



Committee: Funding Committee of the City Bridge Foundation Board City Bridge Foundation Board	Date: 9 December 2024 5 February 2025
Subject: Anchor Programme Round Two	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 most marginalised communities,
- d. A more balanced funder/funded organisation 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 systems change level, and
- g. Demonstrating leadership within the funding community by awarding funding that is both core (rather than project) and long-term (up to ten-years).

For this programme, only organisations which met the “Anchor Programme CSO” criteria were eligible. Anchor organisations are defined as second-tier infrastructure organisations that are well grounded within their community, (or multiple communities if working intersectionally), that convene, catalyse, and connect people (or organisations) and improve their lives.

This paper summarises the Anchor Programme, its background, aims and objectives, learnings from Round One and activities to date. The paper will also present eight Round Two recommendations (Appendix 7) totalling **£9,889,028** for decision today. Individual assessment reports for each application are included in your agenda pack.

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) Endorse to the CBF Board the recommendations for funding of the following five grants (totalling £6,968,788):
 - a. £1,165,488 over ten years to Agenda CIO (charity no. 1179417) at Appendix 8a;



- b. £1,403,300 over ten years to Disability Rights UK (charity no. 1138585) at Appendix 8b;
- c. £1,400,000 over ten years to Inclusion London (charity no. 1157376) at Appendix 8c;
- d. £1,500,000 over ten years to Money4You also knowns as the Avocado Trust (charity no. 1157549) at Appendix 8d;
- e. £1,500,000 over ten years to Race on the Agenda (charity no. 1064975) at Appendix 8e;

(ii) Approve the following three recommendations (totalling £2,920,240):

- a. £995,400 over nine years to Disability Law Service (charity no. 280805) at Appendix 8f;
- b. £999,940 over seven years to Do It Now Now (charity no. 11937494) at Appendix 8g;
- c. £924,900 over ten years to Equally Ours (charity no. 1138585) at Appendix 8h;

(iii) Approve the rejection of the following recommendations (see Appendix 6):

- a. All Ways Network (charity no. 1180445)
- b. Octopus Community Network (charity no. 1128394)
- c. The Health Forum (charity no. 1151980)
- d. Women's Resource Centre (charity no. 1070606)

(iv) Note: The following Anchor recommendation will come to CBF Board and Funding Committee in 2025 to allow more time for the assessment of the organisation:

- a. £1,000,000 over ten years to Voice4Change England (charity no. 1140624)

It is recommended that 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:

1. Approve the recommendations for funding of the following five grants (totalling £6,968,788):
 - a. £1,165,488 over ten years to Agenda CIO (charity no. 1179417) at Appendix 8a;
 - b. £1,403,300 over ten years to Disability Rights UK (charity no. 1138585) at Appendix 8b;
 - c. £1,400,000 over ten years to Inclusion London (charity no. 1157376) at Appendix 8c;
 - d. £1,500,000 over ten years to Money4You also knowns as the Avocado Trust (charity no. 1157549) at Appendix 8d;
 - e. £1,500,000 over ten years to Race on the Agenda (charity no. 1064975) at Appendix 8e;



Main Report

Background

The Infrastructure sector, systems change and long-term funding

1. Infrastructure groups are key to ensuring effective and efficient support and information, and a safety net for organisations to fall back on. There can be a false perception (particularly amongst the general public) that change and impact only emerge from front-line activities that are tangible. Infrastructure organisations do however have a pivotal role to play in delivering public benefit and advancing social justice and diversity, equity, and inclusion in the sector, by supporting capacity building, convening, and catalysing. Their work promotes knowledge exchange and equity, higher quality services, and greater sharing and collaboration, and reduces duplication.
2. In terms of the focus on systems change, more and more funders are increasingly recognising that to bring about meaningful change, organisations and community groups need to be supported to tackle the root cause of issues, not just the symptoms, and this is indeed an underpinning of CBF's own future funding policy. For example, New Philanthropy Capital (NPC) recently published a report on the youth mental health crisis¹. A recommendation that came from this piece of research was the need for funders to explore a systemic approach to funding. NPC highlights that most charities "respond by developing simple linear interventions and receive funding on the promise of these solutions. But there is also a need to 'zoom out' and understand the multiple factors that influence youth mental health. Pooling funding that supports service delivery as well as policy, campaigning and systems change work has the potential to drive real change, both in the short and long-term, in this space". Additionally, London Funders emphasised that one of the main highlights from their annual Festival of Learning 2024 was the focus on systems change.²
3. The movement towards long-term core funding is being reflected nationally. Anchor Programme Leads, Clara Espinosa and Khadra Aden, connected with the Regenerative Futures Fund which is a new pooled fund for Edinburgh launched in 2024. It is a 10-year fund for communities to lead change that is focused on futures and tackling the root causes of interconnected systemic challenges in the city around poverty, climate change and racial injustice. It was collaboratively designed by funders, community organisations and individuals with lived experience of poverty.³ Other funders such as Lloyds Bank Foundation and the Peter Minet Trust have recently moved towards providing unrestricted long-term funding.⁴

