

<b>Committee:</b> Grants Committee of the Bridge House Estates Board	<b>Date</b> 6 March 2023
<b>Subject:</b> Managing Director's Update Report	<b>Public</b>
<b>Report of:</b> David Farnsworth, Managing Director of BHE	<b>For Decision</b>

## Summary

To support the Grants Committee in the discharge of its duties, this regular report provides an update on key areas of activity to note and agree, where necessary. Specifically, the report provides details on the following: the recruitment of Co-opted Members, several funding programmes including Anchor Programme, Propel, the Bridge Programme, the Small Grants Programme and LocalMotion, alongside updates on City Bridge Trust's (CBT) Foundation Practice Rating. Updates are also provided in respect of the Philanthropy Directorate's work, key events attended and upcoming in March, as well as a summary of media coverage.

## 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) Note the contents of the report; and
- ii) Approve the recommendation at paragraph 15 in relation to London's Giving not to proceed with proposals to establish a Match Fund for place-based giving schemes in London.

## Main Report

### Strategy and Governance

1. Co-opted Members – As reported at the last meeting, a recruitment exercise is underway to appoint up to two Co-opted Members of the Grants Committee. The period of open advertisement closes at 5pm on 6 March 2023, following the circulation of the advertisement and recruitment literature to relevant publications and networks across the sector. A shortlisting and interview stage will be undertaken before a recommendation is put to the BHE Board for approval.
2. Funds Ordinarily Approved Under Delegated Authority – Grant recommendations are made throughout the year, and those of less than £250,000 are usually considered under delegated authority. As the timing of its submission has made this practical, a strategic intuitive at this level is included in today's pack for full Committee oversight at Item 11.
3. Chief Funding Director – In an important and exciting step for BHE, Sacha Rose-Smith, the charity's first Chief Funding Director, has taken up post since the previous meeting and will be introduced to the Committee on her first meeting, having also been introduced to the BHE Board at its meeting on 22 February 2023.

## Funding Updates

4. 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 by supporting their ongoing sustainability long-term to deliver systemic change by awarding long term core grants. 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 advisory panel have assisted in the creation of a set of eligibility criteria and guiding principles.
5. The programme will differ from Bridging Divides usual responsive programmes in that all awards will be for core funding. Additionally, where an individual grant would not usually be approved if it equated to more than 50% of the organisation’s expected turnover in the following year, this rule would not apply to Anchor Programme grants (similarly, where some Anchor grants may equate to more than 50% of the applicant’s expected turnover in the next year when added cumulatively to other grants they are already in receipt of such as responsive grants and strategic initiatives). Where this is the case, it will be highlighted in the assessment report. Such awards will only be considered on a case-by-case basis and a thorough assessment will be undertaken, considering the ongoing organisations to be funded. However, as these grants are for longer periods than CBT’s usual responsive funding there is less concern regarding sustainability and indeed one of the aims of Anchor funding is to allow organisations to focus on their ongoing sustainability by reducing the burden of constant fundraising. The plan is to launch the first expression of interest stage in April 2023.
6. 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. Organisations were able to apply for an Explore grant (up to £50,000 over 12 months), or for a Deliver and Develop Grant (up to £1.5m over three years). As in CBT’s other programmes, Propel also collects information on applications according to the DEI Data Standard. Using this information, between the deadline and new year, officers conducted an initial assessment of 432 applications received from organisations that were identified through the application form as user led (that is, led by and for one or more of the following groups: communities experiencing racial inequity, Deaf and Disabled people, LGBT+ people, or women and girls). This was part of a vital role CBT played in the equitable approach of the collaboration, ensuring that all applications from equity organisations were considered.
7. Through shortlisting, officers maintained an overview of the total number and value of applications from the prioritised groups to ensure a balance of representation in those taken forward for full assessment. Through this, it was identified that LGBT+ led organisations were underrepresented. This is reflective of a general underrepresentation of LGBT+ organisations in the applicant pool to Propel. To redress this, applications that had not been initially shortlisted from LGBT+

organisations were taken forward for further assessment, to benefit from assessor support in further developing the applications and exploring the fit for mission criteria, and such that, even if not ultimately successful, those organisations may be referred for support from the Bridge Programme.

