

<b>Committee:</b> Grants Committee of the Bridge House Estates Board	<b>Date:</b> 6 March 2023
<b>Subject:</b> Strategic Initiative: London Climate Action Week and the London Climate Cluster – Ashden Climate Solutions	<b>Public</b>
<b>Report of:</b> Sacha Rose-Smith, Chief Funding Director	<b>For Decision</b>
<b>Report Author:</b> Lily Brandhorst, Funding Manager	

## Summary

This report requests £159,760 over 18 months as a strategic initiative to support the establishment of the London Climate Action Week Secretariat (LCAW) as an independent organisation, with a contribution to the costs of the LCAW 2023 event. The new organisation will build on an established base of activities run by the think tank E3G, to develop a year-round programme of activity, fostering cross-sector collaboration for the climate, and positioning London as a leading global climate hub. This work complements the aims set out in the City Corporation and Bridge House Estates joint Climate Action Strategy, by bringing together stakeholders from a wide variety of sectors to accelerate a just transition to net zero. Ashden Climate Solutions, a registered charity (no. 1104153) and partner of LCAW, will act as the grant holder on LCAW's behalf.

## Recommendations

It is recommended that the Grants Committee of the Bridge House Estates Board, in the discharge of functions for the City Corporation as Trustee of Bridge House Estates and solely in the charity's best interests:

- i) Approve a grant of £159,760 over 18 months to Ashden Climate Solutions, towards the costs of establishing the London Climate Action Week Secretariat as an independently registered organisation, with a contribution towards the costs of LCAW 2023.

## Main Report

### Background

1. Ashden is a registered charitable company (number 1104153) and part of the Sainsbury Family Charitable Trusts. Its aims are to contribute to the protection of the environment, the advancement of education and relief of poverty, and to promote the use of local, sustainable, and renewable energy sources. Ashden works across the voluntary, public, and private sectors internationally to raise awareness of effective climate solutions and sustainable energy; support organisations to share knowledge and collaborate; make financial awards and offer business support for environmental and social programmes; and encourage policy makers, non-governmental organisations and other funders to incorporate sustainable energy into their agendas. The annual focal point of its work is the Ashden Awards, which serve to publicise and reward exemplary practice, and to foster collaboration. Ashden is a collaborator with and supporter of London Climate Action Week (LCAW). One of Ashden's Directors, Nick Mabey, is Chair of the LCAW Steering Group. While LCAW makes the transition to becoming an

organisation in its own right, Ashden has agreed to act as recipient of the proposed City Bridge Trust (CBT) grant.

2. London Climate Action Week (LCAW) was founded in 2019 by the sustainability think tank E3G, in partnership with the Mayor of London. It is now one of the largest independent climate change events in Europe, with around 250 events hosted in 2021. Its aim is to mobilise London's ecosystem of climate organisations to accelerate global climate action and support action in London as a global climate leader. LCAW is stakeholder-led and organised by a secretariat funded by in-kind and philanthropic donations. The secretariat provides events' organisers with free coordination and communications support. Additional support is available for participating organisations on a sliding scale, so that organisations of all sizes and types can participate.

### **Background and detail of proposal**

3. The LCAW secretariat seeks funding towards the costs of establishing LCAW as an independent entity operating year-round, with a contribution towards the delivery costs of the LCAW event in 2023. Funding from CBT would be for an 18-month period.
4. LCAW was founded to harness London's ecosystem of climate organisations and networks to accelerate global climate action, and to help create London as a global example of "whole of society" change. LCAW engages senior political figures, major businesses and international organisations but also provides a platform for charities, campaigners, and community groups in London; reaching out beyond the "usual suspects" to animate new communities in areas like education, culture, professions and sport.
5. LCAW 2021 was successful in working with this "London Climate Cluster" by helping incubate new events and processes including the Centre for London's first Net Zero London Conference, the launch of the Professional Bodies Climate Action Charter and the Net Zero Lawyers Alliance Climate Innovation Forum, London Schools Climate Summit, and the annual Chatham House Climate Conference.
6. The LCAW Steering Group has decided to move the secretariat from being hosted by E3G to be an independent, stakeholder-run organisation. LCAW's governance and stakeholder engagement will be strengthened, and plans are being developed to create a strong core architecture for a year-round functioning "London Climate Cluster", including:
  - a. Redeveloping the LCAW website to provide key tools for the London Climate Cluster, including a directory of a organisations and tools for networking and resource sharing.
  - b. Permanent LCAW Secretariat capacity throughout the year to provide capacity to follow-up and build on initiatives launched or incubated through LCAW. This would include hosting regular substantive events throughout the year and exploring practical initiatives such as creating common

internship and careers platforms for green job opportunities in London, including through the London Schools Climate Summit.