Timeline of activity to date

¹ <https://www.thinknpc.org/resource-hub/the-youth-mental-health-crisis/>

² <https://londonfunders.org.uk/latest/news/what-does-it-take-create-systemic-change>

³ <https://regenerativefuturesfund.org.uk/the-fund>

⁴ <https://www.peterminet.org.uk/news/sharing-our-practice-unrestricted-funder-why-we-had-learning-review-and-what-it-looks>



4. Work on the Anchor Programme began following Funding Committee endorsement in June 2022 and a timeline of activities in 2023 was reported in Funding Committee 'Anchor Programme Round One' paper in September 2023. Anchor activity since Round One grants were awarded in late 2023:

In the first quarter of the year, Anchor Leads entered a reflection period and engaged multiple stakeholders to gain feedback on the fund criteria and improve application questions. Following this period, Round Two of the programme went live and two pre-application webinars were held to share more information and guidance to prospective applicants. In the summer period, Officers began assessing applications in conjunction with undertaking systems change training. Over autumn, assessments were finalised and Officers produced assessment reports in anticipation of December's funding committee and February Board. A full timeline of 2024 activities can be found in Appendix 1.

Lessons from Round One

5. The Anchor Programme introduced several new approaches to the standard CBF funding programmes, which have been embedded in the End-to-End Review recommendations, the Suicide Prevention Programme and Future Funding Policy. These included co-design and stakeholder engagement, a two-stage application process, pre-application webinars, and involvement of external representatives on the shortlisting panels.
6. Once the pilot round was completed in 2023, feedback was gathered from multiple stakeholders, including assessors, and applicants (successful and unsuccessful). The Anchor advisory panel from Round One was reconvened to discuss potential improvements, particularly regarding eligibility criteria and application form questions.
7. Key changes and actions implemented for Round Two included:
 - **Website and Comms:** The dedicated Anchor webpage was updated to be more visually appealing to better showcase the high volume of information and guidance. Changes were also made to clarify key terminology used, such as 'systems change', and a case study of a successful application from Round One was included to provide further guidance.
 - **Application Process:**
 - Similar to Round One, Anchor Leads delivered two pre-application webinars, attended by a total of 60 CSOs, to provide further guidance to potential applicants. The FAQ page was updated to include questions asked at these sessions.
 - Following feedback from unsuccessful applicants and the advisory panel, as well as to reduce the high rejection rate in Round One, the eligibility criteria was revised to clarify that the fund does not target mainstream infrastructure organisations (such as CVSs), educational institutions, or charities focused



on volunteering. In addition, Anchor Leads reiterated that the programme was aimed at organisations that are "led by and for". This resulted in a reduction of the total number of applications received in Round Two, 73 compared to 173 received in Round One.

- The pre-application webinars and other communications improved information explaining the difference between the aims of the Anchor Programme and the Infrastructure strand.
- Application form questions were refined.
- The initial shortlisting period of Eols was extended from two days (Round One), to one week (Round Two). In addition, the number of training sessions for the external shortlisting panel was also increased. Following feedback, the panel sessions were shorter, spread over a few days and included more comfort breaks to increase accessibility.
- The assessment period was extended from three months (Round One) to six months (Round Two) as it was challenging to assess during such a short period over the summer holidays. Systems Change training sessions for FMs also increased from two to four sessions, using examples from Round One applications.

The underlying principles of the fund, such as the focus on providing long-term sustainability to organisations and the emphasis on co-designing with the sector, remained consistent across both rounds.

Anchor Learning Partner – Year One Impact

8. In August 2022, The Social Innovation Partnership (TSIP) was appointed as the Anchor Programme Learning Partner to capture internal learning of CBF's own grant making practice and to understand the impact of long-term core funding. TSIP will also develop an impact framework using a relational reporting approach. The learning framework aims to challenge the traditional funder/grantee dynamic and will support funded organisations to learn from their own work and each other through peer learning sessions. TSIP has worked with the first cohort of funded organisations over the past year. It has facilitated five workshops to date exploring individual organisational needs, including:
 - a. **Political, Economic, Social, Technological, Legal and Environmental (PESTLE) Analysis Workshop:** Contextualising the systems and operating environments each organisation is working in.
 - b. **Participatory Systems Mapping:** Helped funded organisations identify desired areas of influence.
 - c. **Theory of Change Workshop:** Developed a learning framework to measure fund progress.
 - d. **Methods of Engagement Workshop:** Explored funded organisations' learning preferences over the first two years of the fund.
 - e. **Provided 1:1 Evaluation:** Supported funded organisations to tailor their impact and learning processes for Years One and Two.



