

<b>Committees:</b>	<b>Date:</b>
Bridge House Estates Board Policy and Resources Committee	22 February 2023 23 February 2023
<b>Subject:</b> Retrospective Review of Joint Philanthropy Strategy 2018 - 2023	<b>Public</b>
<b>For BHE, which outcomes in the <i>BHE Bridging London 2020 – 2045</i> Strategy does this proposal aim to support?</b>	1, 2 and 3
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to support?</b>	3 and 5
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>Report of:</b> David Farnsworth, Managing Director of Bridge House Estates	<b>For discussion</b>
<b>Report Author:</b> Fiona Rawes, Philanthropy Director	

## Summary

A Joint Philanthropy Strategy was jointly adopted in June 2018 for the City of London Corporation (CoLC) itself, and as Trustee of Bridge House Estates (Registered Charity No. 1035628) in furthering the charity's ancillary object. It was developed in recognition of the fact that, as noted in Appendix 1, the CoLC undertakes significant philanthropy, whether in its own right or as Trustee of Bridge House Estates (BHE) and that a more strategic approach was required to analyse, cohere and communicate this philanthropy to maximise its impact, as well as ensuring that the CoLC was contributing to, and raising awareness of, high impact and/or high value philanthropic practice more broadly.

This Report provides a review of progress, from April 2021 to date, of the Philanthropy Strategy, having previously updated the Policy & Resources Committee and the City Bridge Trust Grants Committee on progress from June 2018 – March 2021. A summary of findings from that period is set out in Appendix 2.

The Report is the initial milestone in a 6-stage process (see Appendix 3) to review and, if appropriate, renew the Joint Philanthropy Strategy. It concludes that there is much to be proud of across a range of areas including but not limited to:

- £10.5m funding from BHE's charitable funding arm City Bridge Trust (CBT) to charitable partners who are uniquely focused on raising the quality and scale of philanthropy; and
- increasing oversight and influence of CoLC funding through the work of the Central Grants Unit (CGU) which has led to much greater consistency, efficiency and impact for the funds distributed from the CoLC and the various associated charities which now fall within its purview.

More challenging aspects of implementation have included setting a realistic framework for impact evaluation given the resources available; determining what level of consistency is possible across the different funding streams given variations in resourcing and governance oversight across them; and securing appropriate levels of

cross-organisational leadership and championship for the engagement of employee, residential and community volunteers in a post-pandemic world.

The review suggests there are fruitful areas for enquiry in this next phase with key questions likely to include how we do more to cohere and amplify BHE's significant contribution to increasing the quality and scale of philanthropy; whether and how the aspirations of the Joint Strategy align with those of BHE's funding strategy, "Bridging Divides" particularly, taking account of equity considerations; and finally whether it is realistic, in a resource-constrained context to anticipate continued or additional funding from the CoLC to support this work over and above that already committed.

Opportunities for member engagement will be provided in the next stages of the review process which aims to conclude in late Autumn 2023. At that stage recommendations will be brought back to these committees for consideration and decision.

## **Recommendations**

It is recommended 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:

1. Note and discuss the update on the implementation of the Joint Philanthropy Strategy to date, the process and timings of the strategy review and the encouragement and opportunities for Member Engagement.

It is recommended that the Policy & Resources Committee:

1. Note and discuss the update on the implementation of the Joint Philanthropy Strategy to date; the process and timings of the strategy review and the encouragement and opportunities for Member engagement.

## **Main Report**

### **Background**

1. In June 2018, the Court of Common Council approved a [Joint Philanthropy Strategy](#) (the 'Joint Strategy') for 2018 – 2023. The Joint Strategy was prepared for the CoLC in its general corporate capacity, and as Trustee of BHE (Charity Registration No. 1035628) in furthering the charity's ancillary object.<sup>1</sup> The Joint Strategy encompasses the giving of time, money, assets and skills by individuals, businesses, trusts and foundations and aims, through the work of the CoLC in conjunction with others, to increase the impact, value and profile of philanthropy.
  2. The Joint Strategy has three outcomes:
    - a. High impact philanthropy is role modelled by the CoLC and CBT contributing, in particular, to a reduction in inequality and/or an increase in social mobility.
    - b. Higher impact and/or higher value philanthropy is generated from others as a result of the CoLC and CBTs' support for philanthropic infrastructure.
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- c. Key audiences are better equipped to generate higher impact and/or higher value philanthropy as a result of the CoLC and CBTs' awareness-raising activities about it.
- 3. Unless otherwise stated, all references in this Report and Appendices to the CoLC are to the CoLC acting both in its general corporate capacity and as Trustee of BHE. The principal activities of BHE in furthering the charity's ancillary object in support of the Joint Strategy are being delivered through the charity's funding arm, CBT.
- 4. A phase 1 implementation plan for the period spanning April 2019 – March 2020 was endorsed by the CBT Committee for BHE in November 2018 and approved by the P&R Committee for both BHE and for itself in February 2019. The plan focused on building a stronger understanding of the CoLC's philanthropic practice, focus and impact, and also laid the foundations for providing greater support for, and awareness-raising of philanthropy externally. Officers planned to use the resulting insights to shape a phase 2 implementation plan for April 2020 – March 2023.
- 5. A mid-term evaluation (reference at end of report) of the Joint Strategy's implementation was therefore undertaken and presented to the former CBT Committee and to the Policy and Resources Committee in March/April 2021 respectively, and approval to a 2021-2023 implementation plan agreed. Its findings are summarised in Appendix 2. It noted the significant upheavals in philanthropic practice and charitable delivery wrought by covid and made recommendations to:
  - a. further refine and increase the impact of the CoLC's philanthropy, whether in its own capacity or as Trustee of BHE;
  - b. support other organisations who are playing a leading role in increasing the scale and impact of philanthropy more broadly, with a particular focus on cross sectoral collaboration where possible; and
  - c. raise awareness of excellence in philanthropic practice, drawing on our networks, assets and convening power to support this.
- 6. In November 2022, noting various time-critical internal and external contextual factors, approval was secured from the BHE Board and from the Policy and Resources Committee to extend both the Joint Philanthropy Strategy and the Corporate Volunteering Strategy for a further year. This would enable a combined strategic review to be jointly undertaken and recommendations around the future of both strategies to be developed and made.
- 7. The timeline of the review process is outlined in Appendix 3 and focuses on the development, testing and costing of proposals for any future iteration of this work with a view to returning to the BHE Board and Policy and Resources Committee with these proposals in late Autumn 2023. Members will be actively engaged as outlined in Appendix 3.

