

Committee	Dated:
City Bridge Trust (CBT)	25th March 2021
Subject: Update report of the Chief Grants Officer and Director of CBT (CGO)	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	N/A
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: CGO	For Decision
Report author: CGO	

Summary

This is a regular report by the CGO. You are asked within this report to note updates on the following:

- a) Covid 19 support: Core cost conversion and the London Community Response/Fund (LCR/F) Wave 5
- b) Flexible Funders campaign
- c) Responding to the Resilience 2 (RRR2)
- d) Amendment to Business plan
- e) Cornerstone Fund
- f) The Bridge House Estates (BHE) Strategic Governance Review: the proposed BHE Board & potential implications for the CBT Committee.

Recommendations

Members are asked to:

- a) Note the report.
- b) Agree to revise the £500,000 ringfenced for RRR2 to £310,000
- c) Agree to the inclusion of the Impact and Learning outcome in the CBT Business plan.

Main report

Your external speaker today is John Griffiths. John is a Founder Director of Rocket Science which provides research, consultancy and evaluation services to clients across government, business and civil society. In conjunction with Kate Moralee (CBT's Bridging Divides Interim Review Project Manager), John will be providing an overview of the combined work undertaken on the Bridging Divides Interim Review and commissioned research. Following questions, there will then be an opportunity

for further discussion on the Interim Review later in your meeting, informed by a dedicated paper.

Continuing Support & Flexibility in the Covid 19 Context :

1. In the presentation and later paper on the Interim Review our operating context is considered: our work to deliver the Bridging Divides strategy and Philanthropy Strategy have adapted to this context. Whilst the health pandemic shows an improving picture across London with a reducing R rate, mortality rate and increase in vaccination; the socio/economic consequences for many Londoners are stark. The pandemic has further revealed and in some cases exacerbated existing inequalities. During this period we continue to:
 - a) work with & support those organisations in receipt of Bridging Divides funding;
 - b) assess applications in the existing pipeline for the small grants programme (including agreement to increase from 3 to 5 years the maximum duration for a small grant); continuation grants for current funding partners; Stepping Stones funding; strategic initiatives including further funding of the Responding to the Resilience Risk 2, The Cornerstone Fund, Local Motion, London's Giving and Funder Plus support through The Bridge Programme and STRIVE.
 - c) contribute officer time as part of the formal structures underpinning London's response to the pandemic (including consideration of learning to date and of how London's resilience structure could be further improved in the future with deeper connections to the community, voluntary and funder sectors);
 - d) work in collaboration with other funders (see below).

Core cost conversion

3. In June 2020, as part of its Covid-19 response, CBT invited 385 current Bridging Divides grantees to convert a proportion of their current grant funding from specific project funding to core cost funding (e.g. supporting wages, rent and bills) for up to a year to support organisational sustainability and effectiveness both through and hopefully beyond the current pandemic.
4. We asked Renaisi, CBT's learning partner, to interview 12 organisations that accepted the funding conversion, 4 that did not, and 5 of CBT's funding team in order to assess the impact of this approach and to inform CBT's interim review of Bridging Divides and future potential core funding offers.
5. The final report with recommendations is due in May but having completed all interviews, initial findings are that many appreciated the core funding conversion because it gave them flexibility, even if in practice it did not substantially change what the original grant was spent on. There was a mix of ways the funding was used, but often it was spent on adapting services in the context of Covid-19 restrictions and/or developing IT systems. In particular this development of IT systems tended to become a more strategic, long-term focus for organisations as they saw its value in the post-Covid-19 landscape.

6. For those who didn't accept the conversion, most said they wanted to continue doing the same work as previously planned. One funded partner said that with hindsight they should have put more thought into it and accepted the conversion because it could have been useful. Another said they declined because they wanted to have CBT funding attached to a project to secure further funding.
7. Elsewhere in your papers is a proposal to continue this offer as part of the Bridging Divides interim review.

LCRF Wave 5

8. On 11 January, the Town Clerk, in consultation with the Chair and Deputy Chair of CBT Committee, allocated £4m of the 2020-2021 Bridging Divides (BD) budget to Wave 5 of the LCR through the LCRF, and £1m towards aligned expenditure (also from the 2020-2021 BD Budget).
9. Expenditure of the £4m LCRF funds is underway. A donation of £250,000 was also received from Macquarie bank, bringing the total available for Wave 5 expenditure to £4.25m. £990,369 of the aligned funding has been committed, to existing CBT grantees, and the balance of £9,631 (of the original £1m allocated) will remain in the BD budget for expenditure on usual BD activity.

