

Report – City Bridge Foundation Board

City Bridge Foundation: Future Funding Policy

To be presented on Thursday, 6th March 2025

To the Right Honourable The Lord Mayor, Aldermen and Commons
of the City of London in Common Council assembled.

SUMMARY

This report presents to the Court of Common Council the draft Future Funding Policy 2025-2035 (FFP) in furthering City Bridge Foundation's 'ancillary object'. The charity's ancillary object, established in 1995 by cy-près scheme, requires the allocation of income surplus to that required for the primary object (the maintenance and support of the charity's five Thames bridges) in any year for broad charitable purposes for the general benefit of the inhabitants of Greater London, in accordance with an agreed policy – the charity's 'funding policy'.

Since 1995, the funding arm of City Bridge Foundation (CBF) has distributed over £840m to over 5,500 funded organisations across London in furthering the charity's ancillary object. The charity has funded a broad range of projects that reflect the diversity of the voluntary and community sector and changing needs in London over the years.

The context for both CBF and the charitable funding sector in London has changed considerably in the seven years since the current funding policy, *Bridging Divides*, was adopted. The CBF Board recommends that *Bridging Divides* is concluded and replaced with a new funding policy, evolving CBF's activities and approach as a world-class funder, as set out in the charity's overall strategy *Bridging London 2020-2045*.

The report therefore sets out the funding policy development process to date, key elements of the proposed policy approach, and seeks approval of the FFP by the Court of Common Council.

RECOMMENDATIONS

Following the City Bridge Foundation Board's consideration of this report, it is recommended that the Members of the Court of Common Council, acting for the City Corporation as the charity trustee of City Bridge Foundation (Charity No. 1035628) and solely in the charity's best interests:

1. Approve the draft Future Funding Policy 2025-2035 for City Bridge Foundation to succeed *Bridging Divides*; and
2. Subject to Recommendation 1 being agreed, delegate authority to the City Bridge Foundation Board to adapt and enhance the draft policy in response to any lessons learned and user feedback ahead of the formal launch of the policy later this year.

MAIN REPORT

Background

1. City Bridge Foundation (CBF) is an unincorporated charitable trust and a registered charity (Registered Charity Number 1035628), for which the City Corporation acting by the Court of Common Council is Trustee. Except for several matters reserved to the Court of Common Council, CBF's day-to-day management and administration is delegated to the CBF Board. Amongst the matters reserved to the Court is the approval of the charity's funding policy. For the purposes of this report, the term "funding" encompasses grant-making, collaboration, social investment and other activity to further the charity's ancillary object.
2. The primary charitable object of CBF is the support and maintenance of London Bridge, Blackfriars Bridge, Southwark Bridge, Tower Bridge and Millennium Bridge. After these responsibilities are met, any income surplus to that which can be usefully applied in accordance with the subsisting trusts in any given year may be applied for the charity's ancillary object; namely (without priority):
 - (a) for the provision of transport for elderly and disabled people in Greater London; and/or
 - (b) for other charitable purposes for the general benefit of the inhabitants of Greater London, in accordance with a policy settled by the Trustee.
3. Implementing and refining the charity's funding policy is essential, and the Trustee has a duty in administering CBF to keep the charity's administration under review *inter alia*, to keep its policies under review to ensure the charity's funds are applied impactfully to further the ancillary object.
4. In recent years, the funding policy has been agreed and delivered in a quinquennial cycle. The current policy, *Bridging Divides*, was originally agreed for the period 2018 to 2023, but extended by this Court in May 2022 following an interim review. The extension was also agreed in the context of the release of £200 million from the charity's unrestricted income funds, allocated to the *Bridging Divides* policy in March 2020, and to provide certainty during an exceptionally challenging period for London's charitable sector and civil society organisations, encompassing both the Covid-19 pandemic and a cost-of-living crisis.
5. Taking account of the evolving context for the charity following the implementation of the Strategic Governance Review of BHE, including the appointment of a Chief Funding Director, the grant of a new Supplemental Royal Charter, establishment of the charity's new brand and working name, and with the inherited plans for distribution of the £200 million uplift due to conclude in 2026, in September 2023 the CBF Board agreed that the *Bridging Divides* strategy should be brought to a conclusion within an agreed timeframe and, following consultation, replaced with a new funding policy more in line with the current London context and the charity's overarching strategy, *Bridging London 2020-2045*.

