

Committee: Bridge House Estates Board	Date: 22 February 2023
Subject: Managing Director's Update Report	Public
Report of: David Farnsworth, Managing Director of BHE	For Decision

Summary

To support the Bridge House Estates Board (“the BHE Board”/ “the Board”) in the discharge of its functions, this regular report provides updates on key areas of activity across the whole charity since the Board last met in November 2022 and outlines upcoming activities for the Board to note. Specifically, the report provides updates on: the business recovery at Tower Bridge and ongoing work on a new long-term development plan for the attraction; funding updates on the Anchor Programme, Bridge Programme, Small Grants Programme, Foundation Practice Rating, LocalMotion and recent cost of living payments; outline plans for the 2nd Funded Organisations Networking and Learning Day; the timetable for recruitment to co-opted Members of the Grants Committee; communications updates on the branding project and new website; and investment updates on the charity’s financial, property and social investments.

The report also outlines a recommendation for the Board to formally appoint Lead Members for Safeguarding, Climate Action and Equity, Diversity and Inclusion.

Recommendations

It is recommended that the BHE Board, in the discharge of functions for the City Corporation as Trustee of BHE and solely in the charity’s best interests:

- i) Note the contents of the report;
- ii) Appoint Lead Members from the Board, for Safeguarding (with current focus on Suicide Prevention), Climate Action, and Equity, Diversity and Inclusion (EDI), plus any additional policy areas deemed appropriate.

Main Report

Bridge Updates

1. Bridge Maintenance – Ongoing maintenance and support of the five Thames bridges continues to progress as part of the 50-year Bridge Maintenance Plan. Officers will be undertaking an in-depth review of the existing 50-year plan for bridge maintenance and of the replacement plans during 2023/24, to ensure that assumptions and timings are robust. The BHE Board will be updated on bridge engineering matters through ongoing reporting to the Board.
2. Bridge Security – A more detailed update on bridge security matters will be provided in the confidential session of today’s meeting.
3. Tower Bridge – The visitor attraction at Tower Bridge has continued to experience positive business recovery in recent months. 56,527 visitors were welcomed in December alone, the significance being that this was the first month which

represented 100% of pre-pandemic visitor numbers (in direct comparison with December 2019). Retail income for November and December combined was £344,764, this positive performance being due in part to the successful run of a pop-up Christmas shop within the South Tower.

4. Officers are currently working on a long-term development plan for the attraction. Whilst still at an early stage, this endeavour provides an exciting opportunity to consider the strategic and physical growth of the existing business at the Bridge (including learning, connecting communities, tourism, events and retail), while also considering new areas for development and engaging with new audiences. The plan will be underpinned by the principle of Tower Bridge embodying the strategic aims and values of the charity in all activities. A report will be submitted to an upcoming meeting of the Board to provide a detailed progress update and an opportunity for Member input.
5. The Bridge's High Voltage overhaul project is due for practical completion in March 2023, with the final section of the project requiring several evening power shutdowns in February and March. A number of major projects will commence following completion, including a Sprinkler system replacement project, for which a decision is sought as part of this meeting's agenda, and refurbishment of the Bridge's hydraulic motors. The full condition report for the Bridge is expected this month, with a subsequent update report to be submitted to the Board.

Funding Updates

6. Anchor Programme – Following the Grants Committee's endorsement of a £20m allocation from the designated grants fund in June 2022, work has continued on the Anchor Programme. The programme aims to support anchor voluntary sector organisations with their long-term sustainability, to deliver systemic change aimed at improving the lives of the most marginalised Londoners. The programme is being led by Khadra Aden and Clara Espinosa, who were recruited internally on fixed-term contracts to be the Anchor Co-Leads. Since the last update, an advisory panel of seven organisations was set up to further develop and co-design the programme. The aim is to launch the first expression of interest stage in April 2023.
7. The Bridge Programme – City Bridge Trust's (CBT) "Funder Plus" offer, the Bridge Programme, connects CBT grant funded organisations with a range of free, non-financial support to help address specific issues they have, whilst enhancing capacity, resilience, and longer-term stability. Areas of support include fundraising and business planning, management systems, HR, and governance. Following the appointment of James Lee to the Bridge Programme and Total Assets Lead in October, a process began to transfer the current administration and future development of the Bridge Programme. Officers have consulted extensively with the current externally contracted administrator of the Bridge Programme to ensure a smooth transition towards CBT hosting all application materials and administrative duties by the end of March 2023.
8. Small Grants Programme – The Small Grants Programme is currently undergoing an internal review. CBT has been delivering a Small Grants Programme in some capacity since 2000, and has always been committed to supporting smaller, grass

roots organisations that form the bedrock of the charity sector. Building on the recent review of Bridging Divides funding criteria in light of the COVID-19 pandemic, a review of the Small Grants Programme will ensure it best serves Londoners in a “post”-pandemic world. The goals of the review are as follows:

