 2015 and is due to end in 2025 with break clauses at years three, six and nine. CBT approved the first £3m in 2015, a further £3m in 2018, and in March 2021 a third grant commitment, covering years seven to nine (2021-2024). This third grant commitment, covering years seven to nine (2021-2024) was made in principle subject to satisfactory performance of conditions set by CBT. The Prince's Trust has now met the conditions, a Grant Offer Letter has been sent, and an initial payment will be released.
15. Learning Case Study: A learning case study is provided at appendix 2. This paper is a learning case study about Interlink Foundation, an infrastructure organisation that exists to support Charedi (Orthodox Jewish) community organisations, a current grant holder. The grant funds the running costs of their project supporting

capacity building and resilience amongst Charedi organisations; partnership and collaboration with other sectors and communities in North London; and training and development for community leadership. This case study aims to understand the challenges Interlink Foundation has faced during Covid-19, how they have adapted and what CBT and others can learn from their example. It draws on information provided in Interlink's Impact and Learning report and an interview with their Chief Executive, Chaya Spitz.

16. Learning Visits: In March 2020, CBT's programme of learning visits with funded organisations paused and as of November 2021 are still paused due to COVID. The learning and impact team are in the process of reviewing their processes for funded organisations including learning visits and plan to start afresh in April 2022 with a more equitable, mutually beneficial approach than previously. However, the team would like to provide opportunities for each Member of this committee to visit a funded organisation with one of your officers before this point, in early 2022 (your Chair, for instance, is due to visit the Afghanistan and Central Asian Association in January).
17. The impact and learning team will be in contact directly with each Member to arrange suitable dates. These visits will clearly need to be subject to the situation with Covid at the relevant time.

Appendices:

Appendix 1 – LCRF All-Waves Precis Report

Appendix 2 – Learning Case Study

Scott Nixon

Head of Director's office

020 4526 1213, Scott.nixon@cityoflondon.gov.uk

Appendix 2: Learning Case Study

Summary

1. This learning case study demonstrates the issues faced during Covid-19 by organisations you support and highlights ways they are adapting their services and approaches. The purpose of these case studies is to identify good practice that CBT, and others, can learn from during this crisis period and as the sector starts to rebuild.
2. This case study focuses on Interlink Foundation, which you awarded £250,000 over five years in October 2019 under Bridging Divides. The grant funds the running costs of their project supporting capacity building and resilience amongst Charedi organisations (strictly orthodox Jewish); partnership and collaboration with other sectors and communities in North London; and training and development for community leadership. Interlink also received £44,007 through the LCRF as part of Wave 3 of the London Community Response to cover the staff costs of translating and disseminating culturally-appropriate Covid information.
3. This report draws on information provided in Interlink's Impact and Learning report and an interview with their Chief Executive Chaya Spitz. Interlink Foundation's website is: <https://www.interlink-foundation.org.uk/>, their address is: Fourth Floor Offices, 97 Stamford Hill, London, N16 5DN and their BBGM reference 15169.

What made Interlink Foundation unique before the crisis?

4. Interlink Foundation is an infrastructure organisation which supports charities working with London's Charedi community. They have a membership of 200 Orthodox Jewish-led organisations, in addition to non-Charedi associate members such as representatives from Hackney Council.
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appetite to work together and to build bridges, but they need to feel confident that they're building bridges with the right people."

What can City Bridge Trust learn from Interlink Foundation?

20. Interlink Foundation is a powerful example of the importance of infrastructure organisations, in incubating grassroots organisations, facilitating cross-sector collaboration and enabling community empowerment. CBT should continue its support of infrastructure organisations and consider how best to develop this in different communities.
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22. Interlink's success depends partly on its recognition that no community is homogenous and that communications and services need to be tailored to different groups; CBT could consider how best to identify and meet different needs within communities, as well as across them.
23. Lastly, Interlink highlights the importance of listening to and understanding the community they support; CBT should recognise this in its own work and dedicate time to developing its understanding of the different communities it exists to serve. As Interlink's Chief Executive says, *"Make sure that you keep your ear to the ground and don't ever lose your community's trust and faith."*

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London Community Response Fund

Learning from Waves 1 – 5



Total value of grants awarded	Total income	Contributing funders
£31.4m	£32.05m	20

A collaborative funder response to support the civil society sector, co-ordinated by London Funders, launched on 27th March 2020, shortly following the start of the first national lockdown. Based on eight funding principles, the **London Community Response (LCR)** was

anchored in trusting and equitable grant-making, and drew on learning from previous joint-funder emergency collaborations. It offered a common application form to allow civil society organisations to make applications for emergency support. The LCR brought together 67 funders and distributed £57.7m through 3,381 grants.

As part of that initiative, **the London Community Response Fund (LCRF)** was established to enable donors (including independent and public sector funders, livery companies, and city businesses) to donate to a single fund rather than separately considering grants. Of the overall amount, LCRF was responsible for distributing £31.4m via 1,685 grants – 54.4% of the total funding distributed.

LCR - London Community Response, the collaboration of 67 funders led by London Funders.

LCRF - London Community Response Fund established as a restricted fund which enabled other funders, who chose not to fund projects directly via the LCR, to join the efforts, with CBT administering

1

LCRF funding was most concentrated in the inner boroughs, largely reflecting those with the highest concentration of wards that are most deprived within London. Barking and Dagenham, Waltham Forest, Ealing, Enfield, Hillingdon and Hounslow also contain many areas of deprivation but had a lower concentration of applications and funding across all five waves, making them good candidates for future prioritisation.

Distribution of LCRF grants by borough (£)



¹ Contributing funders to LCRF include City Bridge Trust, the Greater London Authority, Quadrature Capital Foundation, Paul Hamlyn Foundation, Macquarie Group Foundation, Clothworkers Foundation, Bloomberg, Alan and Babette Sainsbury Charitable Fund, Worshipful Company of Weavers, Horners' Charity Fund, Worshipful Company of Management Consultants, Salters Company, Chartered Accountants Livery Charity, BDT & Company LLC, Fuellers Charitable Trust Fund, National Lottery Community Fund, and other anonymous donors.

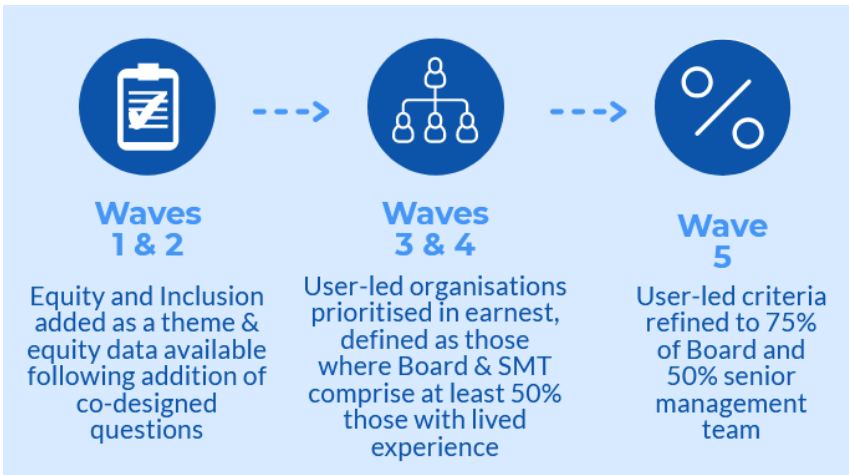
Striving for an equitable approach

In recognition that the pandemic was exacerbating existing inequalities, from Wave 2 the LCR introduced an additional theme of equity and inclusion and added equity questions to the application form. LCR was then able to prioritise user-led organisations delivering support to racialised communities, LGBT+ people, Deaf and Disabled people, and women, including in response to the increased focus on Black Lives Matter following the murder of George Floyd in May 2020.

Commissioned by London Funders, LCRF funded four Equity Partners to provide strategic and operational support to the wider LCR: providing intelligence and insight, raising awareness, supporting smaller organisations to make applications, advising on best practice and sharing reflections and learning. These were Ubele Initiative (with the Council of Somali Organisations and London Gypsy Traveller movement), LGBT+ Consortium, Inclusion London, and the Women’s Resource Centre. In Wave 5, Equity Partners also joined the LCRF Advisory Panel.

Through interviews with staff, assessors and contributing funders, LCRF was one of the LCR funders which took part in case studies gathered by The Social Investment Consultancy (TSIC) on the equitable approach taken in LCR, which can be read [here](#).

An iterative approach to equitable prioritisation



Equity and inclusion was prioritised in the LCR funding response, introduced as a funding theme during the delivery of Waves 1 & 2. Application form questions were co-designed by the Equity Partners, meaning data was available to inform the prioritisation of grants for

funding by the Advisory Panel. By Wave 3, formalised criteria was introduced which prioritised organisations reaching one of the four equity groups where their board and senior leadership comprised at minimum of 50% those with lived experience.

Live tracking of the proportion of approvals reaching each priority groups supported the Advisory Panel to make live decisions: for example when it became evident that disproportionately fewer LGBT+ and (within the women-led category) VAWG organisations were receiving funding, the under £1m threshold was removed, enabling a greater number of applications to be considered.

In Wave 5, equity questions were further refined by the equity partners to require a higher level of user led representation on the board - with senior staff remaining at 50%. Feedback from Inclusion London highlighted ways to strengthen the assessment of Deaf and Disabled-led organisations, including identifying where power was genuinely in the hands of Deaf and Disabled people, and together with the other equity partners emphasised the importance of ensuring organisations were embedding a human rights approach, and guidance for LCRF assessors was updated.

Approaches that supported equity in the application process included:

- **Responsive and iterative** approach to the design and delivery of assessments and decisions, live adaptations to emerging information
- All applications that were recommended for declination by assessors were reviewed with an equity lens by the Advisory Panel
- A more **relational** approach with assessors e.g., use of video calls and pre-shared questions, which addressed the power balance, and signposting unsuccessful applicants.
- A greater appetite for **risk**; emergency context did not allow for the review of extensive information
- An emphasis on **equity** and **expertise by experience** when assessing the quality of an organisation
- The Advisory Panel took a nuanced approach to organisations meeting intersecting needs

<i>% of Approved grants led by and for each of the priority groups</i>				
'Led by' Category	% of Approved Grants Waves 1 & 2	% of Approved Grants Wave 3	% of Approved Grants Wave 4	% of Approved Grants Wave 5²
LGBT+	5%	9%	12%	8%
BAME	43%	58%	71%	66%
Deaf and disabled	8%	13%	12%	7%
Women	59% ³	40%	43%	38%

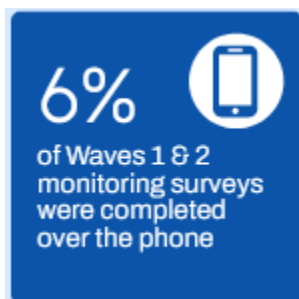
Approximately 61% of organisations funded through LCRF had never received CBT funding before, showing that the programme enabled us to reach beyond the “usual suspects”.

Equity in grant management and monitoring

Many civil society organisations who were responding to the external situation also faced internal capacity issues, as well as personal challenges as a direct result of the pandemic. It was important that the grant management approach of LCRF remained light touch and flexible to support its grantees to meet these challenges. We addressed this through:

² The change to the classification of “user-led” in order to ensure funding was reaching organisations where strategic, governance and leadership power genuinely sat with those with lived experience led to fewer organisations meeting the criteria as the threshold for board membership of those with lived experience increased

³ Data not collected in early waves



- Pointing successful applications to CBT’s ‘Funder Plus’ offer, such as capacity support through the Bridge Programme
- Being flexible about expenditure by the charity where required and extensions to projects (where they met the emergency nature of the funding)
- An agreed ‘8 simple questions’ approach to monitoring across the LCR collaboration
- Shared monitoring with co-funders to reduce reporting requirements
- Tendering externally for a grant monitoring partner, with equity questions forming part of the tender process
- Offering telephone monitoring to all grantees. Although there was low take-up, alternative formats are necessary for accessibility.

Learning Partners

LCRF made a grant to London Funders of 50% of the costs of two learning partners for the whole LCR collaboration: Reos Partners and The Social Investment Consultancy (TSIC). The partners made recommendations on future ways of working, how to strengthen the approach to equity and inclusion, and the key areas of focus as we look towards renewal. Their reports can be found [on the London Funders website](#).

Recommendations for CBT resulting from the learning from LCRF

- Prioritise user-led organisations in some or all of its programming
- Recognise expertise by lived experience – with training on individual equity groups and intersectionality
- Equity as equal in importance to other risk mitigation factors
- To review all rejections with an equity lens
- Engage equity partners as anchor/learning partners
- Jointly monitor where possible, and improve approaches
- Continue to be flexible and responsive, as in Flexible Funders commitment
- Strengthen links to enable continued funding to newly-engaged user led organisations
- Tender widely, ensuring equity questions are included in assessments.

What next? Being “Collaborative” is one of CBT’s PACIER values, and we remain committed to learning from the successes of the LCR collaboration. We have already begun embedding some of the recommendations above into our wider operations and will continue to apply learning from LCRF across all our work.

SUCCESSSES OF LCRF

CROSS-SECTOR COLLABORATION



National, regional and local independent funders

Philanthropy networks

Public sector funders

Corporate funders

Equity partners

EQUITABLE APPROACH



61% of organisations funded in Waves 1 to 5 had never been funded by City Bridge Trust before

REACHING MORE ORGANISATIONS



Prioritising organisations led by and for women, BAME, LGBT+, and deaf and disabled people

FLEXIBLE & LIGHT-TOUCH GRANT MANAGEMENT



Joint monitoring approach across LCR

Option to report back over the phone

Flexibility in use of funds so grantees able to respond to the situation on the ground

Working with expert equity partners

Live equity data tracking



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Appendix 2: Learning Case Study

Summary

1. This learning case study demonstrates the issues faced during Covid-19 by organisations you support and highlights ways they are adapting their services and approaches. The purpose of these case studies is to identify good practice that CBT, and others, can learn from during this crisis period and as the sector starts to rebuild.
2. This case study focuses on Interlink Foundation, which you awarded £250,000 over five years in October 2019 under Bridging Divides. The grant funds the running costs of their project supporting capacity building and resilience amongst Charedi organisations (strictly orthodox Jewish); partnership and collaboration with other sectors and communities in North London; and training and development for community leadership. Interlink also received £44,007 through the LCRF as part of Wave 3 of the London Community Response to cover the staff costs of translating and disseminating culturally-appropriate Covid information.
3. This report draws on information provided in Interlink's Impact and Learning report and an interview with their Chief Executive Chaya Spitz. Interlink Foundation's website is: <https://www.interlink-foundation.org.uk/>, their address is: Fourth Floor Offices, 97 Stamford Hill, London, N16 5DN and their BBGM reference 15169.

What made Interlink Foundation unique before the crisis?

4. Interlink Foundation is an infrastructure organisation which supports charities working with London's Charedi community. They have a membership of 200 Orthodox Jewish-led organisations, in addition to non-Charedi associate members such as representatives from Hackney Council.
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Jen Durrant

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Committee	Date
Bridge House Estates (BHE) Grants Committee	6 December 2021
Subject: Grant Funding Activity: period ended 16 th September 2021	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045</i> Strategy does this proposal aim to support?	1
Which Bridging Divides Funding Strategy priority does proposal aim to support?	All
Does this proposal require extra revenue and/or capital spending?	No
Report of: Managing Director, BHE	For Decision

Summary

This report provides you with details of funds approved under delegated authority since the last meeting of the City Bridge Trust (CBT) Committee in September 2021 through to 25th November 2021; any grant variations that have been approved under delegated authority and seeks your approval for 2 grant applications above the delegated authority threshold and 7 grant application rejections.

Recommendation

Members are asked to:

- a) Receive this report and note its contents
- b) Approve the grants as recommended in appendix 3
- c) Approve the rejection of 7 grant applications listed in appendix 4

Main Report

Budget and Applications update

1. There have been 115 grants awarded from the main grants programmes since the start of the financial year, with the spend to date £13.1m. This spend on grants combined with associated costs of grant-making leaves the remaining budget for 2021/22 at £89.3m, and total funds designated for grant-making of £188.9m (to be spent on a timely basis but not within one year).
2. In addition to the grants listed below, 7 applications were withdrawn during the period to 25 November 2021.
3. A full budget can be seen in Appendix 1. Heat maps of spending can be seen in Appendix 2.

Recommendations to approve over £250k

4. Member approval is requested for 2 Bridging Divides applications of over £250k. A copy of the corresponding grant assessment reports can be found at appendix 3.

Grant Rejections

5. The 3 applications recommended for rejection at this meeting are listed within appendix 4. In each case the “purpose” of the application is that provided by the applicant organisation. The reasons are specified following assessment against the Bridging Divides funding strategy criteria and related Policy Guidance.
6. Copies of these application forms are available electronically. If any Committee Member wishes to query any of the recommendations, this can either be done at the meeting, in which case the decision may be deferred while full details are provided to the Member concerned, or by contacting the Trust office in advance of the meeting so that an explanation can be provided prior to or at the meeting.

Grant Variations:

7. Variations to the grants outlined have been agreed by the BHE Managing Director or Associate Director, in line with the delegated procedure for the amendment of grants as previously agreed by the former CBT Committee. Details of all variations are provided at appendix 5.

Funds approved or declined under delegated authority

8. The details provided at appendix 6 advises members of funds approved under delegated authority and urgency procedures from 17th September 2021 – 25th November 2021.

Appendices:

Appendix 1: Budget and applications update

Appendix 2: Heat maps of Index of Multiple Deprivation, Bridging Divides spend to date and this meeting's grants

Appendix 3: Grant recommendation to approve over £250k

Appendix 4: Grant rejections

Appendix 5: Grant variations

Appendix 6: Funds approved or declined under delegated authority under urgency requests

Appendix 1: Budget for main grants programmes and restricted funds to date (21/22 financial year).

