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| Committee: | Date: |
| Bridge House Estates Board | 16 February 2022 |
| Subject: High level Business plan 2022/23 | Public |
| Which outcomes in the BHE Bridging London 2020 – 2045 Strategy does this proposal aim to support? | 1 |
| Does this proposal require extra revenue and/or capital spending? | No |
| Report of: David Farnsworth, Managing Director of BHE | For decision |
| Report author: Scott Nixon, Head of Managing Director's Office | |

Summary

This report presents an overview of the overarching priorities for Bridge House Estates (BHE) in 2022/23. It also sets out the draft Tower Bridge (TB) and City Bridge Trust (CBT) high-level summary Business Plans for 2022/23 - TB for approval by the Board and CBT for information, pending consideration by the BHE Grants Committee at its March 2022 meeting.

TB's draft high level business plan reflects its position as an asset of the charity and its various functions such as raising the bridge for river traffic, visitor attraction development & management, day to day maintenance & 24-hour security provision; learning, community engagement & cultural activities, corporate and private events, onsite and online retail and filming facilitation.

The CBT draft high level business plan reflects its delivery of BHE's ancillary object and covers all areas of CBT activity and associated costs. This includes the delivery of the Philanthropy Strategy; the Climate Action Strategy; the BHE charitable funding strategy, *Bridging Divides* (BD); the BHE Social Investment Fund and the Wembley National Stadium Trust contract.

Recommendations

The Bridge House Estates Board are asked to:

- i) Review and note the overarching priorities for Bridge House Estates for 2022/2023;
- ii) Approve, subject to the incorporation of any changes sought by this Board, the final high-level summary Business Plan for 2022/23 for Tower Bridge; and,
- iii) Note the draft City Bridge Trust high-level summary Business Plan for 2022/23 (pending consideration by the BHE Grants Committee in March).

Main Report

Background

1. As part of the framework for corporate and business planning, TB, CBT and City Corporation departments were asked to produce standardised high-level Business Plans for the first time in 2017 for the 2018/19 year. Members generally welcomed

these high-level plans for being brief, concise, focused and consistent statements of the key ambitions and objectives. As the governance arrangements for BHE are further refined, following the completion and implementation of the BHE Strategic Governance Review, the BHE Board will be engaged in any future decisions as to revised processes that may be developed or implemented that best suit the charity.

2. For 2022/23, the high-level draft summary Business Plan has been further evolved to make use of the information now available and give a better overview of work being undertaken. It provides an overview of TB's and CBT's activity and resources, mainly but not limited to the forthcoming 12 months. As a high-level summary, this document does not capture the granularity of work but gives the overall picture of activity.
3. It is important to note that given the uncertainties of the ever-changing Covid operating context some of the work streams included in the draft high-level Business Plans may need to be re-prioritised/rescheduled/re-costed during the course of the coming financial year. This may have impacts on resourcing which are as yet not possible to predict. The BHE Board and the Grants Committee (as relevant) will of course be appropriately engaged in any such changes.
4. The activities at TB and CBT first and foremost are designed and delivered to meet the charity's overarching objectives, as set out in its *Bridging London Strategy*. Furthermore, the activities delivered by CBT support the delivery of the charity's funding strategy approved by the Court of Common Council, on recommendation of the former CBT Committee – this strategy is currently *Bridging Divides*. The activities of the charity also support the vision and outcomes set out within the Philanthropy Strategy, The Climate Action Strategy and those City Corporation Corporate Plan outcomes which are considered to be in the best interests of the charity to support in pursuing its own strategic objectives.