- a. Open the Small Grants Programme to a wider variety of organisations,
 - b. Remove barriers associated with accessing funding for small organisations,
 - c. Make it easier for user led organisations to access Small Grants funding,
 - d. Enhance CBT’s reputation as a funder that funds small organisations, and
 - e. Raise our grants decision approval rate (currently 42%, as of December 2022).
9. The review is being carried out by Caspar Cech-Lucas (Small Grants Programme Lead) and will include elements of co-creation with the sector, consultation with other funders, and the views and expertise of the entire CBT team. Recommendations from the review will be presented to the Grants Committee at its June meeting.
10. Foundation Practice Rating – CBT has just received a Foundation Practice Rating (FPR). The FPR, launched in 2021, aims to improve foundations’ practices around diversity, transparency and accountability. It is funded by a group of UK foundations, including CBT, and is led by Friends Provident Foundation. They have commissioned Giving Evidence (<http://www.giving-evidence.com/>), a research and consultancy group, to conduct the research. The FPR scores on three elements; Accountability, Transparency and Diversity. All the foundations funding the work are assessed and rated each year, scored from A (the highest) to D. CBT scored A and A for Accountability and Transparency, and C for Diversity, giving an overall score of B. Having scored lowest on Diversity, officers are now addressing the findings to see where improvements can be made to ensure CBT’s rating can be improved to A.
11. LocalMotion – LocalMotion is a collaboration between CBT and five other 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 its parts. The focus of the BHE contribution to the collaboration is the London Borough of Enfield. Six visits are planned over the coming year to enable each funder to visit different places within the collaboration. CBT are also hosting a ‘lunch and learn’ session for all BHE staff in March to discuss key learning from the first year. Officers will be requesting a session later this year to spend some dedicated time on Local Motion with the BHE Board.
12. Cost of Living – CBT has now distributed £1.2m of funding to support uplifts for over 350 of its grant-holders facing both increased demand and increased costs. BHE is also supporting the sector via a £1m contribution to the London Community Foundation’s Together for London appeal, approved by the Board under delegated authority in December 2022, and it is expected this money will be awarded onwards to over 100 organisations. Officers continue to engage with counterparts in the food, energy and community credit sectors to see what else can be done to support disadvantaged Londoners during this period of prolonged inflation.

13. Propel – Applications to the first round of Propel closed on 9 December 2022. The programme received 600 applications, across three mission areas: Building Strong Communities, Robust Safety Net, and New Deal for Children and Young People. Ultimately, 29 Explore applications and 13 Deliver and Develop applications have been taken forward for full assessment by CBT. Plans for future iterations of the programme are in development, convened by London Funders. Officers remain involved in strategic, communications, and operational working groups to ensure that learning from the first round is suitably incorporated into these plans and that the programme continues to meet the strategic aims of CBT.

Impact & Learning

14. 2nd Funded Organisations Networking and Learning Day, March 2023, Barbican – Following the success of the first in-person Funded Organisations Networking and Learning Day, hosted at Guildhall in April 2022, the Impact and Learning Team are hosting a second event on 20 March 2023. This will be held at the Barbican for up to 180 current grant holders. The day will be as participatory as possible, delivered in line with the Impact & Learning Team's RIVER principles: Relevant, Interactive, Varied, Empowering and Reviewed. It has been designed to meet the needs of funded organisations, identified through analysis of reporting, case studies and feedback.

15. Paul Martinelli, Chair of the Grants Committee, will introduce the day, and Co-opted Member Jannat Hossain will close. There will be several guest speakers from organisations funded by CBT, and the sessions will be facilitated by the Impact and Learning Team and CBT grant holder, The Media Trust.

16. By the end of the day attendees will have:

- a. Connected with other funded organisations in an inclusive and supportive environment on topics of shared relevance.
- b. Identified at least one workable solution to a challenge they are facing. Planned one action they can take – or one way they can influence others – to implement positive change within or beyond their organisation.
- c. Heard about the additional support CBT can provide (including the Bridge Programme, LEAP volunteering and funding flexibility).

17. This event is a unique opportunity for Members to meet current grant holders and understand their challenges, successes and needs. All Members are invited and encouraged to attend all or part of the day. Please contact Ruth and Donna at Impact@cityoflondon.gov.uk for further information.

Strategy and Governance Updates

18. Co-opted Members – Following the Board's agreement at the last meeting, officers have progressed recruitment exercises for Co-opted Members of the Grants Committee and the BHE Board, for appointment this year. In advance of the expiration of the terms of the highly effective current Co-opted Members, the recruitment campaign in respect of the Grants Committee vacancies went live on 3 February 2023, with the application period running to 6 March 2023. Links to the

advert and social media posts have been circulated and are copied below. Members are encouraged to share and promote the campaign with any relevant organisations and networks with which they are involved.

