

Committees: Funding Committee of the Bridge House Estates Board	Date: 12 June 2023
Subject: Cornerstone Fund Update	Public
Report of: Sacha Rose-Smith, Chief Funding Director	For Information
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Summary

The purpose of this report is to update the Funding Committee on Round 2 of the Cornerstone Fund and to highlight additional learning gleaned from Round 1.

The Cornerstone Fund was originally approved in October 2016 with an additional allocation of £3million to assist in the strategic development of infrastructure support for London’s civil society. Round 1 of this Fund was launched in April 2018, as part of the overall Bridging Divides funding strategy, with Round 2 being launched in February 2021. The Cornerstone Fund is a collaborative initiative, bringing together funders and civil society support organisations and their partners, with the aim of enabling the systemic change needed for a thriving civil society, with a focus on tackling structural inequalities.

Collaborate CIC was appointed as Learning Partner to work alongside CBT and an executive summary of the findings of their interim report on Round 2 of the Fund can be found [here](#)¹

Due to the Covid-19 pandemic, the 10 partnerships funded under Round 1 took longer to complete than originally envisaged. Collaborate therefore undertook some additional learning work with this cohort and have produced an Executive Summary, full report and a set of case studies, links to which are provided within the report for information.

Recommendation

It is recommended that the Funding 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) Receive this report and note its contents.

Main Report

Background

1. The Cornerstone Fund was originally approved in October 2016 with an additional allocation of £3million to assist in the strategic development of infrastructure support for London’s civil society. Round 1 of this Fund was launched in April 2018, as part of the overall Bridging Divides funding strategy. The Cornerstone Fund is a collaborative

¹ The full report is [here](#)

initiative, bringing together funders and civil society support organisations and their partners, with the aim of enabling the systemic change needed for a thriving civil society, with a focus on tackling structural inequalities.

Cornerstone Fund Round 2

2. Round 2, towards which Trust for London generously awarded a grant of £500,000, launched in February 2021. As with Round 1, there was a two-stage application process, with the successful Stage 1 applicants being awarded a development grant of up to £25,000 in order to work up their Stage 2 proposals.
3. 85 applications were received in total, of which 13 were approved to go forward to Stage 2. One of the partnerships was sufficiently established to go through to Stage 2 without the need for a development grant, meaning that 12 development grants, totalling £257,850, were awarded. This total takes account of one of the partnerships which was not able to proceed due to unforeseen circumstances and which returned £21,000 of unused funding to the Trust out of a total grant of £25,000.
4. CBT awarded 10 of the Stage 2 grants (with the benefit of funding from Trust for London) totalling £3,158,510. Additionally, the National Lottery Community Fund awarded 2 grants totalling £550,000. All these funding decisions were made during the period March to September 2022 (across the 2021/22 and 2022/23 financial years).
5. Collaborate CIC were appointed as Learning Partner in April 2021, following a competitive tendering process (they had also been successful in their tender as Learning Partner for Round 1).
6. It is still early days in the lives of the funded projects although 4 learning workshops have been held, bringing together the funded organisations, the collaborating funders and our 'in-kind' partners, London Funders, London Plus and London Councils. It is testimony to the success of the Cornerstone Fund that lead partners have been willing to fully participate in the workshops before the outcome of their second stage application was known.
7. In addition, 3 learning workshops were held bringing together the funders and 'in-kind' supporters.
8. Collaborate has produced an interim report on learning from Round 2 in the form of an [Executive Summary](#) and a [full report](#).
9. One of the main areas of focus of the report is on how the partnerships are addressing systemic inequalities and it identifies five overarching approaches being taken:

- a. Collecting and sharing knowledge and insight, nurturing the skills and capabilities for systems change, particularly with communities directly experiencing systemic inequalities.
- b. Experimenting and innovating to demonstrate alternative ways of thinking and doing that are built on more relational, democratic, equitable and person-centred approaches.
- c. Gathering insight about the experiences of people and communities experiencing inequality, in order to help systems be more responsive and person-centred.
- d. Growing the collective power and strengthening the influence of people and communities experiencing inequalities, through finding common purpose and acting together.
- e. Connecting parts of the system together better, breaking down barriers and building understanding and relationships across boundaries to improve access and inclusion.

10. It identifies some of the key challenges and questions for exploration over the coming months:

- a. Maintaining a focus on long-term change when fighting short-term crises. This issue is further exacerbated by the relatively short-term nature of the Cornerstone Funding (grants of up to 3 years).
- b. Translating the big goals of systems change (and the associated jargon) into language and ideas that are meaningful and motivating to people that want immediate change.
- c. Further centering grassroots groups and marginalised people in the work and deepening the conversations and practices for equity.
- d. Finding and using every-day learning practices with the people who the work is about.
- e. Widening the circle of people that are involved in making sense of data and insight and understanding the system and testing how best to use data and insight in mobilising change.
- f. Developing collaborative relationships outside of partnerships, particularly with decision-makers and power-holders that they want to influence.
- g. Further exploring and articulating what the system is, where you sit in relation to the system, and the desired impact on system conditions you want to have.
- h. Understanding the roles that are needed for the work and what these look like.

Additional Learning from Round 1

11. The 10 partnerships funded during Round 1 were significantly impacted by the Covid pandemic which meant their projects ran beyond the life of Collaborate's original contract as Learning Partner. We therefore commissioned Collaborate to do some additional work with these projects to capture learning that might otherwise have been lost. This has been written up as [10 Stories from Round 1](#).

12. Both Round 1 and Round 2 cohorts, together with funders and other partners, were brought together in a special learning event at Guildhall in November 2022.

Conclusion

13. At the time of its launch in 2018, the Cornerstone Fund was breaking new ground in approaches to collaborative ways of working and the relationship between funders and grantees. Learning from this has helped shape our development as a funder and to our engagement with initiatives such as the London Community Response and the Propel funder collaboration as well as the design and launch of the Anchor Programme.

14. Both rounds of the Cornerstone Fund offered grants of up to three years. With hindsight, there is an inherent tension in devising a grants programme with a focus on systems change and offering relatively short-term funding. Understanding of the importance of long-term funding has informed the Anchor Programme and the Trust's partnering with the Propel programme, both of which offer funding for up to 10 years.

15. Despite this, and the impact of the pandemic, the conclusion from Round 1 is that the partnerships were able to build the foundations for systemic change. Collaborate said of the stories from Round 1,

“The stories are like a jigsaw puzzle, each story provides a piece of the jigsaw. Read together, they paint a picture of the fund as a whole, spotlighting its different aspects and characteristics”.

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