	Designated Fund - Bridging Divides, Cornerstone, Bridge Fund	Restricted fund - LCRF	Restricted Fund - TFL funding	Restricted Fund - RRR2
<i>Date of this report: 25/11/21</i>				
	£'000			
Funds balance at 1 April 2021 per 2021 accounts	206,874	3,277	200	190
<i>Already earmarked for projects</i>	(670)	0	0	0
<i>Other allocations</i>	(383)	0	0	0
Funds available for grantmaking at 1/4/21	205,821	3,277	200	190
Grants awarded 2021/22				
<i>Grants reported to/approved by September Grant Committee</i>	(8,610)	(2,927)	0	0
<i>Delegated authority grants between Committees</i>	(1,528)	0	0	0
<i>Prince's Trust grant</i>	(3,000)	0	0	0
TOTAL AWARDED TO DATE OF REPORT	(13,138)	(2,927)	0	0
Number of grants awarded	115	76	0	0
Write backs, variations & revocations to date	427	17	0	0
Number of grants revoked, varied or written back	8	1	0	0
Other costs incl. staff costs associated with £200m uplift	(217)	(167)	0	0
Conditional grant	(25)	0	0	0
Stepping Stones loan awarded under Bridging Divides	(50)	0	0	0
TOTAL SPENT/ALLOCATED TO DATE	(13,002)	(3,077)	0	0
Subtotal: available at the date of this report	192,819	200	200	190
Total grants recommended for approval 6/12/21	(1,930)	0	0	0
Baobab in principle recommendation	(2,000)	0	0	0
Remaining funds available	188,889	200	200	190
2021/22 budget summary				
Approved Grants Budget 2021/22	105,899	0	0	0
Add non-grant spend budget 2021/22	371	0	0	0
Add restricted funds brought forward	0	3,277	200	190
Budget for 2021/22	106,270	3,277	200	190
<i>Grants awarded to date of this report net of revocations</i>	(12,710)	(2,910)	0	0
<i>Other costs and allocations</i>	(292)	(167)	0	0
Budget available to Committee at report date	93,268	200	200	190
Total grants recommended for approval 6/12/21	(1,930)	0	0	0
Baobab in principle recommendation	(2,000)	0	0	0
Remaining budget available	89,338	200	200	190

Appendix 2: Heat maps of Index of Multiple Deprivation (average score for borough), Bridging Divides spend to date (£), and this meeting’s grants (£)

Note that CBT data is categorised by the borough location of the funded organisation. Support from that organisation may go to the same or other boroughs. Not all grants have this data recorded.

Index Multiple Deprivation (Average borough score) – dark colours = more deprivation



Main grants from start of Bridging Divides (September 2018) to September 2021 committee (excluding LCRF) – darker colours = more money



Main grants for this committee (Note Prince’s Trust has no borough information) – darker colours = more money



Same data as above – per 1000 population¹ – but
EXCLUDING City of London as the small population
size here skews the comparison to be approx 100 times
more than any other borough



Same data as above – per 1000 population



¹ 2020 data from ONS via <https://www.statista.com/statistics/381055/london-population-by-borough/>

Appendix 3: Grant recommendations to approve over £250k

MEETING 06/12/2021

Ref: 18932

ASSESSMENT CATEGORY: Bridging Divides - Advice and Support

Hammersmith and Fulham Association for Mental Health

Adv: Matthew Robinson

Amount requested: £325,000.00

{Revised request: £160,680}

Amount recommended: £160,000

Base: Hammersmith & Fulham

Benefit: Hammersmith & Fulham, Hounslow

Purpose of grant request: To provide information and advice to adults with mental health issues across Hammersmith, Fulham and Hounslow and provide peer support groups.

The Applicant

Hammersmith, Fulham, Ealing and Hounslow Mind (HFEH Mind) was constituted as a Local Mind Association following the merger of three local branches in 2019, aligning it with the NHS West London Clinical Commissioning Group's geographical tri-borough coverage. Clinical and non-clinical interventions are provided to children, young people, adults and carers, under the two divisions of the organisation: adult services and youth services. Additionally, a 'Well at Work' enterprise provides training and workplace wellbeing to corporate partners and charities. The AQS standard was held by the three separate organisations up until their merging; HFEH Mind is currently undergoing the accreditation process with an anticipated certification date of March 2022.

Background and detail of proposal

The organisation seeks funding for a full-time Information and Advice Worker to work across Hammersmith and Fulham and Hounslow, providing social welfare advice to adults with mental health issues as well as opportunities to join peer support groups. Support around housing, welfare benefits, bills, mobility and access to hardship grants will be provided with a psychologically informed approach, by an advisor experienced in working with people with mental health needs. The service will be delivered through a combination of virtual and face-to-face appointments, appropriate to the needs of the beneficiary. In-person advice will be provided mainly from a central Mind hub in each borough, as well as through outreach in community and health settings. In addition to outcomes around casework and the resolution of issues, the delivery of peer support groups and the improvement of service users' mental health are also included as key project aims.

The need for increased advice and information provision is made clear by GLA-commissioned research which mapped services and found significant gaps in London's social welfare advice landscape, with the situation forecast to worsen over the next decade due to population patterns and a range of other dynamic factors ('Advising Londoners', Advice Services Alliance, 2020). HFEH Mind has also found demand for its advice project restricted to Ealing residents has surged during the COVID-19 pandemic. The project's presence in community and health settings, such

as Charing Cross Hospital's forensic mental health ward, will provide advice and guidance where the need is felt acutely and where outreach support has been difficult to attract from other providers.

This project targets a specific group: adults suffering poor mental health and in need of advice on a social welfare issue. As a local Mind association, this organisation is well placed to deliver this project. Track record in the provision of advice and information across a range of social welfare issues is evident from its work as a commissioned partner organisation in LB Ealing's strategic advice consortium, and through similar work delivered in other boroughs in recent years. HFEH Mind's agreements with statutory sources provides it with strong links to the local authority and with healthcare providers and professionals, who are expected to refer service users from the project's target group. The organisation also has an impressive level of capacity to draw on, including multiple office hub locations; quality assurance as part of its affiliate status of the national organisation, Mind; monthly professional peer support, in which advice around complex cases can be discussed and workshopped; and clinical supervision for all staff, including for the proposed postholder.

The project will ensure equitable access in its diverse boroughs by providing translation services, (budgeted in the funding recommendation); objectively monitoring access and engagement through quarterly reviews of demographic data collected and responding to gaps through awareness raising strategies; and by actively recruiting people who represent the populations of the boroughs. Currently the relevant departmental staff of twelve people speak thirteen different languages, including locally key languages such as Punjabi, the second most commonly spoken language in Hounslow.

As part of the assessment process, a positive reference was obtained from Ealing Mencap – consortium lead of the Ealing Advice Service consortium referenced above.

Financial Information

A review of the organisation's previous sets of audited accounts shows sound financial stewardship. Surpluses have been recorded in each of the previous five years. Reserves were held at target level in the previous two financial years, 2019/20 and 2020/21. In 2021/22 over 95% of income in the current financial year has been secured, and free reserves are projected to be below target due to an increase in the policy target level, linked to the increase in overall expenditure. There is no plan in place to spend down reserves.

At over 90% of overall income, HFEH Mind recognises its reliance on statutory income as a risk to its financial sustainability. This is somewhat mitigated by the broad diversity of these income sources, which includes commissioned income from local authorities and healthcare trusts, across three borough locations. The organisation is also targeting an increase in unrestricted income by expanding its Well at Work programme – a wellbeing training and capacity building service offer to the private and third sectors. Sharp income growth is also recognised as a risk in the most recent Trustee Annual Report; your Officers have been reassured that steps have been taken to safeguard against the associated risks.

Year end as at 31 March	2020	2021	2022
	Signed Accounts	Signed accounts	Forecast
	£	£	£
Income & expenditure:			
Income	2,234,990	2,795,817	3,466,098
Expenditure	(1,962,415)	(2,617,947)	(3,447,557)
Gains/(losses)	(8,735)	(7,276)	0
Surplus/(deficit)	263,840	170,594	18,541
Reserves:			
Total restricted	203,202	214,907	214,907
Total unrestricted	491,019	649,908	668,449
Total reserves	694,221	864,815	883,356
Of which: free unrestricted	344,035	502,924	521,465
Reserves policy target	330,000	491,000	657,232
Free reserves over/(under) target	14,035	11,924	(135,767)

Funding History

ID	Type	Meeting Date	Decision
10354	Working with Londoners	02/12/2010	£23,830 over two years (£11,915; £11,915) to develop a motivational programme for young people with mental health problems.

Recommendation

A revised project budget was submitted on the recommendation of your Officer, to comply with your Bridging Divides funding criteria and guidance, in particular the stipulation that a maximum of 1.0 full-time equivalent post-holder can be funded. Three years of funding is recommended in lieu of five in this instance for a number of reasons, including: with little funding history the organisation is relatively unknown to City Bridge Trust's grant-making programmes; to provide an opportunity to take stock of the state of the two relevant 'boroughs' advice commissioning in three years as opposed to five, to safeguard against any future duplication in funding; and to safeguard against the risks associated with this organisation's high reliance on statutory income.

As stated above the organisation is currently in the process of applying for its advice and information services to be accredited with the Advice Quality Standard quality mark, with an anticipated certification date of March 2022. As such a condition of accreditation is attached to the recommendation. Funding is recommended as follows:

£160,000 across three years (£53,250; £53,250; £53,500) for a full-time Advice and Information Worker and associated costs, to provide advice services from two central hub locations and in alternative community and health settings across Hammersmith and Fulham and Hounslow. Draw down of funds is conditional on the information and advice service achieving Advice Quality Standard accreditation.

MEETING: 6/12/2021

Ref: 19026

ASSESSMENT CATEGORY: Bridging Divides – Strategic Initiatives (continuation)

Beacon Fellowship Charitable Trust (The Beacon Collaborative)

Adv: Fiona Rawes

Amount requested: £350,000

**Base: Southwark
Benefit: London-wide**

Amount recommended: Up to £350,000

The Applicant

The Beacon Fellowship Charitable Trust (Beacon) is a registered charity and was awarded strategic initiative funding by your Committee in March 2019. Beacon aims to raise the quality and scale of philanthropy from High Net Worth Individuals (HNWI). Its theory of change suggests that multiple interventions are required to strengthen the infrastructure for HNWI giving in the UK including peer influence, political engagement, professional services, research & measurement, and public awareness.

With the endorsement of, and in close collaboration with, other leading philanthropy infrastructure organisations in the UK, Beacon has developed a range of approaches reflecting these insights. Operating through a lean secretariat, its intention has been to add value rather than duplicate and to ensure, through close dialogue with other philanthropy infrastructure bodies, that its contribution enhanced and reinforced existing activity whilst also unlocking innovation.

Beacon's aspirations correspond with those of City Bridge Trust and the City Corporation's Joint Philanthropy Strategy which aims to raise the quality and scale of giving in the UK with a view to ensuring that individuals and communities, especially those experiencing disadvantage and marginalisation, can thrive. It also reflects the 'Connecting the Capital' priorities of Bridging Divides insofar as it enables civil society organisations to be more effective, sustainable, and resilient through the philanthropy it unlocks.

The Application

Building on excellent progress in the first 3 years of your funding with key learnings summarised in Appendix 1, Beacon is now requesting additional funding to prioritise the actions it deems to be most likely to increase giving from its target audience. It has also identified, and is seeking funding for, mechanisms which will ensure long term sustainability beyond grant funding of the initiatives underpinning its mission.

Activities which your funding would support include the annual thought leadership summit to drive growth and raise the quality of giving across the sector by bringing together 150+ leaders and influencers; research to improve understanding of patterns of giving among BAME philanthropists; developing research methodology to track the size and growth of HNWI giving as a data resource to better inform the sector's growth strategies and inform policy decisions; and supporting the ongoing development of the All Party Parliamentary Group on Philanthropy and Social Investment.

Whilst the Collaborative aspires to drive up giving from Ultra HNWI's to support causes across London, the UK and internationally, the inhabitants of Greater London will inevitably benefit because of the Collaborative's activities described above, with much of the activity focused on London. Your officers therefore recommend funding of up to a maximum of 50% for each workstream.

Beacon has been successful in establishing a 'license to operate' in the broader philanthropy ecosystem. As with your previous funding arrangement with them, this funding request enables City Bridge Trust to make a single grant to it which it would hold and manage as the accountable body, disbursing the funds as appropriate to a range of specialist partner delivery organisations. Beacon would apply a consistent accountability framework including project meetings, milestones, effective resourcing, sector consultation, oversight, and transparency to ensure a common standard for delivery, and you will see that your funding is conditional on the generation of the supporting plans for this.

Whilst your current funding partnership with Beacon does not expire until July 2022, a funding commitment at this stage (subject to the conditions outlined below) would be invaluable in supporting Beacon to leverage additional funding from other sources in its pipeline. You deployed this tactic in your initial funding for Beacon and it proved pivotal in unlocking significant funding from the Arts Council of England (ACE) *inter alia*. ACE has indicated informally that this approach would be very useful as it finalises its current funding deliberations for this next phase and that there is strong internal support for continued funding for Beacon.

The Recommendation

In the 3 years since launch, Beacon has become a highly regarded part of the philanthropy ecosystem. It is a generous and effective convenor and has adapted adroitly throughout Covid. It has also been successful in growing its funding base, much of which is used to commission other key philanthropy infrastructure bodies to deliver projects in partnership. Beacon's investment proposals for this next stage are a cogent development of its initial work, correspond with strategic priorities for CBT and provide an efficient mechanism for CBT to build its insight into and relationship with organisations driving HNWI philanthropy.

At this stage, and for the reasons outlined above, officers recommend a conditional grant as described below. This will ensure that, as well as supporting key projects, we are also maximising the leveraging potential of your potential investment. Funding is advised as follows:

Up to £350,000 over two years towards the work of the Beacon Fellowship Charitable Trust subject to satisfactory confirmation of the following conditions:

- 1. confirmed funding at a similar level from Arts Council England and/or other funders***
- 2. demonstrating that the amounts requested from CBT constitute an appropriate proportion up to a maximum of 50% of the overall cost of each funded project relative to other secured funds; and***

3. ***the satisfactory negotiation of key outcomes, milestones, delivery arrangements and payment schedules for each workstream (approval of the outcomes of such negotiation to be delegated to the Chairman and Deputy Chairman).***

Funding History

ID	Type	Meeting Date	Decision
15088	Strategic Initiatives	21/03/2019	£368,000 over three years to the Beacon Fellowship Charitable Trust to support a range of initiatives to develop greater philanthropic giving amongst high net worth individuals as part of a long-term collaborative set of activities.
13442	Strategic Initiatives	22/09/2016	£30,000 towards the 2016/17 Beacon Awards, including the category of Beacon Award for City Philanthropy.

Financial Information

Beacon's financial model is divided between core work covered by unrestricted income and expenditure; and dedicated projects funded through, and only implemented upon confirmation of, restricted funding. 40% of salary costs are for agency or freelance staff. The charity's committed running costs are therefore significantly lower than its overall expenditure, as reflected in the modest free reserves target. The Trustees have calculated that this level of reserves is sufficient to provide short term financial stability and in the event of a significant drop in income, allow time to either secure alternative sources of funding or reduce spend to a sustainable level. During 2020/21 free reserves were permitted to remain above this level to provide additional security amid the uncertain backdrop of the early Covid-19 pandemic.

The table shows an in-year unrestricted deficit at the 2021/22 year end and a fall in free reserves to below target levels. However, there is a planned transfer of approximately £70,000 from restricted to unrestricted funds (subject to agreement from the relevant funders) after the 2021/22 year end. Beacon has secured close to 20% of funding for 2022/23. If CBT and ACE commit funding as requested in 2022/23, this would leave only a small % of the remaining balance to raise and, as outlined above Beacon has low levels of committed expenditure and is confident that current reserves levels would be sufficient to cover these in an emergency

The conditions placed on this grant will ensure that any projects funded by the City Bridge Trust grant will have secured sufficient match funding to go ahead successfully.

Year end as at 31st March	2020	2021	2022
	Signed Accounts	Draft Accounts	Forecast
	£	£	£
Income & expenditure:			
Income	688,359	344,995	409,660
Expenditure	(523,452)	(371,340)	(416,460)
Surplus/(deficit)	164,907	(26,345)	(6,800)
Reserves:			
Total restricted	95,916	91,930	107,070
Total unrestricted	72,682	50,323	28,383
Total reserves	168,598	142,253	135,453
Of which: free unrestricted	72,682	50,323	28,383
Reserves policy target	38,000	38,000	50,000
Free reserves over/(under) target	34,682	12,323	(21,617)

Appendix 1: Learnings amassed by Beacon during your initial funding period.

These have been shared widely across the fundraising and philanthropy sectors and are as follows:

- The vital role of peer networks to ensure donors can gain confidence, model good practice and learn how to be effective in their philanthropy;
- The importance of education and learning to disseminate best practices among donors who may not have professional grantmaking infrastructure to support their giving choices;
- The wide diversity of motivations among donors of different demographic groups which require nuanced relationship-building between donors and civil society organisations;
- The lack of political leadership, combined with poor engagement from the media, which are, collectively, stifling understanding and debate about the role of philanthropy in civil society;
- The fragmentation at every level of interface between donors and the not-for-profit sector (from information and data, to education and advice) creating barriers to good decision-making for philanthropic donors;
- The full extent to which the lack of measurable insight on the size and scope of philanthropic giving is holding back development in this sector;
- The unique opportunity provided by the UK's regulatory regime to support international philanthropy and make the UK a centre of excellence for good giving practice.

