

## Report – Bridge House Estates Board

### Bridge House Estates (BHE) – Petition for Grant of Supplemental Royal Charter

*To be presented on Thursday, 10<sup>th</sup> March 2022*

*To the Right Honourable The Lord Mayor, Aldermen and Commons  
of the City of London in Common Council assembled.*

#### SUMMARY

In 2018 the City Corporation initiated a strategic review of the governance and administration of Bridge House Estates with a view to ensuring *inter alia* that the charity is well run and operating effectively consistent with the City Corporation's duties as charity Trustee. Following specialist charity law advice and upon the advice of the City Remembrancer, as previously reported to Members, the City Remembrancer has led discussions with the Privy Council Office on the grant of a Supplemental Royal Charter to amend the Bridge House Estates' governing documents to provide greater clarity, support good governance, and provide further and more modern powers and flexibilities in relation to the administration of the charity. Those informal discussions have concluded, and it is now proposed that the City Corporation formally petition the Privy Council for a new Supplemental Royal Charter for the charity.

This report asks the Court of Common Council, in their capacity as Trustee of Bridge House Estates and on the recommendation of your BHE Board, that the draft petition and draft Supplemental Charter in the form appended at Appendix 1 be approved for presentation to Her Majesty The Queen in Council.

#### Recommendations

It is recommended that the Members of the Court of Common Council, acting for the City Corporation as the charity trustee of Bridge House Estates and solely in the charity's best interests:

1. Petition Her Majesty The Queen in Council for a Supplemental Charter in the form attached to this resolution at **Appendix 1**, subject to such changes as the Privy Council may require; and
2. Authorise the City Remembrancer to make the petition to the Privy Council and to agree any changes in matters of form that the Privy Council may require on behalf of the City Corporation as Trustee.

## Main Report

### Background

1. The City of London Corporation acting by its Court of Common Council is the sole corporate Trustee of Bridge House Estates (Charity No. 1035628), a unique, historic, endowed and unincorporated charitable trust with mediaeval connections to the City Corporation. The primary purpose of the charity is to maintain and support in perpetuity five bridges crossing the River Thames which are the property of the charity- London Bridge, Southwark Bridge, Blackfriars Bridge, Tower Bridge and Millennium Bridge. The charity also has an ancillary purpose which permits income surplus to that required for the Bridges to be applied for broader, and more general, charitable purposes within the Greater London area.
2. The charity has its origins in ancient grants, gifts and bequests of property made over 900 years ago to support and maintain London Bridge in perpetuity and which came to be held together as "Bridge House Estates". The charity is governed by a complex web of law, governing documents, custom and practice. The governing documents of the charity include historic trust documents, a Royal Charter of 1282 and a Supplemental Charter of 1957, Private Acts of Parliament, Orders and Schemes of the Charity Commission, and custom and practice. Over the charity's long history, the governing documents of Bridge House Estates have been amended to address particular circumstances to allow the charity to operate effectively in advancing its charitable purposes.
3. The legal and regulatory environment has changed over the course of Bridge House Estates' long history, in particular over the last 25 years where various Charities Acts have introduced new statutory powers and flexibilities for charity trustees in running their charities. Due to the historic nature of many of Bridge House Estates' current governing documents, the application of these statutory powers to Bridge House Estates is not always clear. There is also greater focus now on good governance of charities and trustees' responsibilities for meeting expected standards of governance.
4. Further, the historic nature of Bridge House Estates, and its complex governance documentation, mean that powers and provisions that are relevant to other charities are not necessarily suitable for Bridge House Estates. This is reflected in the particular bespoke governing provisions already available to the Trustee in administering the charity. However, the current governing documents do not currently contain the full raft of powers and provisions that would be expected for a charity such as Bridge House Estates which holds significant assets (6<sup>th</sup> largest by asset valuation in the United Kingdom) and permanent endowment, and which undertakes diverse activities in furthering both its primary and secondary purposes.
5. Trustees have a duty to keep their charity's governance and administration under review and to consider whether the provisions in the charity's governing documents remain fit for purpose and/or whether they would benefit from amendment to better enable the charity's objects to be fulfilled and governance standards to be met. Consequently, in 2018 the City Corporation initiated a strategic review of the charity's governance and administration with a view to ensuring *inter alia* that the

charity is operating effectively consistent with the City Corporation's duties as charity Trustee.

6. After taking specialist charity law advice from Bates Wells LLP and upon the advice of the City Remembrancer, as previously reported to Members, governance changes were recommended for the charity by way of Supplemental Royal Charter to provide greater clarity, support good governance, and provide further and more modern powers and flexibilities in relation to the administration of the charity.

## **Current Position**

7. The City Remembrancer has led the discussions with the Privy Council Office on the grant of a draft Supplemental Charter. A draft Supplemental Charter has been prepared by Bates Wells LLP and reflects the advice of the Comptroller & City Solicitor and the City Remembrancer, as well as instructions from officers and Members, as previously reported. The form of the draft Supplemental Charter is now agreed in principle with the Privy Council Office, with that Office having consulted their own advisers, including the Charity Commission. Further to this, the draft petition and Supplemental Charter were considered by your BHE Board at its meeting on 16 February 2022 and were recommended to the Court of Common Council for approval.
8. The draft Supplemental Charter includes permitted amendments to the charity's governing documents which can be achieved by way of Charter and which:
  - a. are intended to provide clarity;
  - b. provide greater flexibility in the application of BHE's funds, but also provide suitable safeguards to protect the charity's primary purpose of the maintenance and support of the Bridges (e.g. a power to borrow against the endowment to meet the costs of replacement bridges);
  - c. provide more modern and flexible powers in relation to the administration of BHE, including conferring bespoke express powers to reflect statutory powers, or where the statutory powers are not available to the charity or their application to the charity is unclear (e.g. a bespoke total return investment power and a bespoke social investment power); and
  - d. reflect good governance practice (e.g. express conflict of interest procedures and trustee benefit provisions in relation to the City Corporation acting as Trustee).

## **Proposals**

9. The proposals set out in this report are the cumulation of the significant time and effort by the Trustee in carefully reviewing the charity's governance and administration to present a proposal for decision which can be clearly recommended as being in the best interests of the charity and its beneficiaries. The draft Supplemental Charter would provide the Trustee with the modern powers and flexibilities it requires to administer the charity effectively both now and in the future.
10. Your BHE Board has considered the petition and Supplemental Charter and recommends that this Honourable Court, in its capacity as charity Trustee of Bridge

House Estates, approve that the City Corporation petition Her Majesty The Queen in Council for the grant of that Supplemental Charter in the form set out in **Appendix 1**. This is recommended as being in the best interests of Bridge House Estates.

## **Conclusion**

11. The proposed petition for the grant of new powers and flexibilities by way of Supplemental Charter is a significant milestone in the Bridge House Estates Governance Review, but also in the charity's long history. Should the petition be made, and the powers and flexibilities granted by way of the proposed Supplemental Charter, this opens exciting opportunities for Bridge House Estates to operate and deliver its activities effectively and impactfully now and over the long-term.

All of which we submit to the judgement of this Honourable Court.

DATED this 16<sup>th</sup> day of February 2022.

SIGNED on behalf of the Board.

**Deputy Dr Giles Shilson**  
Chair, Bridge House Estates Board

## **Appendices**

**Appendix 1** – Draft Petition for presentation to the Privy Council and appended draft Supplemental Charter for Bridge House Estates