Flexible Funders campaign

10. CBT has signed up to the Flexible Funders campaign run by the Institute of Voluntary Action Research (IVAR) and London Funders (the charity enabling the membership network for funders and investors of London's civil society) in collaboration with a small group of UK foundations and charities. The campaign calls on funders to adopt more open and trusting practices that make life easier for those we fund, in light of the ongoing uncertainty caused by Covid-19. The ambition is to extend the following eight commitments beyond the crisis to become standard practice in the sector:
 - a) Don't waste time – funders will be open, transparent and clear about all of their priorities, requirements and exclusions.
 - b) Ask relevant questions – funders will test their application forms to ensure clarity, relevance and avoid repetition, only collecting information that genuinely informs a funding decision.
 - c) Accept risk – funders will clearly explain how risk is assessed and be realistic about how much assurance applicants can provide.
 - d) Act with urgency – funders will aim to make decisions as quickly as possible by publishing and sticking to timeframes to ensure they work at a pace that meets the needs of applicants.
 - e) Be open – funders will provide feedback, including reasons for rejections. They will analyse and share relevant data, including publishing success rates.
 - f) Enable flexibility – funders will aim to give unrestricted funding; where they cannot (or are a specialist funder), they will ensure their funding is as flexible as possible.
 - g) Communicate with purpose – a funder's contact is positive and purposeful. They will be realistic about their time commitments.

- h) Be proportionate – funders will ensure that their formal reporting requirements are well understood, proportionate and meaningful.
11. You can see who else has signed up and read more about these eight commitments on IVAR's website: www.ivar.org.uk/flexible-funders . CBT's commitments are here: [IVAR call to action CBT template](#) and we are creating an action plan to keep us on track with our new commitments.

Responding to the Resilience 2 (RRR2)

12. At your Committee meeting in November 2020, you agreed to support the development and delivery of Responding to the Resilience Risk 2 (RRR2) up to an estimated cost of £500,000, which was ring-fenced from CBT's central risk budget.
13. RRR2 will test the impact of a coaching-based resilience intervention on frontline workers in homelessness charities in London. The RRR2 resilience intervention has been shaped by learning from your earlier initiative, Responding to the Resilience Risk, an evaluation of which was published in September 2020. RRR2 aims to develop and test a model for supporting frontline workers, and share learning widely, influencing the practice of other funders working in London.
14. Your agreement to this arrangement was in recognition of a pending funding application being prepared by your officer to The Oak Foundation, the outcome of which would adjust the figure required from CBT (see below). This agreement also recognised that the RRR2 programme was still in development and therefore some costs could only be estimated at that point.
15. As the RRR2 programme has progressed, whilst the overall estimated project cost remains at £500,000, please note the following updates to the expenditure budget that was presented to you in November 2020:
- a) The estimated costs of delivering the coaching activities for the RRR2 programme on a cost recovery basis has reduced from £85,000 to £77,620. However, this excludes any potential costs of the Guildhall School of Music and Drama (GSMD) staff engaging with the evaluation, which cannot be costed until the Evaluator is appointed.
 - b) It is anticipated that Coaching staff from GSMD will contribute to the evaluation and that further costs will be incurred to cover officer time for this purpose.
 - c) The fee offered for the RRR2 Coordinator contract was increased from £15,000 to £18,000 on the advice of your procurement team.
 - d) Finally, costs incurred for legal support at the point of writing were £3,357, which is lower than budgeted.
 - e) It is anticipated that further legal costs will be incurred as the programme develops.
 - f) The variables to the project's expenditure can easily be absorbed by the contingency that was built into the budget.
16. The application to Oak Foundation was successful, which means that CBT will receive a grant of £190,000 towards the costs of the RRR2 programme, reducing

the sum required from CBT from £500,000 to £310,000. In light of this, your officer presents the following recommendation for consideration:

Recommendation:

Members are asked to agree to revise the £500,000 ringfenced for RRR2 to a sum of £310,000.