Proportion of applications under assessment by equity group (Explore)\*

<b>Led by and for</b>	<b># applications</b>	<b>% of total applications</b>	<b>% of total £ under consideration</b>
Deaf and Disabled	5	17%	19%
Experience of racial inequity	11	38%	35%
Women and Girls	8	28%	27%
LGBT+	3	10%	11%
Intersectional	2	7%	7%
<b>ALL</b>	<b>29</b>	<b>100%</b>	<b>100%</b>

Proportion of applications under assessment by equity group (Deliver and Develop)\*

<b>Led by and for</b>	<b># applications</b>	<b>% of total # applications</b>	<b>% of total £ under consideration</b>
Experience of racial inequity	4	31%	35%
Deaf and Disabled	3	23%	15%
LGBT+	1	8%	1%
Women and Girls	1	8%	5%
Not by and for**	3	23%	40%
Intersectional	1	8%	4%
<b>ALL</b>	<b>13</b>	<b>100%</b>	<b>100%</b>

*\*Amount requested may vary from the amount under consideration*

*\*\* 'Not by and for' organisations under assessment are infrastructure organisations that propose to work closely with user led organisations*

8. Once decisions on assessed applications have been reached, officers will also share final data on the proportions of successful applications and the total value awarded by the same groups.
9. Of the 29 Explore applications and 12 Deliver and Develop applications taken forward for assessment, seven are included within these papers for consideration today at Item 9. The remainder, being requests for under the value of £250,000, will be reviewed under the scheme of delegated authority, with an expected total value of recommendations of approximately £7m.
10. Plans for future iterations of the programme are in development, convened by London Funders. CBT officers remain involved at 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. Equity partners will remain involved in the collaboration, providing strategic and operational support and expertise to the programme, and supporting the collaboration to respond to data such as those presented above.

11. The Bridge Programme – CBT’s “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, officers began a process 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.
12. The 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 is underway to 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.
  - e. Raise our grant approval rate (currently 42%, correct as of December 2022).
13. 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 June meeting of the Grants Committee.
14. LocalMotion – 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 LocalMotion with the BHE Board.
15. 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. All the foundations funding the work are assessed and rated each year. Foundations are assessed and scored from A (the highest) to D. CBT received a score of AAC, giving an overall score of B. As CBT scored lowest on diversity, officers are now addressing the findings to see where improvements can be made to achieve a rating of A.

16. Cost of Living – CBT has now distributed £1.2m of funding uplifts to support over 350 of its grant-holders with increased demand and increased costs. Through its funding arm, BHE is also supporting the sector via a £1m contribution to the London Community Foundation's *Together for London* appeal, and officers expect this money will be awarded onwards to over 100 organisations. Officers continue to speak to 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.

### **London's Giving Update**

17. Resource Hub Proposals – At the December 2022 meeting, 'in principle' approval was given to establish a Resource Hub, in partnership with London Funders, to support the development of place-based giving schemes (PBGS) as part of the London's Giving Network. Officers were asked to work with London Funders to draw up a fully costed budget for the Resource Hub to be brought to today's meeting. Officers have since met with London Funders, whose Board remains content to host London's Giving/Resource Hub. However, it is in the process of reviewing its governance structures, not only in the light of London's Giving but also in its capacity as host of Propel, the funder collaboration of which CBT is a partner. More time is needed than was originally envisaged in order to ensure these structures are appropriate and robust. Officers therefore propose that the detailed budget and funding recommendations for the Resource Hub are brought to the Grants Committee meeting on 12 June 2023 (as the recommendation will be for more than £500,000 in total, it will also be put to the BHE Board on 5 July 2023). In the meantime, as reported at the last meeting, officers are finalising arrangements for interim funding for London's Giving, which will be approved under delegated authority.
18. Match/Challenge Fund – At the last meeting, officers reported that work to scope the feasibility of CBT establishing a Match/Challenge Fund to support PBGS in London was nearing completion. TSIP's report is available to Members on request. This is a very useful report, setting out different models of match funding and their relative pros and cons. In light of the report, the recommendation of officers is that establishing such a fund would not be an especially effective use of CBT/BHE funds and resources for 3 main reasons:
  - a. Whilst it may work well in some boroughs, this will not be the case in others and could actually exacerbate equalities issues.
  - b. The challenges of operationalising a Match Fund would not make efficient use of our own resources.
  - c. Although not explicitly stated on the website, CBT's existing funding arrangements allow our grants to be used as Match Funds, with the agreement of CBT officers.