9. In addition to running these learning sessions, TSIP has co-created a comms strategy with CBF to ensure that initial insights and learnings were shared more widely across the funding sector. To date, two blog pieces written by funded organisations have been shared online (Appendix 2).
10. As part of a commitment to relational funding and to pilot different ways of working that redress the traditional funder/funded organisation dynamics, TSIP arranged a 'funder feedback session'. The first session took place in September 2024 at The Guildhall as part of a series of planned sessions to create innovative spaces for CBF Officers and funded organisations to open a dialogue, listen and collectively build solutions to drive forward systems change. Key outcomes from the session as well as a group photo can be found in Appendix 3.

Budget update

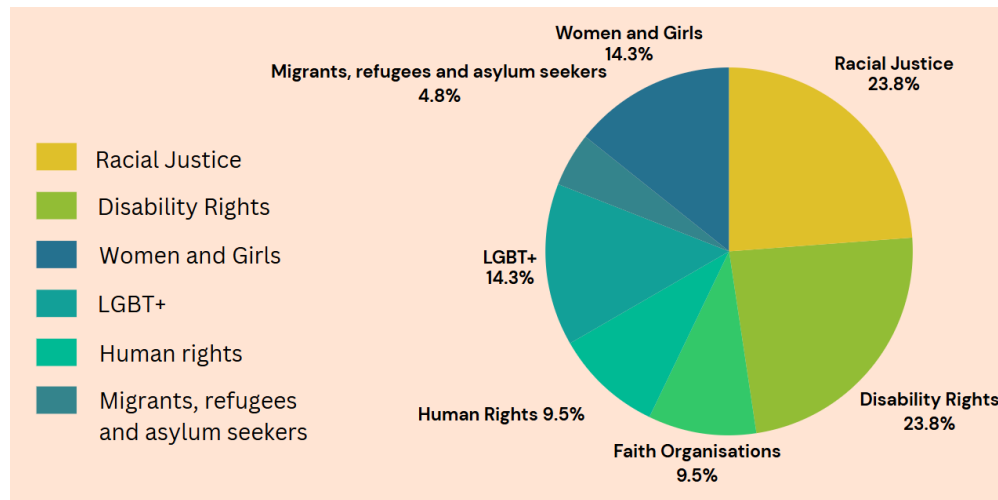
11. The table below summarises the Anchor funding to date and recommendation total:

Total amount allocated to AP	Development grants awarded (2022/23)	Round One (2023/24) awarded	Round Two (2024/25) recommended	Underspend
£30.0m	£0.1m	£15.0m	£10.9m	£4.0m

12. The Funding Committee agreed that up to £30m should be allocated to the Anchor Programme. Should all recommendations at today's meeting, plus the Voice4Change recommendation later in 2025, be agreed, £4m will return to the responsive grants budget.
13. In total, if all recommendations for the Round Two of the programme are approved, the Anchor Programme will have awarded around £26m with the average grant amounting to £1.2m and the average grant length totalling to nine years.

Focus areas Round One and Two

14. Below is a breakdown of thematic areas across both rounds. Organisations have only been categorised under one theme (representing their main focus or majority of their work) however each Anchor organisation is working intersectionally across more than one theme. A summary of grants made in Round One of the programme can be found in Appendix 4.



Round Two proposals for consideration

15. These grants, if agreed, are to be distributed as long-term core grants, of between seven to ten years. CBF's usual assessment processes have been applied including financial, governance, and other due diligence. Applicants could apply for between £50,000 and £150,000 per year, for up to ten years.
16. A total of 73 Eols were received at Stage One in June 2024. Of these 24 organisations were longlisted and this was further narrowed down to a shortlist of 13, who were invited to submit an application at Stage Two. As predicted, following trends in the funding sector and lack of multi-year core funding available, the number of applications recommended for approval represent a small proportion of the total number of applications received (11%).
17. The recommendations focus on bringing about systems change by enabling applicants to use funding towards core activities such as supporting central staff roles to enable movement building, to strengthen organisations' governance, to support policy and research teams, and to expand second-tier capacity building work (refer to Appendix 5 for more detail on the use of Anchor core funding).
18. Before applications were assessed, external systems change and systems thinking training was undertaken by all assessors (refer to Appendix 5).
19. CBF's responsive grant making (its day-to-day grant making as opposed to strategic work such as the Anchor Programme) policy is to not usually award revenue grants that include posts at more than one Full Time Equivalent (FTE). This limit was not applied to Anchor Programme applications to reflect learning from previous programmes such as Propel, the London's Giving scheme, and The Cornerstone Fund, which highlighted a recognised need for meaningful investment in strategic programmes looking to achieve ambitious outcomes at scale.
20. In addition to this, the usual responsive grant making policy that CBF funding should not exceed 50% of an organisation's total income was not applied. Applying the 50% income rule would have prevented key organisations from applying, if they already held a Bridging Divides grant. As the equity infrastructure sector is so small



