



Committee: Funding Committee of the City Bridge Foundation Board	Date: 9 December 2024
Subject: CBF Funding Grants Budget 2025/26	Public
Report of: Henrietta Martin-Fisher, Interim Finance Director and Sacha Rose-Smith, CBF Chief Funding Director	For Decision
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Summary

This report presents the proposed budget for CBF’s Funding activity to the Funding Committee of the City Bridge Foundation (CBF) Board.

The proposed budget is £61.27m comprising of £57.20m allocated to grant commitments, £3.72m to operational costs, and £0.35m to central recharges. The proposed grants budget is lower than the 2024/25 forecast by £36.47m. This is due to the winding down of the £200m additional uplift in grants and a reduction in responsive grant making.

Recommendations

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

- i) Review and recommend the CBF proposed grants budget for 2025/26 for inclusion in the charity’s overall Budget to be presented to the CBF Board in February 2025; and
- ii) Agree that minor amendments to the 2025/26 grants budget arising during the budget setting process be delegated to the CBF Chief Funding Director (CFD) and Interim Finance Director.

Main Report

Background

1. To support the CBF Funding Committee in the discharge of its oversight responsibilities for the charity’s grant-making activities, this report presents the 2025/26 CBF proposed grants budget for review and recommendation for approval to the CBF Board.
2. Revised grants commitments forecast for 2024/25 is £93.67m as a result of further consideration of grant commitments, current assessments and additional one year funding due to the development of future funding policy.

Grants Budget 2025/26

3. Table 1 below sets out the proposed budget for 2025/26 and forecast for 2024/25.



Table 1: Grants Budget

Programmes	Proposed Budget 2025/26	Forecast 2024/25	Variance to forecast
	£'000s	£'000s	£'000s
Responsive Grants making	30,000	55,660	(25,660)
Bridge programme	-	120	(120)
Total responsive grant making	30,000	55,780	(25,780)
Propel	14,470	8,400	6,070
Anchor programme	-	12,030	(12,030)
Additional one year closure related funding	-	5,990	(5,990)
Surge funding	11,000	-	11,000
Test and Discover	1,730	1,470	260
Suicide Prevention	-	10,000	(10,000)
Proactive Strategic initiatives	27,200	37,890	(10,690)
Total Grant Commitments	57,200	93,670	(36,470)

4. The proposed grants budget for 2025/26 is £57.20m, a decrease of £36.47m compared to the forecast for 2024/25. Details of the proposed budget for the various funding programmes are explained in paragraphs 6 to 7.

Responsive Grant making & Bridge Programme

Responsive grant-making

5. Responsive grant-making are open grants rounds and account for the routine grant offer. The proposed grant budget for 2025/26 is £30m, £25.66m lower than 2024/25 forecast. The lower proposed grants offer for 2025/26 reflects the winding down of the additional £200m which has been allocated across multiple years. Expenditure is expected to reduce over the coming years, in line with funds available for grant-making as illustrated in paragraph 8, table 2.

Proactive Strategic Initiatives

6. The proposed Proactive Strategic Initiatives budget for 2025/26 is £27.20m compared to the £37.89m forecast to be committed in 2024/25. The various grant programmes are explained below:
- Propel – A budget of £14.47m for 2025/26 is proposed for Propel. An increase of £6,070 compared to 24/25 forecast. The higher proposed budget reflects planned project development, as outlined in CFD updates throughout the year, and is still within the £30m allocation authorised by the Funding Committee previously. This is a funder collaboration focused on three areas which are children and young people, support to alleviate financial hardship, and provision to enable a more inclusive and equal city.
 - Surge funding – A budget of £11.00m for 2025/26 is proposed for surge funding, as approved by the Funding Committee of 16 September 2024. This funding will be



awarded to organisations which applied for grants in the responsive programme after the closures were announced.

- c. Test and Discover (Social Investment) – The proposed budget for 2025/26 is £1.73m. This is a grant facility in support of the development of ideas and enterprise which might lend themselves to repayable finance.