Appendix 4: Grant Rejections

Grants Recommended for Rejection

Request Date	Ref	Organisation	Purpose	Reason for Recommendation for Rejection	Amount Requested	Funding Manager	Area
<u>Bridging Divides</u>							
<u>Advice and Support</u>							
October 2021	18944	Ezer Leyoldos Limited	Our Home and Heart Project will enable low-income families struggling with mental illness to access culturally appropriate food provision and other support services.	The application is for work which does not fit the Trust's funding priorities.	£45,500	Anneka Singh	Hackney
October 2021	18946	Get Set Girls	To provide young people from low-income families and BME communities with nutritious soups during the lunch periods of our programs.	The request is mainly to cover the costs of ingredient purchase and food preparation, and therefore falls outside scope of your funding priorities.	£231,303	Tim Wilson	Hackney
September 2021	18934	Hackney Community Law Centre	To employ a dedicated solicitor or caseworker to to advise and represent clients on appeals to the first and second tier benefit tribunals.	The organisation holds unrestricted reserves equivalent to over two years' annual expenditure - over two times the amount included in its reserves policy, recently increased from 6 months' to 12 months' costs. In addition, the organisation's involvement of service users in the design and delivery of services - an aspect incorporated in to your recently revised Advice & Guidance funding strand - could be stronger. As such funding is not considered a priority at this time.	£304,633	Matthew Robinson	Hackney
<i>Total Advice and Support (3 items)</i>					£581,436		

Request Date	Ref	Organisation	Purpose	Reason for Recommendation for Rejection	Amount Requested	Funding Manager	Area
<u>Connecting the Capital</u>							
October 2021	18938	African Smile	Capacity Building, to help partner organisations improve the skills and competences of their trustees, staffs and volunteers to increase their capacity to deliver their activities.	The applicant does not evidence a track-record of delivering capacity-building support and there is a lack of detail on the proposed programme's content.	£27,927	Julia Mirkin	Greenwich
August 2021	18914	Half Moon Young People's Theatre Ltd	To ensure all floors of our building remain fully accessible, our main passenger lift needs modernising, as it is approaching 30 years old.	Withdrawn: after consultation with your officer the organisation has requested that their application be withdrawn.	£50,000	Caspar Cech-Lucas	Tower Hamlets
<i>Total Connecting the Capital (2 items)</i>					£77,927		
<u>Small Grants - Bridging Divides</u>							
<u>Small Grants (Bridging Divides)</u>							
April 2021	18840	Blue Ribbon Foundation	We are seeking support for a part time coordinator to help improve men's health, wellbeing and additionally with a focus on the BAME community in Lewisham & Bromley.	The proposed project does not fit sufficiently with the priorities of the Small Grants Programme.	£10,000	Caspar Cech-Lucas	Lewisham
<i>Total Small Grants (Bridging Divides) (1 item)</i>					£10,000		
<u>Stepping Stones</u>							
<u>Stepping Stones</u>							
April 2021	18786	Sona Tech CIC	We would like to create internship opportunities for refugees to improve their chances of obtaining long-term, stable employment.	The application is from an organisation which is not currently eligible for funding since it does not have a year's worth of examined / audited accounts.	£9,750	Matthew Robinson	Tower Hamlets
<i>Total Stepping Stones (1 item)</i>					£9,750		
Grand Totals (7 items)					£679,113		

Appendix 5: Grant variations

1. Neighbourly care

On 14/11/2018 a grant of £108,500 was awarded to Neighbourly Care Ltd (NCL) under the 'Older Londoners living more active and healthier lives' priority of your Investing in Londoners Programme, to fund a Senior Projects Officer and associated running costs to develop and expand work with small community groups, to extend their reach to older people in their communities.

In August 2021, NCL informed your officers they would be ending all services and closing the organisation, effective 30 September 2021, despite being financially solvent. Reasons provided by the organisation include:

- Weak governance and leadership
- Breakdown in relationship with local consortium partners, and subsequently with its local authority commissioner and main funder.
- Organisation's drift from core mission.

Recommendation

That a sum of £15,370 out of the grant of £108,500 to Neighbourly Care Ltd be revoked, of which £6,345 has been paid to and is to be returned by the organisation to be returned by the organisation.

2. Women in prison

On 31/01/2019 a grant of £446,000.00 was awarded to Women In Prison (WiP) as a Strategic Initiative grant. The project works with women caught up in the criminal justice system who have high levels of support needs, linked to the Women's Community Personality Disorder Service and the 'Personality Disorder (PD) pathway'. The project promotes social inclusion, enables 'hard-to-reach' women to engage with services and maintain an improved quality of life with the appropriate levels of support, whilst reducing their risk of re-offending, re-lapsing, re-call and re-imprisonment.

In the first year of the grant (commencing 01/03/20 and ending 01/03/21) WiP was awarded £145,500 however the organisation experienced an underspend of £76,706 due to difficulties in recruitment and retention of staff. Following discussions with the organisation, your Officer has agreed for the underspend of £76,706 to be spent in the second year of the grant and for £60,000 of the original sum for the second year of the grant to be carried over to the third year of the grant resulting in £211,600 being paid in the third year of the grant (payments will be rescheduled appropriately). The reason for there being more CBT grant spend in year three rather than year two of the grant is due to WiP receiving an NHS grant to cover year one and two of this project. Since there was an underspend in year one and due to constraints on the NHS grant the remaining funds for that grant can only be spent in year two and this is why WiP are asking to spend less of the CBT grant in year two and the majority of it in year 3. Overall this will result in a total underspend of £88,900 which will be revoked. WiP will be awarded £357,100 over the three-year grant period instead of the approved £446,000.

Recommendation

That a sum of £88,900 out of the grant of £446,000.00 to Women In Prison be revoked.

3. Phoenix House

On 09/07/2015 a grant of £150,000.00 was awarded to Phoenix House (T/A Phoenix Futures) towards the costs of a full-time Through the Gate Worker plus running costs for work with participants of the Building Futures programme on release from HMP Holloway. The grant ended in 01/04/2019 and the organisation has recently confirmed an underspend of £34,272.55 which will be refunded to City Bridge Trust.

Recommendation

That a sum of £34,272.55 out of the grant of £150,000.00 to Phoenix House (T/A Phoenix Futures) written back.

4. Migrants Rights Network

On 07/09/2018 a grant of £5,050.00 was awarded to Migrants Rights Network towards the costs of towards staff costs to scope out the proposed project (£2,050) and to secure legal opinion on safeguarding voices (£3,000). The application was unsuccessful therefore the full grant amount £5,050.00 will be written back.

Recommendation

That a sum of £5,050.00 out of the grant of £5,050.00 to Migrants Rights Network be written back.

Appendix 6: Funds approved or declined under delegated authority or under urgency (17th September 2021 – 25th November 2021).

Requests approved under delegated authority (£250,000 or less)

Ref	Organisation	Disposition Date	Grant Recommendation	Recommended Amount
15454	my AFK (Action For Kids Charitable Trust)	08/10/2021	£250,000 over five years (5 x £50,000) towards the salary of a f/t Business Development & Advocacy Manager and of a Service Delivery Facilitator, and related costs, for a project supporting disabled young Londoners to become leaders, peer ambassadors and agents of change to enable their increased independence.	£250,000
15926	The Albany	06/12/2021	£97,500 over five years (£19,500 per annum) towards the costs of a part time (20 hours per week) Garden Co-ordinator.	£97,500
18881	Alternatives Trust East London	02/11/2021	£70,700 over a further two and final years (£35,350; £35,350) towards the salaries of a Development Coordinator (21hrs pw) and a Casework Coordinator (18hrs pw) plus on costs. Funding from this grant is not to be used for any projects where employment is a direct outcome.	£70,700
18903	Alternatives Trust East London	06/12/2021	£50,000 to Alternatives Trust East London to fund a full time Project Manager and on-costs, line management and administration for the role, as well as marketing, business and legal advice to pilot a local cleaning service, and if successful to raise further social investment. Funding is awarded on the condition that ATEL agrees to provide up to £24,000 of additional funding either from earned income or its own reserves.	£50,000
18940	Bishop Creighton House	17/11/2021	£74,500 over two years (£37,000; £37,500) towards the part-time salaries of two Learning Disability Outreach Coordinators.	£74,500
15934	Bromley by Bow Centre	04/10/2021	£2,400 (6 days) to provide an eco-audit	£2,400

Ref	Organisation	Disposition Date	Grant Recommendation	Recommended Amount
18839	Bubble Club CIC	13/10/2021	£29,100 over three years (£9,100; £10,000; £10,000) towards the salary of a Project Manager and running costs to deliver Bubble Club's inclusive and immersive events programme for people with learning disabilities.	£29,100
18923	Citizens Advice Hillingdon Ltd	06/12/2021	£133,700 over three years (£45,000; £44,200; £44,500) for one f/t Money Adviser.	£133,700
18901	The East Barnet Royal British Legion Club Ltd	17/11/2021	£2,179 to meet the costs of an independent access audit at the East Barnet RBL Club and for the provision of access and inclusive design training for staff.	£2,179
18926	London Youth	21/09/2021	£50,000 for a participatory-based grant fund for local youth organisations in Redbridge. The funds will be awarded by a panel and processes as agreed by City Bridge Trust.	£50,000
18928	Four Corners Ltd	06/12/2021	£4,200 to fund an advisory group and access audit and design appraisal to inform Four Corners' plans to develop additional, accessible training facilities and gallery space.	£4,200
18912	Greater London Authority	21/09/2021	£100,000 to match-fund the provision of networks for the Young Londoners Fund grantees in 2022	£100,000
18935	Greater London Volunteering	27/10/2021	£12,860 to be distributed between RE:ACT (94% of funds), Little Village (4%) and Havering Volunteer Centre (2%) to cover petrol and congestion charge costs incurred while delivering essential items to Afghan evacuees in London.	£12,860
18991	Hackney CVS	11/11/2021	£50,000 towards the recruitment and salary of a CEO for the Baobab Foundation, and related infrastructure and core costs.	£50,000
15940	Housing for Women	06/12/2021	£190,600 over five years (£35,400; £36,700; £38,000; £39,500; £41,000) towards the costs of an FTE Support Worker.	£190,600

Ref	Organisation	Disposition Date	Grant Recommendation	Recommended Amount
18890	icandance	05/10/2021	£38,150 over two further and final years (£18,610; £19,540) to meet the costs of six sessional support workers fees.	£38,150
18937	Latin American House	17/11/2021	£3,040 for the cost of an independent access audit at Latin American House.	£3,040
16652	LawWorks	23/09/2021	£132,700 over a further and final two years (£65,500; £67,200) towards the salaries of the Head of NfPP (0.65FTE); NfPP Caseworker (0.65FTE); Head of Programmes (0.65FTE); and associated running costs.	£132,700
18851	Lewisham Churches Care	06/12/2021	£8,000 over two years (2 x £4,000) towards the salary and running costs of the Silver Lunch Club weekly activities targeted at isolated older people.	£8,000
18981	London Emergencies Trust	06/12/2021	£25,000 over two years (2 x £12,500) towards LET's general operational costs.	£25,000
18915	Orpington Football Club	17/11/2021	To provide an eco audit to Orpington Football Club.	£1,600
15750	Prisoners' Advice Service	21/09/2021	£45,000 over five years (£9,000 each year) as a contribution towards 10% of two part-time Community Care Caseworkers, 20% of a Women Prisoners Caseworker, volunteer support and associated running costs.	£45,000
18842	SPEAR Housing Association	22/11/2021	£76,540 (£37,890; £38,650) for a Full-time Peer Mentor Worker, including NI and pension; IT, phone, laptop, database, office and on costs.	£76,540
18905	St Laurence Church Catford	04/10/2021	£2,000 (5 days) to provide an eco-audit	£2,000
18916	Stonegrove Community Trust	04/10/2021	£3,600 is recommended for SCT to carry out an access audit and disability awareness training.	£3,600
18784	Stop the Traffik	13/10/2021	£74,700 over two further and final years (£36,944; £37,756) for the salary and on-costs of a FT Project Manager and associated costs of expanding Stop the Traffik's anti-trafficking network and information campaigning across London	£74,700

Ref	Organisation	Disposition Date	Grant Recommendation	Recommended Amount
Grand Totals				£1,528,069

Committee	Date
Grants (Bridge House Estates (BHE) Board) Committee	6 December 2021
Subject: Alliance Funding - Rosa (18979) and Greater London Authority (18980).	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045</i> Strategy does this proposal aim to support?	1,3
Which outcomes in City Bridge Trust's funding strategy, <i>Bridging Divides</i>, does this proposal aim to support?	Reducing inequalities, Every Voice Counts, Progressive, Collaborative, Inclusive, & Representative values.
Does this proposal require extra revenue and/or capital spending?	No (£1.219m recommended from current year budget)
If so, how much?	N/A
What is the source of Funding?	<i>Bridging Divides</i> allocation 2021-2022. BHE Unrestricted Income Funds – designated fund for grant making
Has this Funding Source been agreed with the Chamberlain's Department?	Yes
Report of: David Farnsworth, Managing Director, BHE	For Decision
Report Author: Sam Grimmett Batt, Funding Director, CBT/Matt Robinson, Funding Manager, CBT.	

Summary

This report requests funding from City Bridge Trust (CBT) of £1.219m comprised of £499,999 to Rosa towards administration costs and onward grant-making to BME women-led charities benefitting Londoners, and £720,000 towards the Greater London Authority (GLA) for administration and onward grant-making to grass-roots charities led by and for their communities benefitting Londoners. It also recommends that the committee earmarks up to £15m of further funding towards other similar collaborations with established funders before the end of March 2023, piloting an "Alliance Fund". The Alliance Fund will seek to expend some of the identified uplift in funds in a manner which maximises collaborative, leveraging, and catalysing potential, as well as applying lateral thinking in order to utilise the funding in the most efficient way possible, reducing the need to temporarily increase staffing.

Recommendation

It is recommended that:

- a) A grant of **£499,999** be made to ROSA, registered charity no: 1124856, for the RISE fund, providing grants to strengthen Black and minoritised-led organisations in the women and girls sector. The funding can only be used to support organisations benefitting Londoners and includes £90,000 towards administration costs. A payment schedule will be drawn up, allowing the funds to be paid to Rosa in instalments, allowing payments to be received prior to onward grants being committed/paid.
- b) In principle, subject to the approval of the Bridge House Estates Board, a separate grant of **£720,000** shall be made to the Greater London Authority (GLA, devolved regional governance body of the London region) for the Civil Society Roots 3 programme, with up to £120,000 to be spent on administration costs including the salary of a coordinator (the job description of the coordinator to be provided as a condition of the grant). A payment schedule will be drawn up, allowing the funds to be paid to the GLA in instalments, allowing payments to be received prior to onward grants being committed/paid.
- c) To agree to allocate up to £15m, in principle, and subject to the usual assessment (including financial assessment) and delegated authority protocols, of further funding towards other such “Alliance Fund” initiatives which meet the criteria set out in this report.

Main Report

Background

1. This paper seeks your support for three distinct but related recommendations. Each recommendation is covered in a separate section of the report, for clarity.
2. CBT has engaged in collaborative funding practices for much of its 25 year history – particularly, but not limited to, its support of London’s voluntary and community sector infrastructure.
3. The table at Appendix 1 demonstrates exemplars of CBT collaborations with other funders, including a number involving the awarding of funds to be used for onward grantmaking activities by the grant-holder.
4. It has widely been agreed across the sector that collaborative funding approaches are required for a thriving civil society and should form a healthy part of the overall funding ecosystem. Reports by London Funders¹, ACF², IVAR³, and CBT’s own commissioned reports from

¹ [London Funders, 2021: London Community Response learning Reports](#)

² [ACF, 10 Pillars of Stronger Foundations](#)

³ IVAR, 2016: [Funder Collaboration: is it worth it?](#)

learning partner Renaisi⁴ have consistently recommended that independent funders, such as CBT, with the ability to work collaboratively, should do so as far as possible.

ROSA and the Rise fund

5. Rosa (registered charity no: 1124856) is a grant-making charity that funds grassroots women's organisations working to make the UK a fairer, safer place for women and girls. Rosa is women-led, with representation on the board from current or former leaders from the Social Investment Business, Lloyds Bank, BBC Children in Need, Comic Relief, and the Beacon Collaborative, as well as representation from other sectors including activism, finance, and academia. Rosa works cross-sectorally, distributing funds from corporate and private funders, as well as working directly with and for women's organisations. As well as being a funder, Rosa is considered an expert in the women's sector, convening, representing and amplifying the voices of the organisations it funds (and the women leading, working within, and utilising the services of, those organisations).
6. Although CBT has not previously collaborated with Rosa, it does have an established relationship. Rosa has recently connected CBT with a number of women's organisations, with a view to inclusion in the Anchor Partners roundtable⁵. CBT has engaged the services of Rosa trustee Gilly Green as a consultant over the years, and your officer currently sits on the organising committee of the Grant Funders' Network with Rosa's Head of Grants. Rosa and CBT share learning as funder peers, with Rosa's recent report on the impact of coronavirus on specialist women's organisations⁶ feeding into work to review paused grant programmes, create the Anchor Partners initiative, and develop a funding framework.
7. Rosa's grant programmes include the Women Thrive Fund, which provides funding to specialist women's organisations across the UK, Voices from the Frontline, which offers awards between £500 and £5,000 and enables women's organisations to take action against gender inequality in the UK, and Woman to Woman, which distributed Tampon Tax funding between 2016 and 2019.
8. During the pandemic, Rosa operated two Covid emergency funds. The BME Women's Fund (in partnership with Imkaan) distributed £600,000 to

⁴ Various iterations have been included in papers over time, copy of most recent review available on request.

⁵ The Anchor Partners initiative was agreed, in principle, on 25th March 2021, in a paper including a series of 11 recommendations for future funding, produced following the Interim Review of Bridging Divides. It seeks to award a series of long term funding agreements to support anchor organisations which create the backbone of London's Civil Society, through a collaborative co-designed process.

⁶ Rosa, 2021, [Preliminary Report: Rosa's Covid-19 Response: The impact of coronavirus on specialist women's organisations funded by Rosa in 2020](#).

27 frontline organisations working to end violence against women and girls. The C19 Small Grants Fund distributed just over £1m to 72 small specialist organisations in the UK women and girls sector, 60% of which were led by and for Black and minoritised women and girls.

9. Both programmes, along with numerous data and research⁷ demonstrated the acute need for support amongst Black and minoritised-led women's and girls' organisations, particularly those providing specialist services, support and advocacy. When Rosa engaged with its funded organisations, it found that many had faced barriers to accessing funding made available by the Government and other funders during 2020, much of which was focused specifically on domestic abuse. This was partly because many of the organisations funded by Rosa do not explicitly state that addressing domestic abuse and violence is central to their work or mission, even though it may constitute the bulk of their activities. These organisations are often supporting women facing multiple challenges including low paid work, unemployment, poverty, insecure housing, limited access to education and training, insecure migration status, mental and physical health problems, isolation and poor access to services, as well as limited childcare and maternity/pregnancy support – *alongside domestic and sexual abuse*.
10. Rosa also observed that the surge in demand for services took a toll on organisations which had to adapt and innovate with no requisite increase in funding. This has had a profound effect on the physical health and wellbeing of staff, as well as limiting the space organisations have to address wider strategic (and funding) challenges.
11. Rosa undertook online meetings and phone calls with more than half of the organisations it funded during the crisis, and set out the findings in a report⁸, demonstrating that there was an overwhelming need for multi-year support which is flexible. In response, four Rosa Trustees, all of whom with lived experience of racial injustice, oversaw the development of a new fund: the Rise Fund. The development of the fund was also guided by a group of "critical friends" made up of representatives from Black and minoritised-led women's organisations, and other women representatives of the communities to be served by the funding.
12. Amounts granted through the Rise Fund will be awarded as two-year grants of up to £40,000 for organisational development work such as strategy building, governance, leadership, partnership/alliance building, funding, demonstrating impact, and systems and processes. Applications will be invited from Black and minoritised-led women's organisations which

⁷ [TUC, 2020: Equality briefing: BME Women and Work](#), [Public Health England, 2020: Covid-19: Review of Disparities in Risks and Outcomes](#), [Womens Budget Group, 2020: BAME Women and Covid 19](#)

⁸ Rosa: Preliminary Findings

have been established for three years or more, with an average income of less than £100,000 per year.