BHE Overarching Priorities for 2022/23

5. Following the BHE Strategic Governance Review, Lisvane Review and the consequential forming of the BHE Board, implementation of the BHE Leadership Team and classification of BHE as an "institution" within the City Corporation, many of the charity's processes, including the business planning process, require review to ensure they are designed and delivered in a way that meets the charity's needs. Such matters will be reviewed over the coming year and BHE will look to present a more detailed business plan for the whole charity for 2023/24. Recognising that the charity is currently in a period of transition, a high-level summary of the overarching priorities for the 2022/23 financial year are shown below. Further details of the charity's overall budget for 2022/23 and its principal risks can be found at other items on your agenda today.
6. It should be noted that there are other teams within the wider City Corporation, such as the Investment Property Group and Treasury Management Team, that directly support the charity but whose activities are not currently covered within the BHE Business Plan as they are captured within other City Corporation department's business plans. However, the headline priorities below cover all areas of the charity's activities.

7. All priority activities listed below for 2022/23 align with the *Bridging London* Strategy and support its delivery in Year 2 of its implementation. The focus of activity for 2022/23 for the charity as a whole will be:
- a. Embedding Diversity, Equity and Inclusion (DEI) practices across the charity and continuing to implement the Climate Action Strategy;
 - b. Implementing the more modern, flexible and broader governance powers for the charity following the grant of the Supplemental Royal Charter e.g., Total Return Accounting for permanently endowed charities and a new delivery model for social investments; as well as keeping the arrangements of the BHE Board and its Committees under regular review;
 - c. Embedding a comprehensive BHE Leadership Team and continuing to review the resourcing needs across the charity to ensure the operational structure works in the best interests of the charity, and supports the creation of a 'one-team' culture;
 - d. Considering the future management arrangements for the charity's investment portfolio and developing a revised Investment Strategy Statement;
 - e. Reviewing the Bridge Replacement Strategy and factoring in wider considerations that will inform the decision of when to replace the Bridges; and continuing with the ongoing maintenance and support of the five Thames bridges as part of the 50-year Bridge Maintenance Plan; and,
 - f. Further developing BHE's brand positioning to ensure that its impact and learning is well promoted and understood by its stakeholders and beneficiaries.

Draft high-level TB and CBT summary Business Plan for 2022/23

8. At **Appendix 1**, this report presents the draft TB high-level Business Plan for 2022/23 and reflects the key areas of TB's activity such as raising the bridge for river traffic, visitor attraction development & management, day to day maintenance & 24-hour security provision; learning, community engagement & cultural activities, corporate and private events, onsite and online retail and filming facilitation.
9. At **Appendix 2**, this report presents the draft CBT high-level Business Plan for 2022/23 and reflects the key areas of CBT's activity, namely the delivery of: the Philanthropy Strategy; the charitable funding strategy, *Bridging Divides*; the Climate Action Strategy, the BHE Social Investment Fund and the Wembley National Stadium Trust contract.

Corporate & Strategic Implications

10. Both draft high-level Business Plan's and estimated budget support the delivery of the new over-arching BHE strategy, *Bridging London*, and the Philanthropy Strategy, Climate Action Strategy and *Bridging Divides* strategy. The plans are mindful of the City Corporation's own Corporate plan and look to align where appropriate and considered to be in the best interests of the charity of doing so.

11. The benefits for having the City Corporation as trustee of BHE continue to be further reflected in the 'total assets approach' embedded in the BD funding strategy – using all our assets to achieve positive impact for London's communities.

Conclusion

12. This report sets out the high-level overarching priorities for the charity for 2022/23. It also presents the high-level summary Business Plan for TB and CBT for 2022/23 for the Board's consideration and approval. For both TB and CBT, the plans and budget have been prepared in an extraordinary operating context with a number of Covid variables. For CBT, the Plan also takes account of the planned expenditure of a significant proportion of the additional funding approved for expenditure through BD and allows CBT to continue its core business of charitable funding in a flexible, impactful way – all now framed by the BHE over-arching strategy 'Bridging London'.

Appendices

- Appendix 1 – Draft high-level summary Business Plan 2022/23 (TB)
- Appendix 2 – Draft high-level summary Business Plan 2022/23 (CBT)

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