## **Current position**

- 8. As outlined in the timeline, the first stage of the review process has been to undertake a retrospective review of the strategy against the 2021-2023

implementation plan signed off by the Policy and Resources Committee and the former CBT Committee. This forms the focus of this report, with analysis provided in Appendix 4.

9. The review noted various contextual factors which have impacted the execution of the strategy. These are detailed in Appendix 5.
10. Notwithstanding these factors, there have been a range of positive outcomes for the Joint Strategy which are explored in more detail in Appendix 4 but can be summarised as follows:
  - a. Within BHE, around £10.5m has been funded by CBT to charitable organisations uniquely focused on increasing the quality of giving.
  - b. the increasing oversight and influence of the CGU has led to much greater consistency, efficiency and impact for distribution of the funding of the CoLC and various associated charities which now falls within its purview.
  - c. Of the 59 Charities within the scope of the Corporate Charities Review workstream, the closure/planned closure of 10 charities is complete/underway, as is the merger/planned merger of 27 charities. Governance, policy or administration work is either complete or underway for 22 charities. This means that, collectively, this constitutes a much leaner, more efficient portfolio of charities with improved governance of their philanthropic and other charitable endeavours.
  - d. There has been a deepening of strategic relationships across sectors. So, for example, the GLA, London Councils, London Funders and a range of corporate funders including Bloomberg collaborated on a joint funding initiative during the pandemic, the London Community Response. This provided excellent foundations for the £100m cross sectoral collaboration, 'Propel' which was launched in November 2022.
  - e. The Corporate Volunteering Strategy has (thus far) seen a 97% uplift in employee volunteering in f/year 2022-23 vs f/year 2021-22 as teams and individuals return to the workplace and prioritise the skills-related and wellbeing benefits which volunteering can unlock. More detail is provided in Appendix 6.
  - f. Links between The Lord Mayor's Appeal ("TLMA") and the Philanthropy Team are now much more embedded with the Philanthropy Director attending all TLMA meetings, and collaboration around issues such as due diligence .
  - g. Tactical use has been made of key influencing opportunities. For example, the BHE Chair used his welcome speech to the BHE-funded Beacon Collaborative's Annual Conference of high-net-worth philanthropist and philanthropy advisers at the Guildhall to announce an allocation, from BHE, of up to £30million in the Propel collaboration which has secured £100m from a range of funders to support charities working to support children and young people, shore up advice and guidance, or to strengthen communities.
11. More challenging aspects of implementation of the Joint Strategy are also noted in Appendix 4 but can be summarised as follows:
  - a. Setting a realistic framework for impact evaluation given the resources currently available for this. For example, whilst the CBT funding arm of BHE benefits from a dedicated Impact and Learning Team and an external "learning partner", no

such resource is available to the teams engaged in supporting the CoLC's own giving. As a result, there is variable depth of analysis of the impact and quality of different philanthropic workstreams meaning it is difficult to communicate a credible overarching narrative for the Joint strategy.

- b. Securing adequate resourcing from the CoLC to support the CoLC-facing elements of the strategy.
- c. Securing appropriate levels of cross organisational leadership of, and championship for, the Corporate Volunteering Strategy at a time of considerable change at senior level and more broadly across the organisation.
- d. Significant questions as to the longer term viability, in a post-pandemic world, of the discussed charitable colocation project, Philanthropy House, which had been a substantial workstream pre-pandemic.