13. The fund opened on 23rd November 2021 and will close on 10th January 2022. Grant assessments and final decisions (via a panel) will be undertaken by Black and minoritised women with relevant knowledge and experience. Decisions will be made in May 2022, with grants starting in July 2022. Engagement will be maintained with organisations throughout the life of the grant, and through this feedback and learning will be gathered.

14. Table of Rosa Fundraising and CBT contribution for the Rise fund:

	Income	Administrati on	Onward grant-making
Other funders	£878,000	£88,500	£789,500
CBT	£499,999	£90,000	£409,999
Total	£1,377,999	£178,500	£1,199,499

15. Other contributors include Tudor Trust, Clothworkers' Foundation, Esme Fairbairn, Indigo Trust, and the Emmanuel Kaye Foundation. The funds raised to date will allow for between 20 and 25 grants to be made. Should you agree to award £499,999 of CBT funds towards the initiative, a further 10-15 organisations benefiting Londoners will be awarded. Rosa always receives the highest demand for its funding in London; its networks across the city are strong. In its most recent funding programme, it received 182 applications from women's organisations in London, 110 of which were from Black and minoritised-led organisations. Rosa was only able to award funding to 15 of these organisations, despite high quality applications, with the funds it had available. It is therefore confident that it would be well placed to distribute CBT funds.
16. Rosa has confirmed that it has the ability to ringfence funds for use only towards projects benefitting Londoners (and has a track record of successfully operating funds with other types of restrictions in the past). CBT will meet regularly with Rosa and will confirm that funds are only awarded towards work benefitting Londoners, this will also be confirmed during annual monitoring, the format of which will be determined collaboratively with your officer should this recommendation be approved. Monitoring will include reporting on the number and value of grants awarded, and aggregate information regarding the types of work funded.
17. Should this funding be agreed, Rosa anticipates spending £178,500 of the total £1,377,999 Rise Fund budget on administration costs, which is 12%. At CBT, we usually spend, with our economies of scale and unparalleled access to City of London Corporation assets, somewhere in the region of 10%. Other funders your officer has worked with have allowed for up to

15%. Your officer is satisfied, having examined the budget, that the costs are proportionate to the programme breadth and depth. Of CBT's contribution of £499,999, £90,000 will be allocated to admin costs (around half of the administration budget) in recognition of CBT's commitment to funding a true representation of core costs and funding impact, monitoring and evaluation work. Having reviewed the administration budget your officer is satisfied that this will be genuinely representative of the costs incurred in delivering the London element of the work, due to the wider benefit derived from the impact and evaluation and the increased administration to ensure that the London benefit restriction is applied.

18. The importance of the provision of specialist support services, advice, and advocacy has long been a focus of CBT, and is explicitly expressed in the aims of the Positive Transitions and Advice and Support priority strands. However, CBT has not funded women-led, and specifically BME women-led organisations at the scale at which we know exists in London. Whilst work is underway to remedy this, through the re-working of programme descriptions, development of anchor funding and redevelopment of our small grants programme, we know that we can also effectively reach these groups by funding organisations within which relationships and expertise already exist.

ROSA - Funding History

19. NA

ROSA - Financial information

20. As an unendowed grant-maker, Rosa derives income from a variety of sources, including statutory bodies, private companies, trusts and foundations, individuals and community fundraising. Most income is for the purpose of onward grant-making to other organisations. As a result, there are fluctuating levels of annual turnover and extraordinary surpluses and deficits. For example, significant restricted grant income was recognised in 2021 which will be carried forward for expenditure in the following year. Free reserves have been maintained within or above the target range for the last five years. The organisation's free reserves policy is to cover core expenditure (defined as planned unrestricted expenditure) for a minimum of three months and a maximum of six months. Core costs will increase annually between 2020 and 2022, reflecting the lifting of the temporary office rent reduction secured during the COVID-19 pandemic, and owing to an increase in staffing capacity to manage a planned increase in grant-making expenditure.

21. In 2019/20 a planned deficit was incurred as a result of onward grants being made from restricted income received and recognised in the previous financial year. Indicative results for 2020/21 show a significant

increase in turnover due to both a £1.9m government grant, and significant COVID-19 emergency funds being raised predominantly from trusts and foundations. A large planned surplus is recorded; corresponding deficits are planned in 2021/22 and 2022/23.

Year end as at 31 March	2020	2021	2022
	Signed Accounts	Draft Accounts	Forecast
	£	£	£
Income & expenditure:			
Income	155,612	4,478,996	1,715,325
Expenditure	(974,678)	(2,118,688)	(3,569,937)
Gains/(losses)	2,375	(7,573)	0
Surplus/(deficit)	(816,691)	2,352,735	(1,854,612)
Reserves:			
Total restricted	867,181	3,048,236	1,293,473
Total unrestricted	80,861	252,540	152,691
Total reserves	948,042	3,300,776	1,446,164
Of which: free unrestricted	74,078	245,757	145,908
Reserves policy target	48,517	74,122	109,656
Free reserves over/(under) target	25,561	171,636	36,252

GLA and Civil Society Roots 3

22. In 2016 The Way Ahead report⁹, commissioned by London Funders, was published outlining a vision for the way in which community needs in London could be met by the voluntary and community sector into the future. It outlined the need for consistent, sustainable, collaborative funding and led to the development of the Cornerstone Fund¹⁰ in 2017, as a direct response to the recommendation that it was time to review the provision of infrastructure support to London's civil society, particularly given the changing economic climate.
23. Following the development of the Cornerstone Fund, which supported partnership work explicitly, the Greater London Authority (GLA), working in collaboration with CBT and other stakeholders developed a further fund – the Civil Society Roots fund (referred to below as “Civil Society Roots 1”) - in support of civil society infrastructure bodies.
24. CBT and the GLA enjoy a trusted relationship, with the GLA having contributed £175,000 towards the first stage of the Cornerstone Fund. Most recently, the two organisations collaborated to become the founder and first donor of the London Community Response Fund, both allocating £1m each, within days of the announcement of the first lockdown. Both organisations later increased their allocations, with the GLA donating a

⁹ [The Way Ahead, 2018](#)

¹⁰ The Cornerstone Fund is CBT's initiative to fund partnership work between civil society infrastructure organisations. See Appendix 1 for further information.

total of £5.4m and CBT allocating £16m. During this time strong relationships were built between officers working both within the LCRF and elsewhere within Bridge House Estates and the City of London Corporation (CoLC), with CoLC officers outside of the grant-making staff working together with GLA officers and contributing to the pan-London recovery response. CBT also recently contributed to the GLA's "Festival of Ideas" funding some of the costs of the development and staging of community events across the capital to share and generate ideas and learning to feed into recovery work.

25. Your grants made to statutory bodies in previous years have complied with the principle that this is only permitted where they are acting as an accountable body for onward distribution of funding to voluntary and charitable organisations, as in this case.
26. The Civil Society Roots 3 programme seeks to support specialist infrastructure, focused on equity organisations within London, and builds on two earlier initiatives:
 - i. Civil Society Roots 1, 2019 – a collaborative between the Mayor's Office for Policing and Crime, CBT, and the National Lottery Community Fund.

This initiative offered grants of £100,000 over two years for specialist regional (London focused) infrastructure bodies supporting BME-led organisations, LGBT+-led organisations, Womens' organisations, criminal justice organisations, and organisations led by disabled people.

- ii. Civil Society Roots 2, 2020, GLA

Launched in the wake of the first lockdown, £50,000 of "incubator" or micro grants and £150,000 of collaboration development grants awarded to new and existing collaborations between infrastructure organisations.

27. Civil Society Roots 3 will continue to have an equity focus but will take a place-based approach. The programme will aim to strengthen local civil society support that focuses on relationship building, networking, and the development of collective voice and advocacy.
28. Beginning with a rapid evidence review, it will identify geographic cold spots (both in terms of the prevalence and strength of equity groups, and the support already in place to assist them). Following the rapid review, an Ideas Camp will bring together key organisations from 10-12 cold spot areas to facilitate dialogue, build relationships, and explore shared priorities. Organisations will be supported through pre-application workshops to develop their ideas and submissions. The funding will then be targeted to support projects that build networks and capacity within the cold spots. Equity groups and funders will be involved in the project design from the beginning.

29. A grants panel of GLA and funder officers will make final decisions on the award of grants of £50,000, to be spent over a two-year period. Funds will be awarded to user-led groups (organisations led by the communities that they serve), with a particular focus on strengthening support for communities that have been disproportionately impacted by Covid-19 as a result of structural inequalities. This includes in relation to age, disability, ethnicity, gender, gender identity, religion, sexual orientation, and socio-economic position.
30. In addition to evidence and learning gathered within the development of the Cornerstone Fund and previous iterations of Civil Society Roots, this initiative will also take learnings from the development of the Building Stronger Communities Mission during the development of the London Recovery Programme¹¹, the creation of the Civic Strength Index¹², and the Festival of Ideas - a series of events which explored individual and collective plans for building strong communities across London.
31. The timeline of the initiative will be as follows:
- i. November-December 2021 – rapid evidence review.
 - ii. January-February 2022 – ideas camp, applications open and assessed.
 - iii. April 2022 onwards – funding awarded, grant management.
32. The National Lottery Community Fund (TNLCF) has committed £250,000 (via aligned funding, as it is limited by internal bureaucracy and is more easily able to align) bringing the total budget available exclusive of CBT funding to £530,000. CBT funding of £720,000 would match the available onward grant-making funds, and also provide £100,000 (over two years) for non-grant support (an external consultant will be appointed to work with groups providing targeted “funder plus” style support to funded groups, and bring them together as a cohort) and £120,000 (over two years, including on-costs, NIC etc) for a dedicated post providing ongoing one to one support and relational grant management to funded organisations (as well as grant management support). The post is equivalent in grade to similar posts at CBT and represents 11% of the total project budget.
33. Table of Civil Society Roots 3 budget and funder commitments

	Admin (FTC post)	Grant support (consultant)	Onward grant making	Total contribution
CBT	120,000	100,000	500,000	720,000

¹¹ The London Recovery Programme is the GLA’s [plan](#) to restore confidence in the city, minimise the impact on communities and build back better the city’s economy and society. It has been developed in consultation with London’s communities and other stakeholders including the CoLC.

¹² The [Civic Strength Index](#) was developed by the Young Foundation, commissioned by the GLA, and is a report and tool that aims to begin to measure what makes a strong community.

GLA	0	30000	250,000	280,000
TNLCF	0	0	250,000	250,000
Total	120,000	130,000	1,000,000	1,250,000

34. CBT Officers will meet regularly with the GLA and will design a monitoring process which will include reporting on the number and value of grants awarded, and aggregate information regarding the types of work funded.
35. Whilst CBT has ambitions to support equity-led, and especially smaller equity focused, user-led organisations, it has to date faced barriers to supporting these types of organisations at scale. During the operation of the London Community Response Fund (which also focused on such organisations), 61% of funded organisations had never received funding from CBT before. Supporting this initiative facilitates the bridging of this gap and will allow CBT to share learning from the programme. CBT does not always need to directly fund all of the types of organisations which meet its mission; one of the ways it can ensure that its funding has extended reach is by instead funneling its resources to those organisations where reach already exists.

GLA – Funding History

Funding	Year
£300,000 to support the three-year London Borough of Culture programme.	2017
£80,000 pilot fund for specialist civil society support organisations (Civil Society Roots 1).	2019
£300,000 towards commissioning charities to support Young Londoners Fund projects.	2019
£19,675 for emergency food bank re-supply costs. COVID19.	2020
£100,000 towards the provision of networks for Young Londoners Fund grantees in 2022.	2021

GLA – financial information

36. Given the size and nature of the entity as a statutory body, a shorter financial review has been undertaken. Consistent with previous grant

awards to this organisation, and as agreed with the Charities Finance Team, the financial table was not deemed necessary.

37. Total reserves have declined from £1.1bn at 1 April 2019 to £728m at 31 March 2021. Budgets for 2021/22 and 2022/23 forecast the planned draw down from unallocated reserves will be smaller than in previous years, hence lower reductions in reserves are planned in these years. This is due in part to plans to stop investment in a number of programmes, and from savings made in core function costs as a result of the relocation of City Hall. In subsequent years, the level of draw down from reserves is anticipated to reduce further, though total reserves are expected to continue to reduce to a much lower level than currently, but this appears to be a part of future planning and does not present an overall delivery risk.

The Alliance Fund

38. Permission is requested to earmark a further £15m over the next 12-18 months towards similar funding initiatives. Whilst there is existing precedence for funding in this way, earmarking significant funds now is timely due to the confluence of an available uplift of funding at a time when there is surging need in the sector, as it recovers from the pandemic. Many funders have, like CBT, been carefully reevaluating their approaches and pivoting to meet the needs of the sector more closely and will be opening new funds; few will be enjoying unexpected additional funds available for distribution. By positioning ourselves as “funder allies” we can tap into and support the expertise and experience of other funders, which have dedicated extensive resources and time to scoping these funding initiatives, without needing to rapidly and unsustainably increase our own resources (in terms of research and development, assessment, and grant management).
39. CBT can also model a collaborative, generous approach to the wider sector, acknowledging that CBT does not always need to be leading initiatives, and can sometimes be most facilitative of the needs of Londoners by instead supporting simply with additional or matched funding. This approach also presents an opportunity to leverage other funding for important work, from funders more willing to support initiatives which have the support of CBT.
40. Alliance Funding offers an additional opportunity from a communication and influencing perspective. CBT and BHE can benefit from proximity to more expert and specialist funders and can use its total assets approach to amplify the work of those organisations, as well as convene and enhance reach via our own networks.
41. It is clear already that this approach allows us to learn from our peers, and “piggy-back” on best practice. The Ideas Camp and relational approach to

supporting organisations in the pre-application phase of Civil Society Roots will undoubtedly provide rich learning for our own Anchor Partners initiative. Similarly, the participatory approach embodied by RISE may provide opportunities for observational or other learning for CBT officers (this will be dependent on how the programme develops). There is appetite within CBT to explore participatory approaches and Alliance Funding could provide one of the key pathways to utilising this pioneering approach, in a way which mitigates risk and best sets ourselves and others up for success. CBT also has rich learning on this topic to share reciprocally with funder peers, especially in terms of LocalMotion¹³.

42. Alliance funding will be awarded in order to advance the mission and vision of the Bridging Divides Strategy, and usually will not be awarded to augment the “business as usual” day to day operations of other funders.

Key features of recommendations for Alliance Funding will include:

- i. The funds will be awarded to established funders, with a track record of delivering grant funding programmes, where the organisation’s primary aim (or primary aim within civil society) is funding.
- ii. The funds will be awarded towards grant programmes which are in development, or recently begun, and which have a finite end point (this could include phased initiatives).
- iii. Initiatives to be funded must have involved significant scoping/evidence review work, where the funder has specialist knowledge of the funding theme/priority that is additional to CBT’s own reach. Evidence can include expertise by experience, including direct/lived experience.
- iv. The organisation receiving funds must be able to adequately ring-fence funding for onward distribution to work which benefits Londoners.

Conclusion

43. Awarding £499,999 to Rosa (Rise fund) and £720,000 to the GLA (Civil Society Roots 3) supports CBT’s vision for a London where all communities can thrive, allowing funds to be laser targeted to those communities which are most significantly facing barriers. It also supports the mission to reduce inequality and grow stronger more resilient communities, by ensuring that equity provision is accessible in every borough. Both of these initiatives, and the Alliance Fund concept itself, speak to the values of being progressive, adaptive, collaborative, inclusive and representative. The Alliance Fund represents a unique opportunity to

¹³ LocalMotion is a collaboration between six funders, to fund transformative cross sector work which is led by community members in places, rather than funders.

expend uplift funds in a collaborative, collegiate manner facilitating the sustainability of civil society organisations including fellow funders. It demonstrates CBT's commitment to funding work which most meets our mission and values, regardless of whether CBT itself is in the driving seat of delivering the funding. Should you agree to recommendation two, please note that an amended version of this paper will be submitted to the BHE board for approval of a grant above the threshold (£500,000).

Appendix 1: Table of examples of major CBT collaborative funding.

Initiative/co-collaborating funders	Description	CBT funds	Initial CBT involvement	Onward grant-making?
Corston Independent Funders' Coalition - multiple funders including Barrow Cadbury, Paul Hamlyn Foundation, and Lankelly Chase.	A rare collaborative funder effort in advocacy, pressing for the full implementation of the 2007 Corston Report's recommendations for vulnerable women in the criminal justice system. Total project cost was £1m and CBT awarded £94k via aligned funding.	£94,000	2010	No
Grenfell: The Children and Young People's Coalition Funding (Phase 1)	Co-funders included John Lyon's, Tudor Trust, BBC Children in Need, RB Kensington & Chelsea, among others.	£114,000	2017	No
Grenfell: The Advice Fund - Trust for London, the National Lottery Community Fund, Comic Relief, the Legal Education Foundation	Co-funders included National Lottery Community Fund and Comic Relief, among others.	£75,000	2017	No
Cornerstone Fund – National Lottery Community Fund, Trust for London, John Lyons Charity, Mercers Company, GLA, London Funders and London Councils	Funder collaborating aiming to bring about systemic change, enabling collaboration between civil society support organisations, with a focus on tackling deep seated structural inequalities to improve outcomes for Londoners.	£3m (further £2m expected).	2018	Yes (reciprocally – CBT awarded onward funds from Trust for London).