6. In developing a new funding policy, the Board agreed CBF should take the opportunity afforded by the *Bridging London* strategy refresh agreed by the Court in March 2024 to further integrate and reflect the ancillary object, consult widely to inform the new funding policy, consider reducing the breadth of the funding focus areas to have a deeper impact, and realise CBF's 'total assets' to help achieve more substantive change through the charity's operation and activities.

Current Position

7. The extended *Bridging Divides* funding policy, bolstered by the £200 million uplift in expenditure, has enabled an exceptional, albeit temporary, volume of delivery in activity to further the ancillary object, and has significantly increased support for the charitable sector during a time of unprecedented need. However, the current policy is complex, having had up to nineteen funding streams, and requires significant resource to administer. Further, whilst this has enabled CBF to fund a breadth of issues across London, as a high-volume funder this has also made it difficult to articulate the overarching narrative and impact.
8. With the conclusion of the £200 million uplift, the new strategic aims of CBF's overarching *Bridging London* strategy and shifting priorities of the CBF Board having regard to the priority of the primary object, funding at current levels of volume and breadth of focus cannot be sustained. CBF will therefore shift toward a more collaborative and relational approach with its funded partner organisations (building on this work under the current funding policy), funding for depth and impact across fewer strategic focus areas, in particular longer-term preventative work tackling root causes, which could not be achieved through the current policy.
9. To renew the charity's funding offer and meet the charity's strategic ambitions, the CBF Board and its Funding Committee have overseen a review of CBF's funding policy, including the methodology, timeline and progress reports, an End-to-End review of CBF's funding practices, and the development of a Framework for Change outlining how the charity will deliver impact, which underpin the draft policy.
10. In line with and in addition to Charity Commission requirements as reflected in the charity's governing document, CBF have engaged in extensive evidence gathering, analysis and consultation to refine the proposed focus areas in the new policy, helping to deliver 'world-class charitable funding' as set out in CBF's strategy, *Bridging London 2020-2045*. The resulting recommendations are informed by data, evidence and strategic analysis of:
 - The needs of London's most marginalised communities, aligned to Equity, Diversity and Inclusion (EDI) considerations;
 - Systemic issues and drivers;
 - CBF's primary and ancillary objects, its values, and the aims of the *Bridging London* strategy;
 - CBF's funding track record;
 - Opportunities for collaboration and impact and to leverage CBF's resources and assets.

Proposal

11. The draft policy can be viewed at **Appendix 1**. This document articulates the Board's high level, strategic direction of travel, outlining how CBF, together with London's civil society and key stakeholders, will develop the charity's funding programmes over the course of 2025-26. Key elements of the FFP include asserting CBF's identity as a social justice funder, emerging thinking on the funding programmes, the proposed funding model and approach to impact and learning.
12. For CBF, being a 'social justice funder' means prioritising the empowerment of people and communities in London directly affected by inequality and injustice, playing a central role in shaping the future we all want to see. It also means recognising the need to tackle the root causes of inequality, so that ultimately no interventions (allocating resources or opportunities) are necessary for the achievement of equal outcomes.
13. CBF will prioritise resources toward delivering social justice for marginalised Londoners experiencing the most disadvantage, as outlined in *Bridging London 2020-2045*. This includes consideration of how power and privilege operate, how certain groups are excluded from resources, opportunities and rights, and the role institutions, policies and systems play in excluding, harming and under-resourcing certain groups in society. CBF aims to recognise the structural barriers that maintain inequalities whilst highlighting the resilience and agency of those impacted.
14. Marginalised Londoners are communities or individuals who face systemic inequalities e.g. people on low incomes, racialised communities, people seeking asylum and refugees, Deaf and disabled people, people identifying as LGBTQ+ and survivors of abuse, exploitation and hatred. The use of these terms in the context of the FFP seeks to reflect the complex dynamics of power across various contexts, including systems of exclusion like institutional racism and other forms of systemic injustice.
15. Equity, diversity and inclusion (EDI) is fundamental to CBF's approach towards tackling inequality and delivering social justice for marginalised Londoners. EDI practices will be implemented across our funding activities to help address intersecting structural inequalities, including through our programme design, application processes, criteria, funding conditions and monitoring.