- City of London Corporation Website:
https://jobs.cityoflondon.gov.uk/citrentp_webrecruitment/wrd/run/ETREC107GF.open?VACANCY_ID%3d767247Yo8P&WVID=48351134Nh&LANG=USA
- Twitter: <https://twitter.com/CityBridgeTrust/status/1623346243920449536>
- LinkedIn: https://www.linkedin.com/posts/city-bridge-trust_job-profile-activity-7029112206604558336-uKes

19. Similarly, officers have prepared an advert and recruitment literature for the appointment of Co-opted Members to the BHE Board, and are seeking to engage a specialist recruitment consultant, as well as undertaking a regular recruitment campaign, given the particular skillsets sought. The Board will be updated once this recruitment campaign is live.

20. Lead Members – The Board has previously supported the appointment of Lead Members for key policy areas and cross-cutting, important issues, in the interests of increasing Member involvement and empowerment where they have expertise, lived experience or special interest. Initial expressions of interest were sought from Members as the Board's Lead Member for Safeguarding (with current focus on Suicide Prevention), Climate Action, and Equity, Diversity and Inclusion (EDI). Confirmation of these expressions will be sought with a view to making appointments at today's meeting, and Members are encouraged to advise the BHE Governance Officer, Joseph Anstee (joseph.anstee@cityoflondongov.uk) ahead of the meeting should they wish to be considered.

21. Governance Review – As is usual practice, the Board and charity's governance has been monitored and assessed for its effectiveness on an ongoing basis over the course of the year. Ahead of the next civic year, for which the first Board meeting is scheduled for 15 May 2023, a full report on governance arrangements will be brought to the 27 March 2023 meeting, informed by the discussion at the Board's away day and Member feedback throughout the year. This report will include the annual review of the Board's terms of reference, in line with wider corporate practice, and recommendations regarding the Board's Committees.

Communications Update

22. Branding Update - The BHE Board Away Day in October provided an excellent steer in synthesising three distinct designs of brand positions to go into final research before concluding recommendations are made. Flowing from the three agreed names, the new agency, Portland Communications, created corresponding 'stylescapes' comprising designs, narratives and straplines to go into testing.

23. Portland has approached 15 'warm' contacts of BHE, from the world of: Engineering, Tower Bridge, the River Community, Funding, Finance, the City of

London, Investments, Politics, Youth Representatives, Equity Organisations and Climate.

24. The London poll and Board and officer on-line surveys will take place in early March. It is anticipated that findings from the research will be ready to share at the March BHE Board meeting. The new brand identity, alongside recommendations on design, narrative, straplines, will be brought to the May Board Meeting for consideration.
25. Website - The new BHE website launched in mid-January, supported by an internal and external promotion. Without doubt it has made the CBT funding and non-financial offer clearer and easier to navigate, and the feedback so far has been overwhelmingly positive. Although it is currently positioned as a CBT website, it has been built as the new BHE website and will be switched over once the branding is finalised.
26. Media Coverage – Since the last Bridge House Estates Board meeting there have been 44 items of media coverage referencing Bridge House Estates, City Bridge Trust and other City Corporation charitable giving. This included a feature on the Blackfriars Bridge refurbishment in Londonist, television interviews with the Deputy Chair on donations to Connect: North Korea and Loughborough Junction Action Group on London Live, an interview with the BHE & Charities Finance Director on Climate Action in Charity Finance and coverage in charity sector media of the launch of the new Propel funding initiative.

Finance Updates

27. 2021/22 Bank Mandate Fraud: Sharing of Internal Audit Report – An update on this matter is provided in the non-public appendix to the report (no financial loss sustained).

Investment Updates

28. Social Investment – The return on the charity's social investments is 2.91% (calculated 8 February 2023) with £10.2m committed, of which £9.4m has been drawn. No new considerations are underway until such time as the charity has agreed a new social impact investment plan, which officers are currently working on, pending confirmation of the Supplemental Royal Charter and approval of the charity's new Investment Strategy Statement. BHE has 15 active social investment commitments, of which five are expected to mature or redeem early this calendar year. The social impact themes currently supported include homelessness, domestic violence, young carers, LGBTQ+ migrants, and adults with learning disabilities. Since the Board's last meeting, the bridging loan to YMCA London City and North has been repaid in full, and investors held a learning session on HCT's recent administration.
29. Financial Investments – A full report on the performance on BHE's financial investment portfolio is provided later on today's agenda.
30. Property Investments – A full report on the performance monitoring of BHE's property investment portfolio is provided later on today's agenda.

Conclusion

31. This report provides a high-level summary of activities across the whole charity's operations and activities since the last Board meeting in November 2022. The Board is asked to note the content of the report and the progress made in each activity area over recent months. Further information on any of the updates given in this report can be provided to the Board either orally at the meeting, as a written circulation in advance, or as a follow-up action from the meeting.

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