Initiative/co-collaborating funders	Description	CBT funds	Initial CBT involvement	Onward grant-making?
Trust for London - Moving On Up (Phases 1 & 2)	Project supporting young black men to find jobs and careers in London's competitive labour market, in partnership with Black Training and Enterprise Group (BTEG).	£857k	2018	Partially
Trust for London - Strengthening Voices - Realising Rights	Joint fund supporting work that tackles some of the root causes of poverty and disadvantage amongst Deaf and Disabled Londoners. Co-funded with Trust for London. Original grant £300k (2018), £400k in 2020 (to last until 2022) plus £385k in 2021 (to cover 2022-2024)	£1.85m	2018	Yes
Civil Society Roots 1 (pilot programme) - Greater London Authority	The fund supports five specialist civil society infrastructure organisations to develop the offer of support for their respective sectors and strengthen London's civil society. Co-funded with GLA and National Lottery Community Fund.	£80,000	2019	Yes
LocalMotion - Esmée Fairbairn Foundation, Lankelly Chase, Lloyds Bank Foundation, Paul Hamlyn Foundation and Tudor Trust	A joint initiative by six funders to support communities to maximise the 'power of place' working with local partners to challenge existing norms and shape philanthropic practice.	£685,000	2019	Yes (although no onward funds actually awarded as yet).
Cripplegate Foundation/ Islington Giving	Funding towards the young grant makers programme, which provided grants awarded in a participatory grant making model to youth work in Islington.	£25,000	2019	Yes

Initiative/co-collaborating funders	Description	CBT funds	Initial CBT involvement	Onward grant-making?
London Community Response Fund – 20 different funders.	Collaborating of London's funders to provide coordinated funding to support groups responding to the needs of communities in the capital affected by the covid-19 pandemic.	£16m	2020	Yes reciprocally (CBT awarded onward funds from a number of funders)

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Committee	Date
Grants (Bridge House Estates Board) Committee	6 December 2021
Subject: Hackney CVS (19011) Baobab Foundation (19019)	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045</i> Strategy does this proposal aim to support?	1,3
Which outcomes in City Bridge Trust's funding strategy, <i>Bridging Divides</i>, does this proposal aim to support?	Reducing inequalities, Every Voice Counts, Progressive, Collaborative, Inclusive, & Representative values.
Does this proposal require extra revenue and/or capital spending?	No (£2.2m recommended from current year budget.)
If so, how much?	NA
What is the source of Funding?	<i>Bridging Divides</i> allocation 2021-2022. 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: Sam Grimmett Batt/Aasha Farah	

Summary

1. This report requests funding for phase two (incubation phase) of the development of the Baobab Foundation (Baobab), the first funder dedicated explicitly to growing, supporting, and strengthening groups and organisations led by and serving Black people and communities affected by racism and racial disparities in the UK. You have already supported phase one (research and development) costs totalling £100,000. The total costs of the next "start-up" phase, over two years, are £2.27m and Baobab aims to raise an additional £10m to award as onward grants in the first two years.
2. Total funding of £2.2m is recommended. **£200,000** is recommended towards running costs (an amount, in addition to the £100k already awarded for this purpose, proportionate to London benefit from the activities). **£2m** is recommended for onward grant-making to Black and Ethnic Minority (BEM) organisations benefitting Londoners.
3. **Summary of Baobab's fundraising and CBT recommendations**

	Running costs	Grant-making	Total

Baobab target	2,270,000	10,000,000	12,270,000
Raised TD	1,000,000	3,600,000	4,600,000
CBT recommendation	200,000	2,000,000	2,200,000
Balance still to be raised	1,070,000	4,400,000	5,470,000

Recommendation

It is recommended that:

1. A grant of **£200,000** be made to Hackney Council for Voluntary Service (HCVS), registered charity no:1069736 to be held for the benefit of the Baobab Foundation, towards phase two (incubation) running costs over two years (year one £120k, year two £80k) upon terms that provide that - upon the satisfactory constitution and registration of the Baobab Foundation (further to recommendation 2 below) and subject to entering into a grant agreement with the Baobab Foundation (i) the balance of grant funding held by HCVS shall be transferred to the Baobab Foundation and (ii) the balance of funding yet to be paid over at the relevant time shall be paid directly to the Baobab Foundation.
2. In principle, subject to the approval of the Bridge House Estates Board, a further grant of **£2,000,000** (payment schedule to be agreed at the point of funds being committed) shall be made to the Baobab Foundation towards onward grant-making for the benefit of Londoners provided that the following conditions are met:
 - (i) The Baobab Foundation becomes a constituted organisation registered in a manner which meets City Bridge Trust's usual eligibility criteria, and your officers are satisfied that appropriate governance and management practices are in place.
 - (ii) Subject to the condition at (i) above being met, the Chamberlain (through the Charities Finance Team) is satisfied with the financial position of the organisation.
3. Subject to the approval of the Bridge House Estates Board to Recommendation 2, a letter of comfort be sent to the Baobab Foundation to confirm the intention to make the grant of £2m subject to the stated conditions being met and also subject to a grant agreement being entered into.
4. Should the Bridge House Estates Board approve Recommendation 2 above and the relevant conditions be met, that authority be delegated to the Managing Director of Bridge House Estates in consultation with the Chairman and Deputy Chairman of the Bridge House Estates Board and the Chamberlain, to award the grant of £2,000,000 to the legally constituted Baobab Foundation subject to any additional conditions which might be considered prudent at that time.
5. That, should there be substantive alterations to the arrangements set out in this report and/or to matters affecting the decisions taken, this matter

will be reported back to the Grants Committee and Bridge House Estates Board.

Main Report

Background

1. Racial inequality continues to lead to poor outcomes for Black and ethnic minority (BEM) communities across London (and the UK) and crosscuts every area within which the City Bridge Trust (CBT) aims to have an impact, from education, to healthcare, to the justice system, and across the work of civil society generally.
2. The Joint Committee on Human Rights reported, for example, in November 2020, that, despite only making up 4% of the 10–17-year-old general population in England and Wales, Black children were over four times more likely than white children to be arrested; almost three times more likely to be given a caution or sentence and accounted for 33% of children remanded in youth custody¹. Eight in 20 households affected by the benefit cap are BEM, even though BEM households represent only three in every 20 of the total population. More than a quarter of BEM working adults spend more than a third of their income on housing, compared to one in ten white people². People in BEM communities are twice as likely to be unemployed, twice as likely to live in poverty³, and five times more likely to die in pregnancy or childbirth than white people⁴. Reported wealth, employment rates, pay equality, GCSE attainment, and many more elements of everyday life highlight racial inequality in Britain and in London⁵.
3. Funders have struggled to bring about positive change to BEM communities at the same level as within non-racialised communities within their mainstream, non-targeted, funding approaches and to fund organisations led by BEM people at levels commensurate with their relative population sizes. A review commissioned by the Baobab Foundation identified that few BEM-led organisations had long-term strategic funding beyond Covid-19 and few funders have been explicit in addressing racial inequalities in their strategies⁶.
4. Some funders, including CBT, have made progress in this area working through intermediaries and/or prioritising BEM community organisations, for

¹ Joint Committee on Human Rights, 2020: [Black people, racism and human rights \(parliament.uk\)](https://www.parliament.uk/publications/2020/11/jchr-report-black-people-racism-and-human-rights/)

² Joseph Rowntree Foundation, 2021: [What's causing structural racism in housing? | JRF](https://www.jrf.org.uk/what-causing-structural-racism-in-housing/)

³ Equality and Human Rights Commission, 2016: [Healing a Divided Britain: the need for a comprehensive race equality strategy](https://www.equalityhumanrights.com/en/policy-and-projects/healing-a-divided-britain-the-need-for-a-comprehensive-race-equality-strategy).

⁴ MBRRACE-UK, 2019: [Saving Lives, Improving Mothers' Care Lessons learned to inform maternity care from the UK and Ireland Confidential Enquiries into Maternal Deaths and Morbidity 2015-17](https://www.mbrpace-uk.org/publications/saving-lives-improving-mothers-care-lessons-learned-to-inform-maternity-care-from-the-uk-and-ireland-confidential-enquiries-into-maternal-deaths-and-morbidity-2015-17)

⁵ Runnymede, 2020: [The Colour of Money: how racial inequalities obstruct a fair and resilient economy](https://www.runnymede.org.uk/publications/the-colour-of-money-how-racial-inequalities-obstruct-a-fair-and-resilient-economy).

⁶ Baobab, 2021: [A Better Normal: Building scaled, sustained and engaged investment from funders into racial justice in the UK](https://www.baobab.org.uk/publications/a-better-normal-building-scaled-sustained-and-engaged-investment-from-funders-into-racial-justice-in-the-uk).

example through your Moving on Up Project in collaboration with Trust for London, registered charity no:205629 and the Black Training and Enterprise Group (BTEG), registered charity no:1056042; funding for the Ubele Initiative as a strategic partner supporting the development of the London Community Response (LCR), and joining the Funders for Race Equality Alliance. Indeed, your London Community Response Fund as part of the wider LCR resulted in a significant proportion of emergency funding reached BEM led organisations during and following the lockdowns⁷.

5. BEM-led groups (those where at least 50% of the governing board and leadership are from the BEM community) are critical to frontline provision, tackling hate crime and bringing unique expertise to the table. However, this sector is comprised disproportionately of small and micro-organisations and relies heavily on volunteers⁸ which means that it is less likely to access, and/or be successful in applying to, your non-emergency reactive grant programmes, as well as the grant programmes of many other “mainstream” grant funders.
6. Barriers to funding include leadership that isn’t representative (in 2018 between 92 and 99% of foundation trustees were white⁹¹⁰); decision making processes that underestimate the impact of structural racism in the funding sector (54% of charity staff have experienced discrimination based on their race/ethnicity¹¹) and don’t sufficiently value lived/direct experience; processes that are extractive and place increased burden on communities; short term funding, and a lack of data (as well as a lack of utilisation of the data) available to understand inequity¹². Research and data revealing the historic underfunding of BEM led organisations is only now beginning to surface; most of the references in the footnotes to this report relate to work published in the last 24 months or so.

About Baobab

7. Following the catalysing events of 2020 (Covid-19 and the murder of George Floyd in particular) research and development for what would become the Baobab Foundation (Baobab) began in January 2021 and led to a collective of members led by and for Black people and communities affected by systemic racism. It now represents a UK-wide network of c300 member and associate member organisations (of which 50 are based in and serve London communities). Its core strategy was co-designed with and adopted by members, including 185 who attended a ‘BaoLab Summit’. During the research and development phase, it also developed a steering

⁷Funders for Race Equality Alliance/Equally Yours, 2021: [A Quantitative Analysis of the Emergency Funding to the UK Black and Minority Ethnic Voluntary Sector During Covid 19](#)

⁸ Ubele Initiative, 2020: [Impact of Covid-19 on the BAME Community and Voluntary Sector](#)

⁹ ACF/CASS Business School, 2018: [The Awareness and Effectiveness of Charity Trustees in Grant-making in England and Wales](#)

¹⁰ Charity Commission, 2017: Taken on Trust: the awareness and effectiveness of charity trustees in England and Wales

¹¹ [CharityJob Survey, 2018](#)

¹² Ubele Initiative, 2021: [Booska Paper](#)

group, basic brand identity and social media presence and a high value fundraising pipeline including relationships across foundations and the private sector.

8. The core purpose of Baobab is to create an unprecedented funder which is led by and for the communities it serves. The organisation currently operates as an unincorporated voluntary organisation and is taking steps to formally constitute as a legal entity (and, depending upon the legal form adopted, if necessary, register as a charity with the Charity Commission). The constituted organisation will retain the same core purpose and will work to create a world in which BEM people and the community organisations they lead, are resourced, sustainable, and valued for their contribution to work taking place across the UK and in London towards justice, equity and social change.
9. It will achieve this throughout three phases: phase one: research and development (January 2021 to December 2021), phase two: incubation (December 2021 – December 2023) and phase three: scaling (year three onwards). This report relates specifically to the funding of phase two, for which Baobab has developed a set of SMART objectives (see **Appendix 2**).
10. The membership and steering group lead Baobab's work, with a small project team heading up operations, whilst it works towards formal constitution and appropriate registration). It currently works closely with Hackney Council for Voluntary Service (HCVS), registered charity no: 1069736 as set out at paragraph 12 below. Once formally constituted as a legal entity, it will transition to an appropriate governance model (likely a board of trustees or management committee of that entity).
11. Current steering group members include representatives from leading organisations working in the racial justice space including Allfie, Race on the Agenda, Project Tallawah, Imkaan, and the Decolonising Wealth project, to name a few. The project team includes co-directors Joe Ferns and Dilhani Wijeyesekera, with fundraising support from Amina Ahmad, and communications, community engagement and fund design support from Jermain Jackman and Yoanna Chikwezie. The project team possess a wealth of professional experience between them, having led voluntary sector and funding bodies themselves (Dilhani Wijeyesekera, for example, until recently sats on the senior leadership team at Comic Relief) and have extensive networks and knowledge of the sector.
12. The steering group and project team receive financial management support from the finance team at HCVS, which is also acting as a host organisation (via a formal Memorandum of Understanding), holding funds for Baobab until it is formally constituted as a legal entity. The MoU requires HCVS to ensure that all Baobab spending is properly recorded and expended within the available budget. Once Baobab is registered, a treasurer (or equivalent) will be appointed, along with finance staff, and financial policies and processes will be documented and established. Should you agree to the recommendation set out in paragraph 2 of this report, your officer(s) will conduct a standard CBT due diligence check on Baobab's policies, processes, procedures, and governance prior to the issue of a formal grant offer letter, or the release of the £2,000,000 towards onwards grant-making.

However, funds relating to the running costs element of the CBT award (£200,000) will be released to HCVS as costs are incurred, as due diligence has already been undertaken on HCVS.

13. As the host, the £200,000 grant towards running costs over the first two years, if approved, will be made to HCVS, with any funds remaining at the point at which Baobab is formally constituted as a separate legal entity then being transferred to Baobab. Your officer(s) have met with both Baobab and HCVS during the course of the assessment period.
14. Over two years the start-up and incubation phase will continue to build a community devised distribution model. It will begin with a focus on six broad regions covering England (London being one of the six, in silo, due to its high proportion of BEM residents and BEM community organisations). CBT running costs funding will only be used to cover the London proportion of the work. CBT onward grant-making funds will be used only to fund groups which benefit Londoners (or at a proportionate level for groups working in London and elsewhere). CBT (along with other funders) will meet with Baobab regularly and will ensure that onward grant funds are only being utilised for work benefiting Londoners during these meetings, as well as during annual monitoring (the format of which will be agreed once the fund is more developed).
15. Expected core activity in the first two years includes:
 - (a) Expanding and diversifying membership to over 1,000 organisations - around 35% will be based in London.
 - (b) Trialling a regional distribution infrastructure and co-designing and launching the first funding pilot.
 - (c) Developing digital storytelling celebrating members' work.
 - (d) Piloting support to smaller community organisations (which are often unconstituted groups - frequently a barrier to conventional grant funding).
 - (e) Piloting of in-kind resources, akin to Bridge House Estates' "total assets" approach. For example, a model connecting BEM professionals to grassroots groups to provide technical support. Indeed, there is rich scope here to capitalise on the unique opportunities which CBT can make available to its funded organisations via Bridge House Estate's corporate trustee, the City of London Corporation, and through its other avenues, such as the Bridge Programme¹³ and its convening and influencing avenues.
16. Expected organisational development includes:
 - (a) Confirming the future legal structure of Baobab, its constitution and registration (likely as a Charitable Incorporated Organisation or Community Benefit Society, both eligible governance arrangements under CBT's usual criteria).

¹³ The Bridge Programme is CBT's "Funder Plus" offer; which provides CBT grantees with tailored non-financial support such as fundraising support, business planning, marketing expertise and so on.

- (b) Recruiting/appointing a board (or equivalent), staff, and learning partner.
 - (c) Developing further the overarching strategy, fundraising strategy, business plan, infrastructure, and systems, with an emphasis on digital solutions and member collaboration.
 - (d) Outsourcing back-office support (to avoid an early high-cost base and allow staff to focus on community relationships and fund design).
17. There is an existing precedent of CBT supporting new organisations (such as London Plus, registered charity no:1115303, which you supported to start up with £153,500 in 2008 and have continued to support since, most recently with a grant of £500k over two years in 2019), and Participatory City in Barking & Dagenham, registered charity no:1175174, which you supported with start-up costs of £450k and a further grant of £450k in 2019), as well as new initiatives, such as LocalMotion (supported to the value of £585,000 to date in start-up costs), and the LCR (through which you channelled donations totalling £32m), the success of which have all demonstrated the extra-ordinary catalysing potential of CBT support.

Hosting relationship

18. HCVS currently holds fiscal responsibility for Baobab. HCVS is a current grantee of CBT, with a funding relationship stretching back to at least 2014 (see **Appendix 1**). HCVS has maintained grants for running costs throughout this period, providing all monitoring and financial information in a timely manner and adequately and appropriately demonstrating the impact of CBT's funding. It is your officer's view that this is a well governed organisation with a strong track record.
19. The relationship between HCVS and Baobab is governed through a Memorandum of Understanding (MOU) which your officer has examined. It is anticipated that this arrangement will be in place until Baobab officially constitutes as a legal entity, with a phased exit by HCVS from the arrangement with Baobab. HCVS will account for funds raised for the benefit of Baobab and will report them in the HCVS accounts as a restricted fund. Until Baobab is formally constituted as a separate legal entity, HCVS will work with Baobab to oversee spending and to ensure that expenditure of funds is in line with Baobab's budget.
20. As the £200,000 towards running costs will be paid to HCVS as the host organisation, the finances of this organisation have been used to conduct the financial assessment by your officers, which has been reviewed by the Charities Finance Team (CFT) in the Chamberlain's Department. The results of the assessment feature in the Financial Information section below. Should you agree in principle to the additional award of £2m to Baobab itself, your officers will carry out further financial due diligence on Baobab once it is formally constituted as a separate legal entity, in consultation with the CFT and subject to their approval for the Chamberlain. Additionally, your officers will agree a phased payment drawdown structure in order to mitigate risk.

Budget and fundraising

21. The budget for phase two (incubation) over the first two years, for Baobab's operations both within and outside of London but not including onward

grant-making, is £2.27m (see appendix 3). A CBT contribution of £200,000 is proposed towards these costs in London.

22. The onward grantmaking recommendation of £2m is part of an overall planned expenditure of £10m which Baobab expects to commit across both years, frontloaded in the first year due the fact that it will be awarding multi-year grants. However, as the fund design (and therefore fund drawdown) will be an iterative process it is expected that officers will work with Baobab over the course of the two years and that Baobab will likely vary the drawdown of funds from CBT and other funders as the co-design process develops and the membership shapes how the funding is distributed. This means that the drawdown may be frontloaded, for example, if the development of London focused work happens more quickly than other areas or spread more evenly (or backloaded) if London fund distribution takes longer. The drawdown arrangements will be designed such that Baobab will receive payments in advance of making onward grant commitments. Your officer(s) will attend bi-monthly funder collaboration meetings to remain informed as the work progresses.
23. Of its £2.27m required running costs, Baobab has raised £1m (from Lankelly Chase, CAF, Oak Foundation, Paul Hamlyn Foundation, Indigo, and Clothworkers' Foundation). Of the £10m onward grant making target, it has raised £3.6m (Lankelly Chase, CAF, Paul Hamlyn Foundation). A further award (in principle) of £2m from CBT would bring Baobab significantly closer to its funding target.
24. Baobab is confident that once a few major funders have committed, others which are waiting in the wings will come forward. It is in conversation with at least ten other funders (including Esmée Fairbairn Foundation, Comic Relief and Joseph Rowntree Charitable Trust), some of which are considering endowments as an additional contribution (i.e. capital for investment rather than as income for expenditure on the organisation's purposes). It is expected that potentially three funders may agree to endow Baobab by the end of December.
25. It is proposed that, whilst the grant of £200k can be appropriately made to HCVS for the benefit of Baobab, it is sensible to wait until Baobab is formally constituted as a separate legal entity before committing the proposed CBT grant of £2m for onward grant-making. This thereby avoids issues for Bridge House Estates, HCVS and Baobab around awarding/receiving/transferring significant funds initially to be held by the host organisation for the benefit of Baobab, and also avoids artificially inflating the accounts of the host organisation). This approach has also been taken by other donors, such as CAF bank.
26. However, this is a pivotal moment in the fundraising cycle for Baobab and support from CBT at this crucial early stage is likely to leverage support from other funders, pump-priming this important initiative and demonstrating CBT's commitment to its values of being progressive, inclusive, and representative. It will also enable Baobab to adhere to its current timeline and itself begin committing funds early in 2022.