Funding Priorities and Main Programmes

16. It is proposed that CBF will have four main funding programmes, with additional support provided to funded partners through its 'Funder Plus' offer. A Crisis and Emergency Fund will also be established for timebound initiatives in response to new or significantly escalating crises affecting Londoners; and in the first year a Legacy and Transition Fund will facilitate a responsible transition between *Bridging Divides* and the FFP.
17. Based on the consultation, research, strategic analysis of the existing portfolio and London's funding landscape, CBF has identified four visions for a fairer London:

- **Climate Justice**
- **Access to Justice**

- **Racial Justice**
- **Economic Justice**

18. The programmes will be developed further in 2025 in consultation with the CBF Board and Funding Committee, CBF colleagues and wider sector stakeholders, informed by regular reviews of the latest data and needs analysis. CBF are also committed to working across the charity to embed a 'total assets' approach and identify opportunities for collaboration, both with the City of London Corporation and with external partners. As part of programme development, external support will be commissioned to engage with the wider sector, funders and key partners.

Other Programmes and Resources

19. In addition to the four main funding programmes, the FFP makes provision for allocations to a Legacy and Transition Fund and Crisis and Emergency Funding, where funds will be applied proactively.

Funder Plus

20. CBF's Funder Plus offer, (previously known as the 'Bridge Programme'), has been a vital element of non-financial support provided for funded organisations, helping them build resilience and adapt to changing circumstances. This offer will help address London's most pressing challenges and embed CBF's cross-cutting themes of EDI and climate action, while maintaining a focus on critical areas such as suicide prevention training. This evolution of Funder Plus reflects CBF's commitment to being a world-class funder by enhancing equity and accessibility by prioritising user-led organisations, learning and adapting to ensure the approach remains relevant and effective, and supporting transformational change by providing organisations with the tools, skills and connections needed to influence positive change.

Impact and Learning

21. Impact and learning will be a fundamental element of the FFP, drawing on best practice for systems change approaches. The FFP impact and learning framework will cover all aspects of the policy, including CBF funding practice, the four emerging justice areas, legacy and transition funding, crisis interventions and Funder Plus. Impact and learning principles will be developed to inform all aspects of the approach, based on external quality standards such as the *Foundation Practise Rating* and *IVAR's Open and Trusting Grant making*.

Next Steps

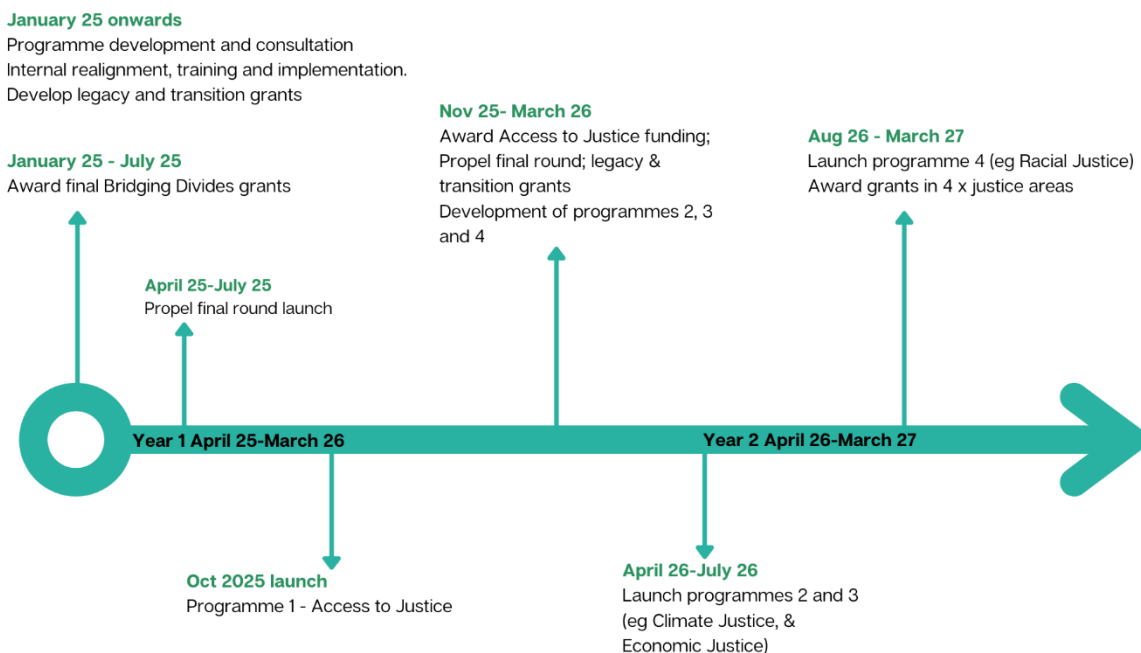
22. Pending approval from the Court of Common Council, formal implementation of the FFP is scheduled to commence in April 2025, in accordance with the schedule below, each with an assigned staff lead(s), delivery plan and budget.