17. A list of actual and anticipated RRR2 expenditure and a revised budget, incorporating the further GSMD staffing and legal costs mentioned above, are presented in the appendix to the CGO report.
18. Your officer can also report that the tender for the RRR2 Coordinator has now closed and your officer hopes to be in a position to contract an organisation to deliver the RRR2 Coordination role by the date of your meeting in March 2021. The tender for the RRR2 Evaluation process is live and will close in early April. Your officer is working closely with your Principal Lawyer (Contracts) to create a bespoke MOU to outline the relationship between CBT and the GSMD for the RRR2 programme. Finally, your officer has written back unused funds of £43,361 from the Responding to the Resilience Risk programme, which culminated in the autumn of 2020. These funds will be returned to your grants budget.

Amendment to Business Plan

19. Following the presentation of the CBT Business plan to this committee in November 2020, we propose to add an additional workstream linked to Impact and Learning; as follows:
 - a) To embed learning across all of CBT and use evidence and learning to influence good practice more widely by implementing the impact and learning strategy.
20. This outcome was omitted in error from the November draft. It builds on the previous business plan and reflects CBT's ongoing commitment to be anchored in lessons learnt from its funded organisations, stakeholders and own practice.

Recommendation:

Members are asked to agree to the inclusion of the Impact and Learning outcome in the CBT Business Plan.

Cornerstone Fund

21. You may recall that the first round of the Cornerstone Fund, originally an additional 'pot' of £3m from the anniversary funding allocated in 2015, was launched in April 2018, alongside the Bridging Divides funding priorities. This additional funding was approved to support the strategic development of civil society infrastructure support¹ in London.

¹ 'Civil society infrastructure support' means any organisation that provides services to help strengthen civil society organisations, such as councils for voluntary services; equalities support organisations, such as racial equality membership bodies, or those providing specialist support, such as digital or campaigning skills.

22. It was always the ambition of the Cornerstone Fund that other funders would collaborate with us on its development and we have worked with the National Lottery Community Fund, Trust for London, GLA, John Lyons Charity, Mercers Company, London Funders and London Councils throughout Round 1.
23. A Learning Partner, Collaborate CIC, was appointed following an open tendering process which ran a series of workshops throughout 2018 – 2020 for the lead funded organisations and the aligned funders. The executive summary of their report on Round 1 can be found [here](#)
24. Round 2 of the Cornerstone Fund launched on 8th February 2021, following a consultation meeting held on 5th November 2020, facilitated by Collaborate.
25. All of the funders involved in Round 1 have committed to working with us on Round 2. Broadly, Round 2, as in the case of Round 1, will focus on civil society support organisations which are taking collaborative/partnership approaches to bring about systemic change in how they work with those they support.
26. The closing date for Stage 1 applications is 22nd March 2021. A virtual workshop for potential applicants took place on 5th March attended by approximately 60 people. The Funder Panel will meet on 16th April 2021 to consider the Stage 1 applications and then to make recommendations to the CBT Committee for decision by delegated authority.

The Bridge House Estates (BHE) Strategic Governance Review: The Proposed BHE Board & potential implications for CBT Committee

27. Members will recall that in 2018 the BHE Strategic Governance Review was initiated to assess how the governance of BHE could be enhanced, to ultimately increase the reach and impact of the charity's activities and to model good practice. Having regard to this, a key workstream of the Review has been to review the administration of the charity under the City Corporation's own corporate governance framework. With the initiation of a separate Corporate Governance Review for the City Corporation itself in 2020, led by Lord Lisvane, it was deemed appropriate to progress any potential changes to BHE's governance and administration by the City Corporation as Trustee in line with the Governance Review.
28. Members have been provided with regular bi-annual updates reports on the progress of the BHE Governance Review, with the latest fifth updated report received in January 2021. The Chairs and Deputy Chairs of key committees discharging responsibility for BHE have also been regularly engaged throughout the Review. The fifth update report highlighted the progress made in making changes to BHE's governance and outlined the proposal to create a dedicated BHE Committee of the Court, supported by its own sub-committees, and set out the next steps for approval of this recommendation.
29. In March 2021, the Court of Common Council, acting for the City Corporation as Trustee of BHE, approved the creation of a dedicated committee of the Court of Common Council to be responsible for the administration of BHE under the

oversight of the Court from April 2021. A single committee was recommended to support regulatory best practice and ensure that, by the implementation of a governance and operational framework providing for cohesive oversight of this large and complex charity in this way, the City Corporation as Trustee will better discharge its duties to administer the charity effectively, solely in the charity's best interests and in furtherance of BHE's charitable objects