27. Therefore, following advice from the Comptroller & City Solicitor's Department, it is recommended that a decision to fund is made initially in principle and subject to conditions (allowing a letter of comfort to be sent, which Baobab can share with interested parties to encourage support both financial and in-kind). Subject then to the required conditions being met and Baobab Foundation thus being formally constituted as a separate legal entity in compliance with CBT's eligibility requirements for all CBT funded organisations, this report also seeks delegated authority to the Managing Director of BHE, in consultation with the Chairman and Deputy Chairman of the BHE Board and the Chamberlain, to take the decision to award the grant and commit the funds.
28. Whilst this is an unusual request, and one that CBT would not seek to repeat often, it is your officers' view that the extenuating circumstances in this case (as set out above) merit a tailored approach to best support the success of Baobab and its core aims and objectives as they benefit Londoners, building upon existing CBT funding of £100k already awarded. The proposed approach does not prevent any matters being reported back to Members for decision in the event there are significant changes to the proposals as set out in this report, or should it otherwise be considered to be in the best interests of Bridge House Estates not to exercise the officer delegated authority.

Funding History

29. £100,000 in total to date (£50k in November 2020, £50k in November 2021) towards phase one (research and development)). The first CBT grant was spent on a proportion of the costs of establishing a steering group, resourcing members to participate in the set-up of Baobab and various consultancy fees. The second grant will be spent on similar costs as well as facilitating the recruitment of the CEO.

Financial information

30. Hackney CVS receives income from a mixture of grants, donations, and trading income. Since 2020, the organisation's income level has grown substantially, partly due to its function as a host for Baobab.
31. There was a drop in reserves in 2020/21 due to the depreciation costs of recently purchased leasehold assets and additional expenditure, which was covered by unrestricted funds. Although the reserves position is expected to increase in 2022 it will still be under target. However, as the proposed grant is restricted to use towards the running costs of Baobab (not HCVS's wider operations) and will only be held by HCVS until Baobab is formally constituted as a separate legal entity, likely early in 2022, the risk relating to low reserves is somewhat mitigated.
32. Additionally, HCVS is holding significant designated funds (£481k), not included in the free reserves shown in the Table below, to purchase new premises. The purchase is on hold until the market is more stable; the charity could therefore draw on these funds in the short term if necessary.

Year end as at 31st March	2020	2021	2022
	Signed Accounts	Draft Accounts	Budget
	£	£	£
Income & expenditure:			
Income	2,222,508	3,300,455	3,110,979
- % of Income confirmed as at	N/A	N/A	100%
Expenditure	(2,456,818)	(3,041,471)	(3,591,971)
Investment & Pension gains/(losses)	28,237		
Total surplus/(deficit)	(206,073)	258,984	(480,992)
Split between:			
- Restricted surplus/(deficit)	(116,813)	351,197	(523,443)
- Unrestricted surplus/(deficit)	(89,260)	(92,213)	42,451
	(206,073)	258,984	(480,992)
Free unrestricted reserves:			
Free unrestricted reserves held at year end	180,404	88,191	130,642
Reserves policy target	280,000	280,000	280,000
Free reserves over/(under) target	(99,596)	(191,809)	(149,358)
Restricted reserves	275,927	627,124	103,681

Conclusion

33. Many parts of civil society can reasonably lay claim to problems of being poorly funded, which means that race equality work will often feature as only an element of a funders mandate (if at all). This recommendation will enable Baobab to increase resourcing to BEM communities and their community organisations; support a more sustained approach to tackling racial inequality; and add value to the current funding eco-system in London. Your funding of £200k towards running costs and £2m towards onward grant making will catalyse a scaling of support to BEM led organisations at an unprecedented level, and support long term investment into these organisations, which often have disproportionately lower reserves¹⁴ (likely due to historic underfunding).
34. Funding the Baobab Foundation supports CBT's vision - 'For London to be a city where all individuals and communities can thrive, especially those experiencing disadvantage and marginalisation.' It also supports our PACIER values, in particular the aim to be progressive, inclusive, and representative and provides an opportunity for CBT to be adaptive and observe and learn from a fellow funder operating in new ways.
35. Finally, your support facilitates many of the actions set out in the CBT's Race Action Plan, DEI Working Group Action plan, and the Interim Review of Bridging Divides recommendations.

¹⁴ Ubele Initiative, 2020: [Impact of Covid-19 on the BAME Community and Voluntary Sector](#)

Appendices:

Appendix 1: Table of previous funding to Hackney CVS

Meeting Date	Decision
29/06/2019	£200,000 over five years (5 x £40,000) towards the pt 3dpw salary costs of the VCS Development Manager, pt 2pdw salary costs of the Training Coordinator and contribution to marketing, IT support and subscriptions.
25/09/2014	£157,000 over three years (£52,000; £52,000; £53,000) towards the part-time salary (0.6FTE) of an Organisation Development Officer, plus management and project running costs of a capacity building programme.

Appendix 2: Phase 2 objectives

Phase Two Objectives	Progress Indicators
Baobab will be an enduring entity led and community owned	Baobab is constituted in a legal form approved by its members aligned to its approved vision and mission. Governance mechanisms are established to place key decisions in the hands of its members. Skilled and representative long-term board and leadership.
Baobab will build the foundations for sustainability and independence	Long term financial and revenue model is established. 3-4 income diversification pilots are tested, evaluated, scaled. Baobab has ethical fundraising and investment policies.
Baobab will undertake smart prototypes to test and scale funding	Funding mechanisms for decisions, distribution, and due diligence are established. Funds are co-created and decided by members and affected communities. 2-3 fund pilots implemented with agreed learning and insight conducted.

Baobab will build its members and their role in the network	<p>Membership increased to 1,000 with regional and intersectional diversity.</p> <p>Stratified membership structure designed and approved.</p> <p>1-2 pilots to test place-based/intersection led fund activity with members.</p>
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Appendix 3: Running costs budget

Full proposal received from Baobab also available on request.

Type	Year 1 (000)	Year 2 (000)
Transitional Governance (project team and steering group)	230	
Staff	250	325
Board (recruitment, costs, training)	27	28.8
Member Participation	75	90
Regional & Inter-sectional distribution pilots	50	50
Grant Making (design, panels)	30.75	33
Fund administration (outsource testing)	80	80
Fundraising activity	50	65
Website and Digital Platforms	60	30
Brand and Comms	30	40
Research, Insight and Learning	60	60
Finance and Audit	15	15
Insurance, licences and professional fees	35	45
Sub-total	992.75	861.8
Management Fee (Hackney CVS to 31 December)	60	
Reserves (calc. 6 months running costs)	155.79	143.63
Contingency	25	25
Sub-total	1,233.54	1,040.33
Total		2,273.87*

Committee	Date
Bridge House Estates Board Grants Committee	6 December 2021
Subject: Grants Committee – Officer Delegations	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045</i> Strategy does this proposal aim to support?	1
Which <i>Bridging Divides</i> Funding Strategy priority does proposal aim to support?	All
Does this proposal require extra revenue and/or capital spending?	No
Report of: Managing Director, BHE	For decision

Summary

To support the efficiency and effective delivery of BHE’s ancillary objects there is an established practice of delegating authority for certain grant decisions to officers. This is in line with good practice in charity administration and the City of London Corporation’s governance framework. At your September 2021 meeting, you agreed financial thresholds for these delegations and to widen them to include authority to take decisions to reject applications. However, these were agreed on a temporary basis subject to a follow up report being presented to you considering more regular involvement of the full Committee in the exercise of officer delegated authority for grants of a value of between £100,001 and £250,000 (rather than officer consultation solely with the Chair and Deputy Chair). Three options are presented within this report for your consideration.

An amendment to the wording of the recommendation set out in **Appendix 2** is requested in order the base decisions on the amount of funding *recommended* by officers rather than the amount *requested* by the applicant.

Recommendation

- a) Members are asked to receive this report and consider the proposed options for changes to the delegation framework to officers set by this Committee within its Terms of Reference and the City Corporation’s wider corporate governance framework.
- b) To agree to further amend the wording of the financial threshold’s recommendation, as set out at **Appendix 2**.

Main Report

Background

1. At your September 2021 meeting, you temporarily agreed to delegate authority for certain grant decisions to officers against financial thresholds, and to widen

those delegations to include authority to take decisions to reject applications where appropriate. These are set out at **Appendix 1**.

2. The delegations were agreed on a temporary basis, subject to a follow up report being presented to you considering more regular involvement of the full Committee in the exercise of officer delegated authority for grants of a value over £100,001 (rather than with the usual officer consultation solely with the Chair and Deputy Chair).

Main report

3. A charity's trustee is ultimately responsible for the decisions and actions of its charity. However, a trustee board of a large charity (in the case of BHE, the Court of Common Council for the City Corporation) cannot and should not seek to do everything and take all decisions for the charity as this would not allow for effective decision-making which would be inconsistent with the trustee's duty to act in the charity's best interests. Subject to any constraints in statute or the charity's own governing document on the decisions reserved to the trustee board (in our case the Court), the trustee should adopt "*decision-making processes [which] are informed, rigorous and timely, and [ensure] that effective delegation, control and risk-assessment, and management systems are set up and monitored*".¹
4. Charity trustees should, in delegating authority, adopt a clear written framework around the scope and exercise of that delegated authority, including having clear and robust reporting procedures and lines of accountability. Charity Commission's Guidance on trustee delegations states:

*"... Delegation can help trustees to govern more effectively, but they cannot delegate their overall responsibility. ...[Trustees] should set out in writing the limits of any delegated authority. [Trustees] should also put clear reporting procedures in place, so you can ensure the delegated authority is exercised properly. ...[Trustees] should consider and decide what decisions they will not delegate. ...[Trustees] should allow staff ... to carry out any functions that have been delegated to them. But [trustees] must be able to ensure that delegated authority is being properly exercised, through appropriate monitoring and reporting procedures..."*²
5. In discharging its obligations as Trustee of BHE the City Corporation acting by the Court operates within the City Corporation's corporate governance framework which - through Standing Orders, Committee Terms of Reference, Financial Regulations, Procurement and Project Codes, etc - sets out a transparent framework of written delegation, both as to scope and process, adopted by the Court.

¹ Refer – Charity Governance Code for larger charities, Principle 4 – Decision making, risk and control, <https://www.charitygovernancecode.org/en/4-decision-making>

² The Essential Trustee: what you need to know, what you need to do, Section 9.3, page 30: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/866947/CC3_feb20.pdf

6. This framework clearly sets out that decisions are either taken collectively by Members (in a meeting of the Court, Committee or Sub-Committee) or by an officer alone. There is currently no provision for the Court, a Committee or a Sub-committee to collectively take decisions through a written procedure (as might be the case with some charity boards having individual trustees). Consistent with the principles of good delegation, and accountable and transparent decision-making (applicable to charity trustees and more generally), the exercise of the delegated authority is required to be reported back to the delegating Committee or Sub-Committee, or the Court as the case may be.
7. A convention has developed within the City Corporation in recent years that the full Committee/Sub-Committee membership might, by exception on a case-by-case basis, request to be informally consulted outside a meeting where a decision is required to be taken between meetings on matters of sensitivity or significance before officer delegated authority is exercised in consultation with the relevant Chair or Deputy Chair (as provided under the City Corporation's corporate governance framework). As matters stand this approach is not usual practice for all decisions and as such is not provided for anywhere in the written corporate governance framework of the City Corporation adopted by the Court.
8. Rather, that framework reflects the underlying principle that the Court's committees and sub-committees meet to collectively take decisions, with a clear distinction between decision-making by Members (collectively in committee) and by officers (acting individually), thus ensuring accountability for the decisions taken in each case. The Chair and Deputy Chair of a committee may, as a matter of practice consistent with their roles take soundings or consider representations from the wider committee, when consulted in the exercise of officer delegated authority.
9. As noted above, other charity boards with individual trustees may be authorised under their governance framework to take decisions collectively in writing, or otherwise to consult by email to form a consensus view in taking a decision in writing and instructing their Chief Executive accordingly. The arrangements for BHE with the City Corporation as corporate Trustee, however, are not equivalent.
10. Should consultation with the full Grants Committee prior to the exercise of officer delegated authority be adopted as standard practice for certain types of grants decisions (in this case all decisions to award grants between £100,001 and £250,000, as was proposed at your previous meeting), this approach would fall outside the City Corporation's documented corporate governance framework. In the view of officers this departure as a standard practice in the discharge of the committee's functions would require a formal change to the governance framework to ensure clarity around the proposed delegation arrangement and be consistent with the trustee's obligations relating to accountability for decision-making. The change would require Court approval.
11. Officers remain of the view that the current corporate governance arrangements operate well and are clearly understood within the City Corporation. Should Members of this Committee require further training, this can be arranged. Officers

consider that the proposed change to require consultation with the full Grants Committee for all grants decisions of a value between £100,001 and £250,000 would introduce a lack of transparency over decision-making process and would undermine the lines of accountability for the decisions being taken. Additionally, following discussions with the Funding Operations Team, concerns were also raised that an extra layer of engagement with Members in the delegated authority approval process may delay the decision-making and unnecessarily complicate the process and delay funding being awarded to applicants. As noted above, delegation arrangements (from the Court for the Trustee) should provide for timely and effective decision-making.

12. Nevertheless, it remains open to the City Corporation should it be considered to be in the best interests of BHE, to adopt a delegated decision-making framework for the charity which provides that all members of the Board (or its Committees) might be consulted in the exercise of officer delegated authority as a standard practice for certain classes of decisions, rather than by exception as is currently the case.

Options for consideration

13. Members are requested to consider the below options for changes to the delegation framework to officers set by this Committee within its Terms of Reference and the City Corporation's wider corporate governance framework.

Option 1

14. To agree to implement the officer delegations and financial thresholds presented at your September meeting and to widen those delegations to include authority to take decisions to reject applications where appropriate, as set out at **Appendix 1**. If the delegation is recommended to be made on a permanent basis, for transparency and consistent with good governance, the delegations should be reflected in the Chief Officer Scheme of Delegations when next reviewed. This would not prevent consultation with the full Committee in exercising delegated authority in exceptional cases as is currently the convention.

Option 2

15. The Committee could reconsider the financial thresholds for the exercise of delegated authority by the Chief Officer as set out in **Appendix 1**. This would not prevent consultation with the full Committee in exercising delegated authority in exceptional cases as is currently the convention.
16. Depending on the frequency of the meetings of this Committee and the revised threshold, this option could, however, affect the ability of the charity to operate effectively in taking decisions expediently in the interests of BHE and its beneficiaries.

Option 3

17. To agree to implement the officer delegations and financial thresholds presented at your September meeting on a permanent basis and to widen those delegations to include authority to take decisions to reject applications where appropriate, as

set out in **Appendix 1 subject to one amendment** in that for grants of a value between £100,001 and £250,000:

- (a) the full Committee shall be consulted in writing on the decision prior to the exercise of the Chief Officer's delegated authority.
- (b) Should any Member have a comment on the application to be considered, this should be forwarded directly to the Chair/Deputy Chair within 48 hours of the email being sent.
- (c) The Chair and Deputy Chair have the authority to reject or accept any comments as part of their decision-making process.

18. If this option is supported, as noted above, in the view of officers this change to the City Corporation's standard corporate governance framework should be authorised in the usual way. This will require a decision by the Court, upon the recommendation of the BHE Board and Policy and Resources Committee.

Amendment to Delegations wording

19. Amendments to the wording of the recommendation set out in **Appendix 2** is sought in order the base decisions on the amount of funding *recommended* by officers rather than the amount *requested* by the applicant. This is because funding recommendations follow a process of careful due diligence and are made with reference to awards previously granted by BHE.

20. Organisations may apply for far more funding than BHE is willing to provide, but officers might nonetheless still recommend some level of support. By way of example, at present, if an organisation requests a grant of £300,000 and the post-assessment decision is to recommend an award of £100,000, the funding decision would need to wait until the next scheduled meeting of the Grants' Committee. Had the organisation originally requested £100,000 it could have received a decision far sooner under the scheme of delegations. This amendment is recommended with reference to the Charity Commission's Guidance on trustee delegations set out in paragraph 4 of this paper.

Appendices

- Appendix 1: Officer delegations and financial thresholds
- Appendix 2: Amendments to the wording of the financial threshold recommendations

Background report:

- BHE Grants committee, Grant Approval Threshold review, 30 September 2021

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Appendix 1

- a. Applications or Recommendations (whichever is the higher) of up to £50,000 in total may be approved or rejected by the Managing Director of BHE or in their absence, the Associate Director of CBT or a CBT Funding Director;
- b. Applications or Recommendations (whichever is the higher) of between £50,001 and £100,000 in total to be approved or rejected by the Managing Director of BHE or in their absence the Associate Director of CBT, in consultation with the Chamberlain (acting by the Charities Finance Team) for recommendations;
- c. Applications or Recommendations (whichever is the higher) of between £100,001 and £250,000 in total to be approved or rejected by the Managing Director of BHE or in their absence the Associate Director of CBT, in consultation with the Chamberlain (acting by the Charities Finance Team) for recommendations, with the decision of the Managing Director of BHE (or the Associate Director of CBT as the case may be) being taken in consultation with the Chair and Deputy Chair of the Grants Committee; and
- d. Applications or Recommendations (whichever is the higher) of between £250,001 and £500,000 in total to be approved or rejected by the Grants Committee.