12. Going forward, as we consider the learning from the first five years of the Joint Strategy and embark on scoping, with members, officers and external bodies, whether and how the Joint Strategy evolves in this next phase, key questions are likely to include:

- a. How we do more to cohere and amplify BHE's contribution to increasing the quality and scale of philanthropy, and exploit its own assets, skills and networks for the benefit of its funded organisations?
- b. What are the benefits and disbenefits of continuing a joint strategy between BHE and the CoLC?
- c. How well do the aspirations of the strategy align with those of BHE's overarching strategy, "Bridging London", and with BHE's funding strategy, "Bridging Divides"?
- d. How do we position our commitment to Philanthropy in a context where there are many broader questions both about the provenance of philanthropic funding and whether it legitimises and perpetuates inequality?
- e. How can we raise the profile of our volunteering offer as an integral part of our broader employee value proposition? What leadership and engagement do we require to ensure all our volunteers – whether internal or external - have a consistently excellent experience?
- f. How realistic it is, in a resource-constrained context, to anticipate any continued or additional funding from the CoLC to support this work over and above that already committed?
- g. How we can better unlock cross sectoral collaboration around philanthropy recognising the unique links enjoyed by BHE and the CoLC with not for profit, commercial and governmental stakeholders?

## **Corporate and Strategic Implications**

13. Strategic implications - For the CoLC in its corporate capacity, the recommendations in the Report support outcomes 3 & 5 of the Corporate Plan and align with and support the recommendations of the CoLC's Social Mobility and Responsible Business Strategies. These objectives are also considered to be aligned to the strategic objectives of BHE, and in the charity's best interests to support. Specific BHE Strategies which are supported by the recommendations in the Report are the charity's overarching strategy, *Bridging London 2020 - 2045* and its charitable funding strategy *Bridging Divides*.

Specifically, it supports BHE's aims of being catalytic, sustainable and impact-driven in order to become a charity that is a world-class charitable funder and responsible leader.

14. Financial implications - Current resourcing needs for the financial year 2023/24 are costed into the relevant budgets. The resourcing implications for any future iteration of the strategy will be costed, with headline figures provided at the earliest opportunity to inform relevant Committee deliberations over the summer and incorporated as appropriate into draft budgets for f/y 2024/25 to support member decisions in Autumn 2023 (see Appendix 3).
15. Legal implications - As Trustee for BHE, the CoLC must continue to independently consider and ensure that the adoption of the Joint Strategy and its implementation in furthering the charity's ancillary object remains in the charity's best interests having regard to the charity's primary object (which takes precedence over the ancillary object) and the charity's overarching strategy under which the Joint Philanthropy Strategy sits; and further that any conflicts of interest arising in the CoLC acting for itself, or otherwise as Trustee of BHE, are managed.
16. Risk implications - Appropriate skills, insights and networks are currently being developed across the relevant CoLC Teams to ensure that any risks attaching to the CoLC's philanthropic activity under the Joint Strategy are identified and the appropriate mitigations put in place. In this way the CoLC can ensure that its focus on role modelling high impact philanthropy remains an integral part of the implementation of the Joint Strategy.
17. Equalities and resources implications - The CoLC's Public Sector Equality Duty (PSED) applies to the exercise of the CoLC's local authority functions only. Nonetheless, pillar 1 of the Joint Philanthropy Strategy has an explicit focus on reducing inequality, and many of the initiatives which are supported or amplified under pillars 2 and 3 are also focused on this. The implementation of the Joint Strategy is therefore expected to positively address inequality alongside the CoLC's separate discharge of the PSED.
18. Climate implications - Officers are engaging with the relevant teams within the CoLC to ensure that the philanthropic activities which the CoLC is role modelling, supporting or amplifying are consistent, where relevant, with the aspirations of the Climate Action Strategy.
19. Security implications: None.

## **Conclusion**

This report sets out progress made in the last 2 years to fulfil the aspirations of the Joint Philanthropy Strategy. It notes encouraging progress in certain areas, whilst also outlining areas of challenge and some of the contextual factors which may have contributed to them. It sets the foundations for the next stage of the review process by outlining some key strategic questions which have emerged.

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## **Background Reports**

- Report to the Policy & Resources Committee and CBT Grants Committee entitled Joint Philanthropy Strategy Implementation – update and future plans , dated 25<sup>th</sup> March 2021 and 8<sup>th</sup> April 2021
- Report to the Bridge House Estates Board and Policy & Resources Committee, entitled Approach and Timeline to Redeveloping the Joint Philanthropy Strategy and Corporate Volunteering Strategy, dated 15 November 2022 and 17 November 2022 (Item 6 and 7 respectively).

## **Appendices**

- Appendix 1: Summary of discretionary charitable giving undertaken by the CoLC and BHE 2019-22
- Appendix 2: Summary of findings from 2021 Strategic Review
- Appendix 3: Joint Philanthropy Strategy Review Plan
- Appendix 4: Review of progress against the Joint Philanthropy Strategy Implementation Plan 2021 - 2023
- Appendix 5: Contextual factors which have influenced progress
- Appendix 6: Employee Volunteering Figures