19. It is recommended that CBT does not proceed with proposals to establish a Match Fund for place-based giving schemes in London, and the Committee are asked to formally agree this recommendation.

## **Philanthropy**

20. Philanthropy Strategy – A report on the retrospective review of the Joint City Corporation and BHE Philanthropy Strategy was presented to the BHE Board on 22 February 2023 and the Policy and Resources Committee on 23 February 2023. The report provided a review of progress, from April 2021 to date, of the Philanthropy Strategy and set out a six-stage process to review, and if appropriate, renew the Philanthropy Strategy. Members will be further engaged in the next steps of the review process. Whilst the report is not presented to the Grants Committee today, it can be accessed [here](#) for anyone who was unable to attend the BHE Board meeting. Any further comments from the Grants Committee are welcomed today.

21. Wembley National Stadium Trust (WNST) – The Committee will be aware that since 2012, CBT has operated a management and administration contract with the Wembley National Stadium Trust, through which CBT has seconded one of its senior members of staff, Stewart Goshawk, to be WNST's Chief Executive Officer, providing him with administrative support and sharing back office services – all on a full cost recovery basis. The arrangement has been a mutually beneficial one, using CBT's skills and experience to help incubate WNST in its early days, and providing a longer-term sharing of knowledge and practice over the ensuing years.

22. The WNST trustees have now served notice that they will be ending the contractual arrangement on 31 March 2023, taking all of their operational functions in-house. This will include employing Stewart directly and he will TUPE across to them on that date. Officers have been undertaking the due diligence required, in partnership with colleagues in the City Corporation's HR department, to ensure that everything is in place to affect a smooth transfer at the end of March. WNST have assured us that there is nothing in their decision that relates to any underperformance on the contract by CBT. It is simply their decision that now is the right time for them to "go it alone" and officers wish them well with their future endeavours. The Committee may not be aware that Stewart is CBT's longest-serving member of staff, having joined, what was then the Bridge House Estates Trust Fund, in November 1995, just a couple of months after the first-ever grants committee meeting.

23. Corporate Volunteering – The Corporate Volunteering Manager (a job-share comprising Alice Hall and Julia Makin) won the City Corporation's 'Celebrating our People' award for Outstanding Customer Service from an individual. This resulted from their outstanding work recruiting, training and inspiring excellent delivery from a group of 'Royal Event Supporters' drawn from across the organisation. These individuals stewarded and supported members of the public who attended City-based events during the Platinum Jubilee Celebrations and during the period of official mourning following the demise of Her Late Majesty The Queen.

## Events

24. Old Bailey – Two CBT funded organisations benefitted from the opportunity to meet with his majesty’s judges at the Old Bailey, hosted by Aldermen Alistair King and Alison Gowman respectively. Funding Director Sam Grimmitt-Batt also attended. These lunches follow the programme of a drink with the Sheriff, in their official residence; lunch with the Sheriff and the judges in the Judges’ Dining Room; and then, usually a chance to view a case which is at a particularly noteworthy moment – such as a verdict, sentencing, cross examination by counsel of a main prosecution/defence witness. The Sheriff’s guests are allowed to view these proceedings from the well of the Court, near to the barristers, rather than the public gallery. Guests can stay in Court for just a few minutes or right until the rising of the Court. It is almost always a deeply fascinating, thought-provoking, and memorable event.
25. Safelives, Friday 27 January 2023 – Lunch followed a discussion with Alderman Alison Gowman regarding the history of the judges’ lunches and a presentation from Safelives on their current work. Alderman Gowman also provided a tour of the public areas of the Old Bailey and an empty courtroom.
26. 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. It has been designed to meet the needs of funded organisations, identified through analysis of reporting, case studies and feedback. 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](mailto:Impact@cityoflondon.gov.uk) for further information.

## Communications

27. 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.
28. Media Coverage – Since the 15 November 2022 BHE Board meeting there have been 44 items of media coverage BHE, CBT 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.

## **Conclusion**

29. This report provides a high-level summary of CBT activities since the Grants Committee last met in December 2022. The Grants Committee is asked to note the content of the report. Further information on any of the updates given in this report can be provided to the Grants Committee orally in the meeting, or in a written format in advance of or as a follow-up to the meeting.

### **David Farnsworth**

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