Appendix 2

- a. Applications ~~or Recommendations (whichever is the higher)~~ of up to £50,000 in total may be approved or rejected by the Managing Director of BHE or in their absence, the Associate Director of CBT or a CBT Funding Director;
- b. Applications ~~or Recommendations (whichever is the higher)~~ of between £50,001 and £100,000 in total to be approved or rejected by the Managing Director of BHE or in their absence the Associate Director of CBT, in consultation with the Chamberlain (acting by the Charities Finance Team) for recommendations;
- c. Applications ~~or Recommendations (whichever is the higher)~~ of between £100,001 and £250,000 in total to be approved or rejected by the Managing Director of BHE or in their absence the Associate Director of CBT in consultation with the Chamberlain (acting by the Charities Finance Team) for recommendations, with the decision of the Managing Director of BHE (or the Associate Director of CBT as the case may be) being taken in consultation with the Chair and Deputy Chair of the Grants Committee; and
- d. Applications ~~or Recommendations (whichever is the higher)~~ of between £250,001 and £500,000 in total to be approved or rejected by the Grants Committee.

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Committee	Date
Bridge House Estates (BHE) Grants Committee	6 December 2021
Subject: City Bridge Trust Operational Risk Register	Public
Which outcomes in the <i>BHE Bridging London 2020 – 2045</i> Strategy does this proposal aim to support?	1
Which Bridging Divides Funding Strategy priority does proposal aim to support?	All
Does this proposal require extra revenue and/or capital spending?	No
Report of: Managing Director, BHE	For decision

Summary

The report provides the operational risks for City Bridge Trust, which forms part of the wider Bridge House Estates risk register for review. The Charity Commission's Statement of Recommended Practice (SORP) requires that risks that impact upon a charity are reviewed continuously to ensure that existing risks are reconsidered, any new risks are identified and that appropriate measures are in place to mitigate those risks. This requirement is further emphasised within the Charity Governance Code.

5 of the risks on the CBT Operational Risk Register relate to the services overseen by the BHE Grants Committee. These relate to grants not being used for their intended purpose; financial loss through fraud or theft; negative publicity leading to reputational damage; IT failure and staff capacity – the five risks are detailed at Appendix 2.

The risk related to the impact of Brexit has now been removed from the risk register. Should the situation change, its possible reinsertion onto the register will be reviewed.

The risk related to financial loss through fraud or theft has moved from amber to green on the risk RAG rating. This is due to CBT no longer administering a high number of low value one-off grant awards to smaller organisations which had the potential to increase the likelihood of potential fraud.

The risk relating to staff capacity remains amber. Although CBT staff are working effectively in a hybrid way there is still some uncertainty that the Covid-19 pandemic may negatively impact staff levels at short notice.

Risks related to grants not being used for their intended purpose, negative publicity and reputational damage and IT failure remain rated the same.

Recommendations

Members are asked to:

- a) review the five risks currently on the register for this Committee and confirm that appropriate control measures are in place; and

- b) confirm that there are no other risks relating to the services overseen by the Grants Committee which should be added to the Operational Risk Register, or which should be escalated as 'principal risks' to the BHE Principal Risk Register.

Main Report

Background

1. In May 2021, at the inaugural meeting of the Bridge House Estates Board ("BHE Board/ the Board"), Members approved a new Risk Management Protocol ("the BHE Protocol") for the charity, which sets out its method for assessing and managing risks. The BHE Protocol reflects the City Corporation's general approach to risk management as set out in its own Risk Management Strategy approved by the Audit and Risk Management Committee. Additionally, the BHE Protocol reflects the guidance set out in CC26 Charities and Risk Management Guide¹ issued by the Charity Commission (2017) and in the Charity Governance Code. In accordance with City Corporation best practice, all BHE Principal and Operational Risks are registered on the Pentana Risk Management System. The BHE Protocol can be accessed online [here](#)².
2. The BHE Protocol acts as a communication tool to ensure that all those involved in the management of risk for BHE are aware of the purpose of using a formal risk management approach, the roles and responsibilities within the risk management processes, the process that is being adopted, and how the process will be managed and monitored.
3. Alongside approval of the BHE Protocol, the BHE Board approved the Principal Risk Register. The BHE Grants Committee are now recommended to review the risks that relate to City Bridge Trust (CBT) and confirm that the risks are comprehensive, scored correctly and that appropriate control measures are in place.

Review of Risks

4. The method of assessing risk reflects the City of London Corporation's (CoLC) standard approach to risk assessment as set out in its Risk Management Strategy approved by the Audit and Risk Management Committee. The CoLC risk matrix, which explains how risks are assessed and scored, is attached at Appendix 1 of this report. Risk scores range from one, being lowest risk, to the highest risk score of thirty-two. These scores are summarised into 3 broad groups, each with increasing risk, and categorised green, amber or red.
5. Each risk in the register has been considered by the responsible officer who is referred to as the 'Risk Owner' in the register.

¹ <https://www.gov.uk/government/publications/charities-and-risk-management-cc26>

² <https://col-vmw-p-mg01.corpoflondon.gov.uk/mgAi.aspx?ID=113627>

6. The BHE Grants Committee element of the BHE risk register (being the CBT Operational Risks) is shown at Appendix 2 and contains five risks: the first relating to the reduction in staff capacity as a result of the COVID-19 pandemic; the second to financial loss through fraud or theft; the third to the grant not being used for its intended purpose; the fourth to negative publicity leading to reputational damage; and fifth, major IT failure. Controls are in place to mitigate these risks, including an open, transparent and rigorous grants assessment process and, in relation to IT systems, the main grants system Blackbaud grant-making now running from an Agilisys data centre which is more resilient than the previous server at Guildhall.
7. Four risks have been assessed as green with a score of 4 (on a risk scale from one to the highest risk score of thirty-two). The remaining is assessed as amber with a score of six. The current mitigating actions are considered appropriate at this time.

Conclusion

8. The risks faced by the charity have been reviewed and have been identified as relating to the services overseen by the CBT Committee. This Committee is requested to confirm that appropriate control measures are in place for these risks and that there are no other risks that should be added to the CBT Operational Risk Register or be escalated as 'principal' risks to the BHE Principal Risk Register in relation to services overseen by the Committee.

Appendices

- Appendix 1 - City of London Corporation Risk Matrix
- Appendix 2 – City Bridge Trust Operational Risk Register

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City of London Corporation Risk Matrix (Black and white version)

Note: A risk score is calculated by assessing the risk in terms of likelihood and impact. By using the likelihood and impact criteria below (top left (A) and bottom right (B) respectively) it is possible to calculate a risk score. For example a risk assessed as Unlikely (2) and with an impact of Serious (2) can be plotted on the risk scoring grid, top right (C) to give an overall risk score of a green (4). Using the risk score definitions bottom right (D) below, a green risk is one that just requires actions to maintain that rating.

(A) Likelihood criteria

	Rare (1)	Unlikely (2)	Possible (3)	Likely (4)
Criteria	Less than 10%	10 – 40%	40 – 75%	More than 75%
Probability	Has happened rarely/never before	Unlikely to occur	Fairly likely to occur	More likely to occur than not
Time period	Unlikely to occur in a 10 year period	Likely to occur within a 10 year period	Likely to occur once within a one year period	Likely to occur once within three months
Numerical	Less than one chance in a hundred thousand (<10-5)	Less than one chance in ten thousand (<10-4)	Less than one chance in a thousand (<10-3)	Less than one chance in a hundred (<10-2)

(B) Impact criteria

Impact title	Definitions
Minor (1)	Service delivery/performance: Minor impact on service, typically up to one day. Financial: financial loss up to 5% of budget. Reputation: Isolated service user/stakeholder complaints contained within business unit/division. Legal/statutory: Litigation claim or find less than £5000. Safety/health: Minor incident including injury to one or more individuals. Objectives: Failure to achieve team plan objectives.
Serious (2)	Service delivery/performance: Service disruption 2 to 5 days. Financial: Financial loss up to 10% of budget. Reputation: Adverse local media coverage/multiple service user/stakeholder complaints. Legal/statutory: Litigation claimable fine between £5000 and £50,000. Safety/health: Significant injury or illness causing short-term disability to one or more persons. Objectives: Failure to achieve one or more service plan objectives.
Major (4)	Service delivery/performance: Service disruption > 1 - 4 weeks. Financial: Financial loss up to 20% of budget. Reputation: Adverse national media coverage 1 to 3 days. Legal/statutory: Litigation claimable fine between £50,000 and £500,000. Safety/health: Major injury or illness/disease causing long-term disability to one or more people Objectives: Failure to achieve a strategic plan objective.
Extreme (8)	Service delivery/performance: Service disruption > 4 weeks. Financial: Financial loss up to 35% of budget. Reputation: National publicity more than three days. Possible resignation leading member or chief officer. Legal/statutory: Multiple civil or criminal suits. Litigation claim or find in excess of £500,000. Safety/health: Fatality or life-threatening illness/disease (e.g. mesothelioma) to one or more persons. Objectives: Failure to achieve a major corporate objective.

(C) Risk scoring grid

Likelihood	Impact				
	X	Minor (1)	Serious (2)	Major (4)	Extreme (8)
	Likely (4)	4 Green	8 Amber	16 Red	32 Red
	Possible (3)	3 Green	6 Amber	12 Amber	24 Red
	Unlikely (2)	2 Green	4 Green	8 Amber	16 Red
	Rare (1)	1 Green	2 Green	4 Green	8 Amber

(D) Risk score definitions

RED	Urgent action required to reduce rating
AMBER	Action required to maintain or reduce rating
GREEN	Action required to maintain rating

This is an extract from the City of London Corporate Risk Management Strategy, published in May 2014.

Contact the Corporate Risk Advisor for further information. Ext 1297

October 2015

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Likelihood	Unlikely
Impact	Serious
Risk Score	4
Review Date	22-Nov-2021

Likelihood	Rare
Impact	Serious
Risk Score	2
Target Date	31-Mar-2022

Latest Note	Risk reviewed by SLT, no change at this stage.
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Actions related to this risk:

Ref No:	Title	Action Description	Action Owner	Due Date	Progress	Latest Note
TC CBT 01 A	Financial loss through fraud or theft.	<p>Whilst continuing to work in a hybrid way as a result of COVID-19, CBT continues with its existing robust monitoring and evaluation systems.</p> <p>To continue to regularly review grant assessment processes.</p> <p>To continue to undergo internal and external audit.</p> <p>To update wherever necessary, documentation that goes into the public domain which states that CBT has a zero tolerance to fraud.</p> <p>To continue to undertake detailed financial assessments of any grants deemed to be of a higher risk.</p> <p>To closely monitor Covid related funding programmes to ensure a robust and proportionate approach mitigating any potential fraud.</p> <p>To release funds on a quarterly basis only, ensuring that the amount of money at risk is</p>	David Farnsworth	31.03.2022	50%	Risk reviewed by Senior leadership team.

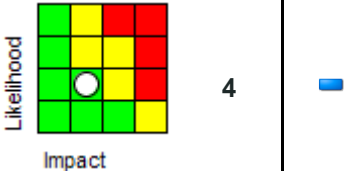
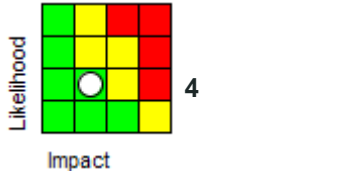
		proportionate to the funds needed to ensure project delivery.				
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Code	TC CBT 02	Title	Grant not used for its intended purpose
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Description	Cause: Grant award not being used in accordance with CBT priorities and in line with the original grant application. Event: Funding not being used for its intended purpose. Impact: Reputational damage to CBT.
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Category	Financial	Approach	
Risk Level	Service	Risk Owner	David Farnsworth

Department	Town Clerk's	Committee	The City Bridge Trust Committee
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Current Risk Assessment, Score & Trend Comparison		Target Risk Assessment & Score	
Likelihood	Unlikely	Likelihood	Unlikely
Impact	Serious	Impact	Serious
Risk Score	4	Risk Score	4
Review Date	22-Nov-2021	Target Date	31-Mar-2022

Latest Note	Risk reviewed by SLT, no change at this stage.
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Actions related to this risk:

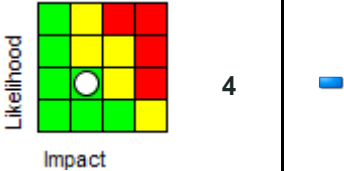
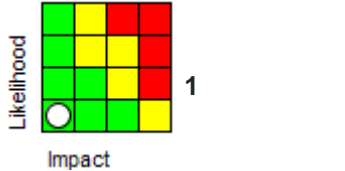
Ref No:	Title	Action Description	Action Owner	Due Date	Progress	Latest Note
TC CBT 02 A	Grant not used for its intended purpose	<p>To commence regular learning visits to grantees so as to identify any issues at an early stage.</p> <p>To continue to meet with the Comms and Media team to update on any potential or emerging issues with grantees.</p> <p>To sign off annual monitoring returns before release of future funds.</p> <p>To ensure regular and informal contact between CBT Funding Managers and funded organisations.</p> <p>The terms and conditions of funding require funded organisations to report any changes to their organisation or the delivery of projects as they happen.</p> <p>To maintain the compliance process with escalations agreed with Internal Audit to investigate and resolve any situations where misuse of funds might be the case.</p>	David Farnsworth	31.03.2022	50%	<p>Learning visits are reactivating in January 2022 at a slower pace and are taking place virtually and in person where possible.</p> <p>In response to Covid-19 CBT has adopted a flexible approach to grant variations according to immediate needs of grantees and changes to service delivery.</p>

Code	TC CBT 03	Title	Negative publicity and reputational damage
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Description	Cause: The change to CBT's funding arrangements made as part of the Interim Bridging Divides review process are not understood. Event: CBT receives a high number of queries and applications which creates a delay in assessment. Impact: Negative publicity and reputational damage CBT and its trustee the City of London Corporation.		
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Category	Reputation	Approach	
Risk Level	Service	Risk Owner	David Farnsworth

Department	Town Clerk's	Committee	The City Bridge Trust Committee
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Current Risk Assessment, Score & Trend Comparison		Target Risk Assessment & Score	
Likelihood	Unlikely	Likelihood	Rare
Impact	Serious	Impact	Minor
Risk Score	4	Risk Score	1
Review Date	22-Nov-2021	Target Date	31-Mar-2022

Latest Note	Risk reviewed by SLT, no change at this stage.
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Actions related to this risk:

Ref No:	Title	Action Description	Action Owner	Due Date	Progress	Latest Note
TC CBT 03 A	Negative publicity and damage to the City of London Corporation's reputation.	To continue to communicate clearly with key stakeholders on any variations to service	David Farnsworth	31-Mar-2022	51%	The Trust is a high-profile participant and contributor to the pan-funder London Community

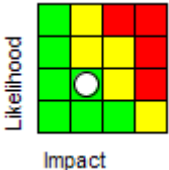
		delivery. To continue to monitor and act upon any feedback received from grantees (website/social media/monitoring forms). To continue to monitor and review the number of applications received.				Response, reflecting positively on the Corporation's reputation.
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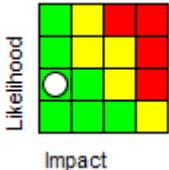
Code	TC CBT 04	Title	IT failure
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Description	Cause: Malicious attack, unpredictable event or adverse weather conditions. Event: IT failure at the data centre managing the CBT's CRM data. Impact: Inability to access active or historical grant data. Unable to assess and manage grant applications, causing a backlog.
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Category	Technological	Approach	
Risk Level	Service	Risk Owner	David Farnsworth

Department	Town Clerk's	Committee	The City Bridge Trust Committee
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Current Risk Assessment, Score & Trend Comparison	 4	Constant
Likelihood	Unlikely	
Impact	Serious	
Risk Score	4	
Review Date	22-Nov-2021	

Target Risk Assessment & Score	 2	
Likelihood	Unlikely	
Impact	Minor	
Risk Score	2	
Target Date	31-Mar-2022	

Latest Note	Risk reviewed by SLT, no change at this stage.
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Actions related to this risk:

Ref No:	Title	Action Description	Action Owner	Due Date	Progress	Latest Note
TC CBT 04 A	IS failure	To continue to meet on a regular basis with the CBT IT Business partner to ensure that all off site data back up sites and storage are suitable. To continue to ensure that any viruses and spam are reported to the IT department and dealt with swiftly.	David Farnsworth	31-Mar-2022	50%	Covid-19 response – all staff are now operating remotely and virtually. Dependence on IT has increased.

Code	TC CBT 06	Title	Staff capacity
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Description	<p>Cause: The spread of Covid-19 has resulted in social distancing and lock-down being adopted so that all CBT staff members are working from home and are reliant on remote technology. Care responsibilities and potential illness of team members may also reduce workforce capacity</p> <p>Event: An increase in CBT staff sickness due to the virus and a reduction in staff capacity in respect of those with carer responsibilities</p> <p>Effect: CBT being unable to effectively respond to crisis, deploy staff and provide services to its grantees. Increased potential for complaints, delays in grant assessment work. Reputational damage to CBT. Increased costs due to a lack of staff to undertake key workstreams and a backlog develops</p>
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Category	Covid-19	Approach	
Risk Level	Service	Risk Owner	David Farnsworth

Department	Town Clerk's	Committee	The City Bridge Trust Committee
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Current Risk Assessment, Score & Trend Comparison		6		Constant
Likelihood	Possible			
Impact	Serious			
Risk Score	6			
Review Date	22-Nov-2021			

Target Risk Assessment & Score		2		
Likelihood	Unlikely			
Impact	Minor			
Risk Score	2			
Target Date	31-Mar-2022			

Latest Note	Risk reviewed. Whilst Covid infections remain, this risk will continue to be discussed regularly at SLT
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Actions related to this risk:

Ref No:	Title	Action Description	Action Owner	Due Date	Progress	Latest Note
TC CBT 06 A	Staff capacity	To increase the pool of consultants and temporary support staff with the application of a diversity, equity and inclusion lens. To continue to progress agreed recruitment.	David Farnsworth	31-Mar-2022	50%	Activity to be undertaken is regularly reviewed and regular contact with consultants is made to understand their potential capacity

Committee:	Date:
Grants Committee of the Bridge House Estates Board	6 December 2021
Subject: CBT Budget 2022/23 and Budget monitoring for the period ended 31 October 2021	Public
Report of: The Managing Director, Bridge House Estates Head of Charity & Social Investment Finance	For Decision: Budget 2022/23 For Information: Budget monitoring 2021/22
Report authors: Nathan Omane, Finance Manager (Charities) Dinah Cox, Associate Director, City Bridge Trust	

Summary

This report presents for approval of the Grants Committee of the Bridge House Estates (BHE) Board, the City Bridge Trust (CBT) budget for 2022/23. It further provides an update on the year-to-date financial position of CBT.