30. The Court agreed to constitute a committee to be named the "Bridge House Estates Board" to have responsibility for dealing with the day-to-day management and administration of the charity's business and financial affairs, management of risk, and exercising the powers of the City Corporation as Trustee of BHE on behalf of the Court, and including but not limited to:
 - a) Considering matters of policy and strategic importance to BHE, and making recommendations to the Court of Common Council in settling the charity's overarching policies;
 - b) The review and co-ordination of the governance of BHE for the City Corporation as Trustee, reporting as necessary to the Court of Common Council;
 - c) Appointing such sub-committees as are considered necessary for the most effective discharge of BHE functions;
 - d) The corporate control, management, maintenance and repair of the five Thames bridges;
 - e) The management of the visitor and events elements relating to Tower Bridge; and,
 - f) The application of funds for the ancillary object in accordance with the policy set.
31. The creation of a BHE Board will result in changes to existing Terms of Reference of committees which currently discharge BHE functions. Members will be further engaged in implementing the corporate governance arrangements to be adopted upon creation of the Board, particularly in considering the governance arrangements to be adopted to support collaboration and co-operation across the City Corporation's functions having regard to existing governance structures. It is also specifically recommended that any new BHE Board consider constituting a sub-committee to focus on the charity's grant funding programme, including to make provision for the appointment of persons serving on the existing CBT Committee to help ensure continuity in this part of the charity's business.
32. Furthermore, it is proposed that the BHE Board considers whether any sub-committees it establishes could draw upon the expertise in other Committees for example by appointing members of other Court Committees whose insights and experience may be helpful. It would also be open to the BHE Board to appoint further external co-opted Members to its sub-committees.
33. The proposed Terms of Reference for the new BHE Board will now be presented to the Court of Common Council in April 2021 for approval in constituting all the Court's Committees in 2021/22 in the usual way. If approved, it is then anticipated that the first meeting of the BHE Board will be held in May 2021, at which point the Chair and Deputy Chair of the Board will be elected. It is also

proposed that the BHE Board consider at its first meeting which sub-committees it may wish to constitute (with the recommendation to establish a funding sub-committee, as outlined above).

34. Subject to the formal constitution of the BHE Board by Court in April 2021, the proposed changes mean that this is most likely to be the last time that this CBT Committee will meet in its current form, as it is likely to be dissolved as a Grand Committee by the Court in April 2021 as a result of constituting the BHE Board. Your CBT Officers would like to take this opportunity to offer their gratitude and thanks for your guidance and support. This Committee can feel especially proud of supporting innovation and progressive funding practices: including our cutting-edge work with disabled people, and a commitment to the social model of disability, taking a leading role in community response to major incidents in London, (COVID, the London Bombings, Grenfell), and pioneering a collaborative response to knife crime (the Fear and Fashion project). Your commitment to championing civil society infrastructure support including the Cornerstone Fund has transformed the sector and continues to influence other Foundations' working practices.

35. In this past year, where so many of London's marginalised communities faced even more challenges, you supported the CBT Team's proposals as we adapted to meet their ever-changing needs and coordinated the London Community Response Fund. We look forward to working with many of you again as we continue our work to reduce inequality and grow stronger communities in London.

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Appendix 1:

Revised Budget for Responding to the Resilience Risk 2 initiative

RRR2 Expenditure					
November budget		Actual/anticipated (March 2021)		Revised RRR2 budget	
£300,000	12 participating gps	£300,000	12 participating gps	£300,000	12 participating gps
£85,000	Coaching	£77,620	Coaching	£83,620	Coaching
£60,000	Evaluation	£60,000	Evaluation	£60,000	Evaluation
£15,000	Coordination	£18,000	Coordination	£18,000	Coordination
£15,000	Legal support	£3,357	Legal support	£6,000	Legal support
£475,000	SUBTOTAL	£458,977	SUBTOTAL	£467,620	SUBTOTAL
£25,000	Contingency (5%)	£41,023	Contingency (8%)	£32,380	Contingency (6.5%)
£500,000	TOTAL EXPENDITURE	£500,000	TOTAL EXPENDITURE	£500,000	TOTAL EXPENDITURE
RRR2 Income					
November budget		Actual/anticipated (March 2021)		Revised RRR2 budget	
£500,000	CBT ringfenced	£310,000	CBT	£310,000	CBT
		£190,000	Oak Foundation	£190,000	Oak Foundation
£500,000	TOTAL INCOME	£500,000	TOTAL INCOME	£500,000	TOTAL INCOME