Designated Fund – Grant-making

- 7. Table 2 shows the proposed movements on the CBF grant-making designated fund up to 2029/30. At the beginning of the 2024/25 financial year, the grant-making designated fund held £125.17m available for future commitments. This does not include the impact of discounting of grant liabilities (which was purely an accounting adjustment) as at 31 March 2024.

Table 2: Designated Fund – Grant-making analysis

Designated Fund - grant making	Forecast 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Balance brought forward	125,170	60,000	31,700	30,000	30,000	30,000
Grants commitments	(93,670)	(57,200)	(31,000)	(30,000)	(30,000)	(30,000)
Additional operating costs - uplift funding	(1,500)	(1,100)	(700)	-	-	-
Transfers as of 31/03	30,000	30,000	30,000	30,000	30,000	30,000
Cumulative Grants balance	60,000	31,700	30,000	30,000	30,000	30,000

- 8. The proposed budget for 2025/26 would bring the cumulative balance in the CBF grant-making designated fund down to £31.70m as at 31 March 2026, as shown in Table 2 above.
- 9. For 2025/26 and subsequent years, the annual transfer of £30m is provisional and subject to return on investments generated, satisfying the needs of the primary object and hence what is available as surplus income. The transfer is confirmed within the budget report presented to the CBF and Court as at 31 March each financial year.
- 10. Of the additional £200m approved by Court in March 2020, £101.3m has been committed in grants in the first three years alongside additional operational costs of £3.5m incurred in relation to this uplift in the same period as illustrated in table 3 below.



Table 3: £200m Additional Uplift

£200m additional uplift	Actuals 2021/22	Actuals 2022/23	Actuals 2023/24	Forecast 2024/25	Budget 2025/26	Forecast 2026/27	TOTAL
	£'000s	£'000s	£'000s	£'000s		£'000s	£'000s
Transition funding	-	4,247	-	-	-	-	4,247
Cornerstone	-	1,985	-	-	-	-	1,985
London giving	-	2,820	973	-	-	-	3,793
LocalMotion	-	-	5,000	-	-	-	5,000
Alliance Partnerships	6,240	10,400	1,590	-	-	-	18,230
Propel	-	5,718	1,408	8,396	14,470	-	29,992
Anchor programme	-	94	13,900	12,030	-	-	26,024
Social investment, Test & Discover	-	-	79	1,470	-	-	1,549
Suicide Prevention	-	-	-	10,000	-	-	10,000
Augmenting responsible grantmaking	-	17,401	29,455	31,874	12,730	927	92,387
Administration costs	728	1,380	1,385	1,500	1,100	700	6,793
Total	6,968	44,045	53,790	65,270	28,300	1,627	200,000

Operational Costs

- Operational costs associated with the various grant-making programmes are proposed to be £3.72m for 2025/26. Operational costs across CBF continue to be reviewed for consistency and appropriateness as the full budget for the charity is developed.
- Table 4 below shows grant commitments and operational costs for the previous three years alongside the current year forecasts, the proposed budgets for 2025/26 and a forecast for 2026/27.

Table 4: Grant commitments and operational costs

	Actuals 21/22	Actuals 22/23	Actuals 23/24	Forecast 2024/25	Budget 2025/26	Forecast 2026/27
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Grant commitments	27,172	59,948	78,605	93,670	57,200	31,000
Operational costs	3,548	3,771	3,587	3,786	3,718	3,916
Total	30,720	63,719	82,192	97,456	60,918	34,916

Conclusion

- This report presents the 2025/26 CBF's Funding activity budget for Members' consideration and recommendation to the CBF Board for approval to include within the CBF detailed budget. Members are to note the Grant-making Designated Fund and the requested budgets for the various grant spending programmes including surge funding. The budget request allows CBF to continue its core business of charitable funding in a flexible and yet impactful way.

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