

Committee: Funding Committee of the City Bridge Foundation Board	Date: 4 December 2023
Subject: Anchor Programme Update and Allocation	Public
Report of: Sacha Rose-Smith, Chief Funding Director	For Decision
Report authors: Sam Grimmett Batt, Funding Director; Khadra Aden, Head of Anchor Programme; Clara Espinosa, Head of Anchor Programme	

Summary

The Anchor Programme aims to grow stronger, more resilient communities for a London that serves everyone. At its heart is a commitment to achieve change for Londoners at a systemic level by providing long-term, core funding to civil society organisations (CSOs) which provide infrastructure support to London’s voluntary and community sector. The fund aims to achieve the following:

- a. Capacity building: improving capacity to engage in positive structural change,
- b. Wider knowledge sharing within civil society,
- c. More equitable outcomes for London’s marginalised communities,
- d. A more balanced funder/grantee relationship with a deep focus on the funded organisations’ learning journey,
- e. Resourcing infrastructure organisations with an equity focus at a meaningful level in terms of both length and value of funding, supporting true financial sustainability,
- f. Impacting London’s civil society at a systemic/systems change level, and
- g. Demonstrate leadership within the funding community by awarding funding that is both core (rather than project) and long-term (up to ten-years).

At its meeting in September 2023, the Funding Committee agreed grants totalling £15,948,630 (including one grant agreed in principle) and agreed to uplift the budget for Round Two (originally planned to be £3.9m, which was what remained of the £20m initial allocation), with officers promising to confirm the recommended amount later.

This paper provides an update on the Anchor Programme and confirms the budget allocation recommended for the second round in spring 2024 as £13.9m, incorporating the £3.9m remaining from the original allocation plus an uplift of an additional £10m (which is available within the overall grants budget for the year without impacting other programmes or responsive grantmaking).

Recommendations

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

- i) Agree an additional allocation of £5m to the Anchor Programme, bringing the total allocation from £25m (approved in September’s Committee) to approximately £30m, and increasing the funds available to spend in Round Two from £3.9m to £13.9m.

Main Report

Background

1. The Anchor Programme was co-designed by a group of civil society organisations and is based on the following principles and vision (refer to previous paper received in September 2023 for a full description of the programme):
 - a. Provide long-term grants to support the sustainability of the sector by:
 - i. Reducing the need for constant fundraising, allowing organisations to focus on core mission and retention of key talent.
 - ii. Supporting systems-change (see Appendix 1) by allowing for work to take place over a meaningful length of time that can realistically yield measurable change.
 - iii. Supporting organisations to develop and sustain institutional knowledge and memory.
 - b. Account for the intersections within society
 - c. Address root causes of inequity rather than the symptoms and contribute to structural change within the sector.
 - d. Support organisations where work is led by and for, or at least co-designed by the organisations/communities they support.

Budget Update and Plans for Round Two

2. Following a period of assessments over the summer, Officers presented 15 Round One Anchor Programme recommendations to the CBF Funding Committee and to the CBF Board in September 2023. 15 recommendations were approved totalling £15,948,630 including one grant in principle.
3. At the Committee meeting in September 2023, officers also recommended an additional £5m be allocated to the Anchor Programme for round 2, bringing the total allocation to £25m, and the total available in round two to £8.9m.
4. Whilst the Committee agreed to the uplift, the Chair asked officers to consider whether a higher uplift might be more appropriate given the level of interest and number of applications received in Round One.
5. Officers have reviewed the available budget in 24/25 and have identified additional funds available which can be allocated to the programme without impacting the overall budget for the year or any grant programmes. The new recommendation is therefore to award £13.9m in Round Two (and increase of £10m instead of £5m as originally proposed). This will bring the total Anchor allocation to £30m (originally £20m). This will allow approximately 12 grants to be awarded in Round Two, maximising the opportunity to embed learning from Round One via a new cohort of grants.
6. The additional £10m will be included in the budget for 2024/25, along with the remaining funds (£3.9m) from the original allocation. As part of the initial planning for the 2024/25 budget the Funding Directors have worked with the CBF and Charities Finance Team to identify available funds. This has formed part of the



wider spend planning for 2024/25 and will not impact other planned programmes for that year, with the final budget to be presented to this Committee in December 2023.

Development grants (2022/23)	Round One (2023/24)	Round Two (2024/25)	Total
£0.1m	£16.0m	£13.9	£30m

7. Plans for Round Two of the Anchor Programme are being developed. It is envisioned that Expressions of Interest will open in spring 2024, with recommendations taken potentially to December's Funding Committee in 2024. The underlying principles of the fund will remain the same including the co-design element. Learning from Round One will be incorporated such as:
- The importance of building trust with organisations participating in the co-design sessions, including increasing the number of in-person meetings.
 - We aim to learn from the high rejection rate by narrowing the criteria for Round Two.
 - We will use the most common declination reasons from Round One to feed into the design of Round Two, and the eligibility criteria.
 - Keeping track of reflections and formalising it so we can share learnings, particularly around the co-design process with the wider funding sector.

Conclusion

8. Round Two of the Anchor Programme will provide much needed further funding to London's civil society infrastructure. This additional allocation of £10m, bringing the total available funds to £30m will allow approximately 12 grants to be awarded in 24/25, maximised the embedded learning from the programme and the available long-term resource to the sector.

Khadra Aden

Head of Anchor Programme

Khadra.Aden@cityoflondon.gov.uk

Clara Espinosa

Head of Anchor Programme

Clara.Espinoza@cityoflondon.gov.uk

Sam Grimmett Batt

Funding Director

Sam.Grimmett-batt@cityoflondon.gov.uk