this could have potentially significantly limited the eventual impact of the Anchor Programme. Existing funding, where it is held, is for specific and focused projects, rather than the organisation's core activity and mission, and assessors have ensured there is no duplication.

21. For any organisation for which the Anchor proposal under consideration equates to (or cumulatively equates to, in conjunction with other CBF grants) more than 50% of their total funding, this has been specifically highlighted in the assessment report. Assessors have undertaken a specific analysis of the ongoing sustainability of the recipient organisations. This involves the assessor being satisfied that the funding, if approved, will not create an unsustainable reliance on CBF funding or a "funding cliff edge" for the organisation, and that they have a sufficient ongoing fundraising strategy and income diversification plans.
22. Following grant awards, a bespoke monitoring framework (incorporating regular, at least annually, monitoring points) will be devised with the Learning Partner, which will incorporate our standard requirements, checks and balances during the grant period, as well as assessment of the ongoing sustainability of the funded organisation. Funding will be paid in quarterly instalments, as per the usual CBF policy.
23. CBF's standard grant terms and conditions will also apply for each grant, which include robust safeguards protecting CBF throughout the entire grant period. This includes the ability to stop payments at any time should the terms and conditions be breached. However, as with the usual terms and conditions, these safeguards are not considered sufficient to prevent recognition (under the Charities SORP) of each grant commitment in full at the point of the award.

Conclusion

24. Over the last 25 years CBF funding has underpinned London's civil society infrastructure and it has been a driving force in not just funding but also innovating in this sector. The Anchor Programme continues this by not just supporting those organisations delivering change on the ground and with responsive and emergent work, but also the important underlying networks and expertise that allow it to happen. It builds on the legacy of responsive infrastructure funding, the Cornerstone Programme, Civil Society Roots, and the Foundation's practice during the pandemic.
25. Funding civil society infrastructure and systems change supports CBF in its mission to reduce inequality and grow stronger, more resilient and thriving communities in London. The Anchor applications presented for consideration today, totalling £9,889,028, propose ambitious, pan-London work over the next seven to ten years that will provide vital resource and capacity to affect systems change on issues that impact some of the most marginalised and underserved communities in London.
26. At its conclusion, the Anchor Programme is still unique in its offer of grants of up to 10 years, double the length of a typical grant and it offers vital stability for organisations tackling societal inequity in London. Overall, the Anchor Programme



is a game-changing initiative that supports charities in the critical work creating a fairer, more equitable London by offering the resources and stability needed to drive meaningful, long-term impact.

Background papers

- Report to the Funding Committee, entitled 'Anchor Programme Update', date 20 June 2022, (Item 9)
- Report to the Funding Committee, entitled 'Anchor Programme Round One', date September 2023, (Item 16)

Appendices

Appendices 1-6 are provided in one document, which can be accessed [here](#) (link provided)

- Appendix 1 - [Timeline of activities to date](#)
- Appendix 2 - [Learning blogs](#)
- Appendix 3 - [Funder feedback session](#)
- Appendix 4 - [Summary of Round One grants](#)
- Appendix 5 - [Systems change](#)
- Appendix 6 - [Recommended for Rejection](#)
- Appendix 7 - Grant applications
 - Appendix 7a - Agenda Alliance CIO (charity no. 1179417)
 - Appendix 7b - Disability Rights UK (charity no. 1138585)
 - Appendix 7c - Inclusion London (charity no. 1157376)
 - Appendix 7d - Money4You also knowns as the Avocado Trust (charity no. 1157549)
 - Appendix 7e - Race on the Agenda (charity no. 1064975)
 - Appendix 7f - Disability Law Service (charity no. 280805)
 - Appendix 7g - Do It Now Now (charity no. 11937494)
 - Appendix 7h - Equally Ours (charity no. 1138585)

Khadra Aden

Head of Anchor Programme

Khadra.Aden@citybridgefoundation.org.uk

Clara Espinosa

Head of Anchor Programme

Clara.Espinosa@citybridgefoundation.org.uk

Sam Grimmett Batt

Funding Director

Sam.grimmett-batt@citybridgefoundation.org.uk