CBT's original budget for 2021/22 was £109.5m. With the pause in most reactive grant giving programmes and the decision to undertake an interim review of Bridging Divides as a result of the Pandemic and its impacts, the current year is now forecast at £43.2m. Comparisons within this report will be made to the 2021/22 forecast, as this provides more useful management information. Members should note that the 2022/23 proposed budget reflects an increase of £64.3m to the 2021/22 forecast. This increase arises from grants funding and an increase in the administrative capacity to support the increased grant programme.

Recommendations

Members are asked to:

- i) review and recommend CBT's proposed revenue budget for 2022/23 for inclusion in the charity's overall Budget to be presented to the BHE Board;
- ii) agree that minor amendments for 2022/23 budgets arising during budget setting be delegated to the Head of Charity and Social Investment Finance; and
- iii) note the aspects of the report providing information on the updated financial position for 2021/22 (paragraphs 30 and 31).

Main Report

Background

1. The former CBT Committee annually reviewed CBT's proposed budget and recommended this to Finance Committee and subsequently, to the Court of Common Council, for approval. To support the BHE Grants Committee in the discharge of its oversight responsibilities for CBT, this report presents the 2022/23 CBT revenue budget for review and recommendation for approval to the BHE Board. The report further provides an update on the financial position for 2021/22.
2. Under the Bridging Divides strategy, £125m was approved to support BHE's ancillary objects over the 5 years with flexibility in committing the funds subject to annual reviews. A further £200m was approved by the March 2020 Court of Common Council to support both grant commitments and associated operational spend. These funds are held in a designated fund which represents surplus income set aside for funding grant-making activities in the name of CBT. At the beginning of the 2021/22 financial year, the balance held in this designated fund representing uncommitted funding was £206.9m.
3. The proposals set out in this paper aligns with BHE's aims and objectives as set out in its overarching strategy, *Bridging London 2020 – 2045*. Specifically, the budget set out in this paper will support the delivery of the charity's funding strategy, currently *Bridging Divides*. Additionally, the proposal is supportive of the vision and those outcomes set out within the City Corporation's Corporate Plan for 2018-23 – in so far as they are considered to be aligned with outcomes which are in the best interest of the charity to support in pursuing its own strategic objectives.

Revenue Budget 2022/23

4. The Revenue budget for 2022/23 to be recommended for approval is analysed between:
 - a) Local Risk budget - these are for the budgets deemed to be largely within the Chief Officer's control, covering operational spend;
 - b) Central Risk budget - these are budgets comprising specific items where a Chief Officer manages the underlying service, but where the eventual financial outturn can be strongly influenced by external factors outside his/her control or are budgets of a corporate nature. Examples include. interest on balances, rent income from investment properties and in the case of CBT, the grants budget and income receivable from the Social Investment Fund (SIF); and
 - c) Support Services and Capital recharges - these cover budgets for services provided covered by central departments in the Corporation.

5. A summary of the 2022/23 budget is set out in Appendix 1.

Central Risk

6. CBT's proposed Central Risk budget for 2022/23 covers grants commitments, associated fees and services, grant income, and interest income from the Social Investment Fund. The proposed budget is £103.3m and is £64.1m higher than the forecast for 2021/22. This increase reflects reactive grant making coming off pause and the crystallisation of some strategic initiative proposals.

Grants Budget

7. Table 1 below sets out the proposed grant commitments and associated fees and services budget for 2022/23.

Table 1: Grants Budget

Grants, Fees and Services	Proposed Budget 22/23	Forecast 21/22	Variance to Forecast	Original Budget 21/22
<i>Bridging Divides</i>	£000s	£000s	£000s	£000s
Core Programmes	28,600	25,870	2,730	105,300
Transition Funding	13,400	7,400	6,000	-
The Vehicle (LCRF v2.0)	25,000	-	25,000	-
Funder Collaborations	10,300	4,700	5,600	-
Anchor Project	8,000	300	7,700	-
Test and Discover	4,000	-	4,000	-
Development Projects	6,940	-	6,940	-
London's Giving	5,250		5,250	
Responding to Resilience Risk v2.0	83	227	(143)	
			-	
<i>Anniversary Programmes</i>			-	
Cornerstone	1,000	509	491	870
Bridge to Work	41	29	12	100
			-	
<i>Fees and Services</i>	939	515	424	-
<i>Staff Costs</i>	481	269	212	
Total Grants	104,034	39,818	64,216	106,270

8. The full proposed budget for grants in 2022/23 is £104.1m, an increase of £64.2m compared to the forecast for 2021/22. Details of the proposed budget for the

various funding programmes are explained in paragraphs 9 to 17. Appendix 2 shows the movements on the Designated Fund held by BHE for grants.

Core programmes

9. As of November 2021, 11 of the 19 Bridging Divides strands have been opened following a thorough review and update as outlined in the Interim Review of Bridging Divides (IRBD) presented at March 2021 CBT Committee. Remaining strands are subject to a review in early 2022/23, following on from which recommendations will be made to Committee on those strands to be re-opened and/or replaced with strands which better fit CBT's mission and vision. The proposed Core Programmes budget for 2022/23 is £28.6m compared to the £25.9m forecast to be committed for 2021/22. The 2021/22 amount includes the £3m commitment to The Prince's Trust which was delayed from 2020/21 as agreed by the former CBT Committee.

Transition Fund

10. Whilst some of the Bridging Divides strands remain paused, transition funding of £7.4m is earmarked for 2021/22 and a further £13.4m proposed for 2022/23. This fund will have a flexible and responsive approach to ensure that the work supported by CBT has tapered ending rather than support being abruptly removed. This will enable organisations to continue to provide support and look to adapt their future work to meet the changing needs and aspirations of London's communities.

The Vehicle - London Community Response v2.0

11. London Community Response (LCR) was an unprecedented collective emergency response grant programme coordinated by London Funders, which saw collaboration between over 60 funders to respond to the emergent needs of Londoners during the Covid pandemic. CBT played a key role, operating a fund into which other donors could donate - the London Community Response Fund (LCRF) and awarded about half of the grants (£28.3m of a £57m total). By working together, funders were able to pilot more progressive approaches to funding, testing their individual and collective appetite for embracing greater levels of risk and shaping appropriate mitigations.
12. CBT are working with London Funders and a number of the statutory, corporate, and independent funders, which played a leading role in LCR, to shape how the collaborative model might adapt for non-emergency contexts with a soft launch currently imminent. There is clear enthusiasm within this core group to support the evolution of the model and to contribute funding in support of it with a likely focus on Children and Young People, amongst other things in the immediate term. CBT is likely to make a leading contribution.

13. The amounts that each organisation might contribute are still being discussed, and a paper is planned for this Committee in early 2022/23 to seek approval to allocate up to £25m towards this initiative.

The Anchor Project

14. The Anchor Project work stems from the IRBD. The former CBT Committee approved in principle, to long-term (up to 10 years) core fund a cohort of London's representative anchor organisations vital to supporting the conditions for a progressive and inclusive civil society, and crucial to tackling inequality across the capital. Following development work in 2021/22, it is anticipated that awards in the first tranche of grants will total up to £8m.

Test and Discover

15. Test and Discover describes an approach initially developed for the social investment fund, and since broadened to cover the grant-funding work of the Trust, to explore new initiatives. The earliest versions were presented to the Social Investment Board, and it was since put forward under the IRBD recommendation paper. CBT will begin work on this approach in early 2022, with £4m budgeted as commitments for 2022/23.

Development Projects

16. A budget of £6.94m for 2022/23 is proposed to be allocated to work on Development Projects. These stem from the IRBD recommendation paper and includes the development of an "*Every Voice Counts*" funding priority, redevelopment of the core offer, initiatives which develop from the work of the Environmental Responsibility and Diversity, Equity and Inclusion working groups, and new sub-initiatives which emerge from the Anchor Project or other initiatives.

Cornerstone

17. The Cornerstone Fund is a funder collaboration with external funders including the Greater London Authority, the National Lottery Community Fund, and the John Lyons Charity. It aims to bring about systemic change, enabling civil society support organisations to work in partnership to tackle deep seated structural inequalities to improve outcomes for Londoners and to support a thriving civil society that is adaptable, resilient, collaborative, sustainable and driven by communities. During 2021/22 Round 2 Cornerstone programme started, with organisations receiving funding to develop their partnerships and the projects they will deliver. In 2022/23 the projects will be assessed at stage two and funding of £1m awarded to carry out the work.

Fees and Services

18. Fees and services associated with the various grant-making programmes are budgeted at £0.9m. This is earmarked for consultancy and other operational spend for the above-mentioned programmes alongside the *Responding to Resilience Risk 2* (RRR2) programme (whereby grants were awarded in 2021/22). A significant proportion of this proposed budget is earmarked for the administration and additional resource required for the LCR v2.0. It is expected that there will be a higher unit cost (administration cost per grant) in this initiative, due to its innovative nature, its commitment to robust learning and evaluation, and its ambitions to work in a way which is more equitable, and shares power.
19. CBT aims to bolster its role as an influencer in the sector. A budget of £30k is proposed to undertake a deep dive research around a theme of critical significance to stakeholders and audiences.

Social Investment Fund Income

20. Income receivable from Social Investments for 2022/23 is budgeted at £166k, a decrease of £63k compared to the 2021/22 forecast. This decrease is due to the current pause on new social investment placements, pending the receipt of additional powers under the Supplemental Royal Charter, and agreement of any new social investment focus areas.

Grants Income

21. Grants income of £100k is the third and final instalment expected from Trust for London as their contribution towards the Cornerstone programme.

Local Risk

22. CBT's proposed Local Risk budget for 2022/23 includes employee costs, fees, computing and software, printing, subscriptions for operational spend on CBT main activities, Philanthropy House Strategy, Impact and Learning, Marketing and Communications, Corporate Volunteering.
23. The proposed budget of £3.9m, net of income, is £162k higher than the 2021/22 forecast. The increase in spend is due to the need to increase operational capacity to support the higher level of grant funding activities. This increase is funded from the additional £200m allocation held within the designated fund for grant-making.

Employee Costs

24. The proposed employee budget for 2022/23 is £3.3m, an increase of £0.4m compared to the 2021/22 forecast. Of the proposed employee costs £2.9m are direct employee costs where the postholder is either working exclusively for CBT

or has a significant portion of their tasks and duties related to this work. Appendix 3 shows the employee costs and presents the split of costs across responsibilities.

25. Compared to the 2020/21 forecast for similar posts, the proposed budget has increased by £0.3m. This increase comprises: additional Funding Managers, Funding Officers and a finance assessment role, alongside additional administrative capacity to help support the increased level of grant funding reflected in this budget.
26. The balance of the proposed uplift in employee costs is for recruitment costs and staff training costs.

Non-Employee Costs

27. The proposed 2022/23 budget for non-employee (supplies and services) costs is set out in Table 2 below:

Table 2: Non-employee costs

	Proposed Budget 22/23	Forecast 21/22	Variance to Forecast		Original Budget 21/22
Local Risk					
	£000s	£000s	£000s		£000s
Equipment, furniture, materials	12	11	1		11
Clothes, Uniforms	1	1	-		1
Printing, stationery, general office	4	14	(10)		6
Fees & Services	420	762	(342)		1,120
Communications & Computing	266	195	72		98
Hospitality/Events/Conference Expenses	159	36	122		99
Subscriptions	28	31	(3)		31
Public transport	8	7	1		10
Total Local Risk	898	1,057	(159)		1,376

28. The 2022/23 proposed budget of £0.9m is £0.2m lower than 2021/22 forecast. The 2021/22 forecast includes an allocation of £0.6m in grant-making administration costs out of the £200m approved in March 2020. With more refined grant spending plans in place now, the equivalent budget is now included in 2022/23 Central Risk fees budget. Excluding these administration costs from 2021/22 forecast, there is an increase of £0.4m in the proposed costs budget for 2022/23. This increase includes:
- A budget of £0.2m in external grants assessors' costs, social investment management fees, Philanthropy House research costs and other professional fees;

- b. A budget of £0.1m in communications and marketing to commission the visual and written content for the new website, and create new marketing materials to promote the opened funding streams and refreshed brand position; and
- c. Events and conferences expenses budgeted at £0.1m for a more ambitious learning and influencing strategy alongside plans to bring the sector together to share learning and encourage collaboration around priority themes.

29. Appendix 4 shows non-employee costs split by cost centre.

Budget Monitoring Update 2021/22

Table 3 below provides an overview of CBT's financial results as at the end of October 2021

Table 3: CBT Actual Spend v Budget

	Year to Date 31 Oct 2021				Annual - 2021/22			
	Actual	Budget	Variance to Budget	Variance %	Forecast	Latest Approved Budget	Variance to Budget	Variance %
	£'000	£'000	£'000	%	£'000	£'000	£'000	%
Local Risk								
Employees	(1,537)	(1,473)	(64)	(4)	(2,824)	(2,555)	(269)	-
Professional Fees	(183)	(465)	282	61	(762)	(847)	85	-
Supplies and Services	(153)	(205)	52	25	(295)	(321)	26	-
Total Expenditure	(1,873)	(2,143)	270	13	(3,881)	(3,723)	(158)	(4)
Income	17	17	-	-	179	179	-	-
Total Local Risk	(1,856)	(2,126)	270	13	(3,702)	(3,544)	(158)	(4)
Central Risk								
Grants	(11,900)	(60,870)	48,970	80	(39,149)	(105,899)	66,750	63
Non-Grant expenditure	(115)	(331)	215	65	(400)	(417)	17	4
Depreciation	(13)	(13)	-	-	(23)	(23)	-	-
Social Investment Income	155	160	(5)	3	229	250	(21)	8
Grants Income	-	-	-	-	200	200	-	-
Total Central Risk	(11,873)	(61,054)	49,180	81	(39,144)	(105,889)	66,745	63
Recharges	(132)	(132)	-	-	(388)	(224)	(164)	(73)
Total Net Expenditure	(13,861)	(63,311)	49,450	78	(43,233)	(109,657)	66,423	61

30. CBT's 2021/22 original budget included £105m for core grants. The year-to-date commitment £11.9m lags behind the allocated budget due to the impact of Covid-

19, the pause on reactive grant funding in the early part of the financial year and the interim review of Bridging Divides. Accordingly, operational spend earmarked to support grant funding and professional fees are yet to be incurred.

31. Year to date spend over budget of £64k in employee costs is attributed to recharges for employees on the LCRF programme. Similarly, the full year forecast above budget of £0.3m in employees costs arises from employees working on the LCRF programme and will be funded from the balance on LCRF carried over from March 2021 in the BHE restricted fund. Philanthropy House (PH) project is on pause pending greater clarity around rental rate in co-location hubs post-pandemic. Fees related to PH project would therefore not be incurred in this financial year.

Conclusion

32. This report presents the 2022/23 budget for Members' consideration and recommendation to the BHE Board for approval. The budget reflects a significant proportion of the additional funding approved within the designated grants fund and allows CBT to continue its core business of charitable funding in a flexible and yet impactful way.

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Appendices

- Appendix 1 – 2022/22 Budget summary
- Appendix 2 – Designated funds - grants
- Appendix 3 – Staffing statement
- Appendix 4 – Supplies and services by cost centre

Appendix 1: 2022/23 Budget summary

	Proposed Budget 22/23	Forecast 21/22	Variance to Forecast		Original Budget 21/22	Latest Approved Budget 21/22
Local Risk						
	£000s	£000s	£000s		£000s	£000s
Employees	3,252	2,824	428		2,347	2,555
Professional Fees	420	762	(342)		1,120	847
Supplies and Services	478	295	183		256	321
Total Expenditure	4,150	3,881	269		3,723	3,723
Income						
Wembley National Stadium Trust	(73)	(29)	(44)		(29)	(29)
Central Grants Unit Support	(123)	(67)	(56)		(67)	(67)
Community Infrastructure Levy Support	(90)	(83)	(7)		(83)	(83)
Total Income	(286)	(179)	(107)		(179)	(179)
Total Local Risk	3,864	3,702	162		3,544	3,544
Central Risk						
Grants, Fees and Services	103,553	39,549	64,003		106,270	106,316
Depreciation	19	23	(4)		23	23
Total Expenditure	103,572	39,572	63,999		106,293	106,339
Income						
Social Investments Fund	(166)	(229)	63		(250)	(250)
Grants Income	(100)	(200)	100		(200)	(200)
Total Income	(266)	(429)	164		(450)	(450)
Total Central Risk	103,306	39,144	64,163		105,843	105,889
Recharges	340	388	(48)		163	224
Total Net Expenditure	107,509	43,233	64,277		109,550	109,657

Appendix 2: Designated funds - grants

	Forecast 21/22	Budget 22/23
	£000s	£000s
<i>Balance brought forward</i>	206,874	195,389
<i>Transfers</i>	28,333	28,333
	235,207	223,722
<i>Bridging Divides</i>		
Core Programmes	(25,870)	(28,600)
Transition Funding	(7,400)	(13,400)
The Vehicle (LCRF v2.0)	-	(25,000)
Funder Collaborations	(4,700)	(10,300)
Anchor Project	(300)	(8,000)
Test and Discover	-	(4,000)
Development Projects	-	(6,940)
London's Giving	-	(5,250)
Responding to Resilience Risk v2.0	(227)	(83)
Cornerstone	(509)	(1,000)
Bridge to Work	(29)	(41)
Staff Costs	(269)	(481)
Fees and Services	(515)	(939)
Annual grants expenditure	(39,818)	(104,034)
Cumulative grants balance	195,389	119,688

Appendix 3: Staffing statement 2022/23

	Headcount Full-time Equivalent Proposed Budget 22/23	Proposed Budget 22/23	Headcount Full-time Equivalent Forecast 21/22	Forecast 21/22
	FTE	£000	FTE	£000
City Bridge Trust	48.82	2,723	41.14	2,388
Charity Finance (CBT)	2.98	190	2.70	179
Wembley National Stadium Trust	1.00	88	0.33	23
Central Grants Unit	2.00	126	2.00	126
Neighbourhood Community Infrastructure Levy	0.60	36	0.60	35
Total	55.40	3,163	46.77	2,751
Staff training		54		53
Recruitment		35		20
Total employee costs		3,252		2,824

Appendix 4: Supplies and services by cost centre

	Proposed Budget 22/23	Forecast 21/22	Variance to Forecast		Original Budget 21/22
Local Risk					
	£000s	£000s	£000s		£000s
CBT Funding Activities	365	809	(444)		954
Philanthropy Strategy	100	-	100		94
Impact and Learning	38	64	(26)		89
Communications and Marketing	147	70	77		36
Hospitality/Events/Conference Expenses	159	36	123		99
Social Investment Fund	79	53	26		79
CBT Corporate Volunteering	10	25	(15)		25
Total Local Risk	898	1,057	(159)		1,376

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