

BRIDGE HOUSE ESTATES BOARD
Wednesday, 14 July 2021

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

Present

Members:

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

Officers:

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

1. **APOLOGIES**

Apologies for absence were received from Judith Pleasance.

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

There were no declarations.

3. **BOARD MINUTES***

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

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

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

RESOLVED – That the report be noted.

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

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

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

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

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

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

7. **FUNDER COMMITMENT ON CLIMATE CHANGE**

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

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

8. **MODERN SLAVERY STATEMENT UPDATE FOR 2020/21**

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

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

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

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

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

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

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

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

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

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

10. **TOWER BRIDGE HV SYSTEM REPLACEMENT AND INCREASING RESILIENCE**

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

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

11. **FUNDING APPLICATIONS AND REJECTIONS**

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

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

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

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

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

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

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

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

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

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

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

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

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

RESOLVED – That the report be noted.

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

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

The meeting ended at 12.49 pm

Chair

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