- c. Financial and in-kind support for smaller and community-based organisations to put on professional and impactful events (for example, reduced cost or free venues, hybrid event facilities, small grants for non-professional organisers or convenors).
7. During the grant period, project staffing will include a dedicated junior LCAW support post and senior contributions, leadership and oversight from E3G's Associate Director and Programme Manager. This grant support would put in place the dedicated LCAW capacity to work with senior staff and the LCAW steering group, ambassadors and partners focusing on:
- a. Legal, operations and governance set up including the strategic partnership with E3G, key partners and stakeholders and transition to an independent entity.
  - b. Business model and business plan.
  - c. Fundraising from grants and trusts, partners in LCAW sectors, event organisers, and corporate sources.
  - d. Scoping requirements and providers (including pro bono) for the LCAW digital platform.
  - e. Brand work and an updated digital toolkit for stakeholders.
  - f. LCAW 2023 preparations and stakeholder outreach.
  - g. LCAW website updates.
8. E3G/LCAW will undertake additional fundraising for additional dedicated LCAW capacity, the LCAW digital platform, Communications and PR Support to the LCAW Community.

## Budget

	Year 1	Year 2	Total
<b>Staffing</b>	£60,882	£31,677	£92,559
<b>Direct Costs</b>			
LCAW Convening & events	£1,000		£1,000
LCAW Brand, Comms, & Community Support	£10,000		£10,000
LCAW Platform Development & Website	£10,000		£10,000
Business Development advice	£10,000		£10,000
Legal & Governance	£5,000		£5,000
<b>Direct expenditure</b>	<b>£96,882</b>	<b>£31,677</b>	<b>£128,559</b>
E3G Overhead (24% staffing, 5% non-staff)	£16,412	£7,602	£24,014
Ashden Administration & Pass Through (5% TBC)	£5,444	£1,745	£7,189
<b>E3G Total</b>	<b>£118,738</b>	<b>£41,024</b>	<b>£159,762</b>

## Financial Information

9. The charity's 2022 free reserves are below target, with a projected deficit of £32,970 on unrestricted reserves contributing to this. This is a planned deficit arising from the decision to invest funds in the organisation's staffing, ensuring that it has capacity to implement its delivery and fundraising plans for the next three years. A significant unrestricted surplus is forecast for 2023, based on a policy of building full cost recovery into budgets for restricted funding asks. Ashden also anticipates that new fundraised income in 2023 will cover staff costs which in 2022 were covered by unrestricted reserves during the initial development of new programmes. Ashden's aim is to build a stable reserve level of £500,000 by 2025. Current low levels of free reserves are somewhat mitigated by Ashden's fundraising strategy: income comes from a wide range of sources; expenditure for projects is only committed once funding has been secured; and where possible it requests a contribution to overheads from all sources of restricted funding.

Year end as at 31st December	2021	2022	2023
	Signed Accounts	Reforecast	Budget
	£	£	£
<b>Income &amp; expenditure:</b>			
Income	2,073,282	3,154,461	3,219,732
Expenditure	(2,058,220)	(2,560,716)	(3,324,142)
Gains/(losses)	(4,365)	0	0
<b>Surplus/(deficit)</b>	<b>10,697</b>	<b>593,745</b>	<b>(104,410)</b>
<b>Reserves:</b>			
Total restricted	382,779	1,009,494	793,523
Total unrestricted	225,134	192,164	303,725
<b>Total reserves</b>	<b>607,913</b>	<b>1,201,658</b>	<b>1,097,248</b>
Of which: free unrestricted	207,992	175,022	286,583
Reserves policy target	500,000	500,000	500,000
Free reserves over/(under) target	(292,008)	(324,978)	(213,417)

## Conclusion

10. Since its inception in 2019, London Climate Action Week has been highly successful in bringing together a diverse range of organisations and individuals involved in climate work. It provides a platform, not only for sharing learning, but also for framing London as a global centre for climate action. Ashden has a long history of supporting and facilitating environmental work and knowledge sharing. This work is complementary to the aims set out in the joint Climate Action Strategy, and to activity being undertaken by the City Corporation and Bridge House Estates to meet them. CBT's support would be key in translating the extensive groundwork already carried out by the LCAW team into a transformative year-round programme of action on climate and sustainability.

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