- a. Programme Development: Consultation and design process to launch first programme in Autumn 2025, with phased rollout in 2026.

- b. Impact and learning: Development of impact frameworks and processes across the four programmes, linking this to the overall CBF impact framework currently in development.
- c. Legacy and transition: Implementation of transition arrangements.
- d. Funding processes reviewed and updated: Review and update all funding processes including application forms, assessment processes, Salesforce data management, grants manual, monitoring and evaluation reporting and more.
- e. Team alignment and training: Develop learning and development plan for the FFP, with support for the new portfolio approach and processes.
- f. Communications: Internal and external communications plan agreed and implemented in Q3/Q4, including the policy launch, internal communications, updates to the website and media engagement.

23. The timeline below acknowledges the significant resource required in the short term to develop and launch the new programmes, including revising internal policies, processes and accompanying IT infrastructure. This has been budgeted for as part of 2025/2026 corporate planning. Subject to further development work, it is intended that CBF will launch one programme first in October 2025, followed by the other three justice areas in 2026.

Launch timeline



Implications

24. Strategic Implications – The FFP aligns with the ambition and goals set out in the *Bridging London 2020-2045* strategy, while building on our longstanding commitment to support civil society infrastructure, connecting communities and addressing inequality. Officers will collaborate closely with colleagues across the charity to ensure alignment with CBF’s strategy as we move toward implementation.

25. Resource Implications – The CBF Board and Corporate Services Committee at their meetings in February 2025 have approved a resourcing model to allow for the realignment of internal resourcing and structure to support the implementation and delivery of the FFP.
26. Legal Implications – The charity’s funding policy to further the charity’s ancillary object must be set following consultation and the process for that consultation is required to be notified to the Charity Commission. This has been done in preparing the draft FFP.

Conclusion

27. The Court are asked to approve the policy approach set out in the draft FFP 2025-2035, and delegate authority to the CBF Board to adapt and enhance the policy as it is taken forward for programme development and implementation. Building on *Bridging Divides* and anchored in the vision of *Bridging London 2020-2045*, the FFP outlines CBF’s focus for the next decade: driving systems change while addressing immediate needs, setting out a progressive and ambitious path based on learning from almost thirty years of funding. CBF will seek to catalyse change on key social issues to develop and deliver world-class charitable funding in accordance with our values of service, ambition, collaboration, inclusion and innovation. With bold ambitions, CBF will learn and adapt during delivery of the new policy to better advance equity and the effectiveness of its funding.
28. The policy represents a significant evolution in CBF’s journey as a charitable funder, and a key facet of the charity’s continuing drive to be a catalytic and progressive force for good in London. The CBF Board has scrutinised and commends the work undertaken in the holistic review of the charity’s ancillary object, and recommends the draft FFP to this Court in the best interests of the charity.

Appendices

- Appendix 1 – Future Funding Policy 2025-2035

All of which we submit to the judgement of this Honourable Court.

DATED this 5th day of February 2025.

SIGNED on behalf of the Board.

Deputy Paul Martinelli
Chair, City Bridge Foundation Board