Committee(s): Community and Children Services Committee – For Information	Dated: 10/11/2025
Subject: Stronger Communities Fund – Annual Report 2024/25 and analysis of fund's impact over the last five years	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly insofar as it is in the best interests of the charity?	Diverse Engaged Communities; Vibrant Thriving Destination
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Simon Latham, Interim Managing Director, City Bridge Foundation	For Information
Report author: Sheena Etches, Funding and Charity Management Team Lead	

Summary

The Central Grants Programme (CGP) provides a portfolio of four funding programmes that support the delivery of activities and services primarily within the Square Mile. The CGP's Stronger Communities Fund opened in October 2016 and the integration of the Small Grants Scheme into the SCF took place in February 2018. The SCF is managed on behalf of the Department of Community & Children's Services (DCCS) by the Central Funding and Charity Management Team (CFCMT). The SCF has a rolling deadline and monthly decision panels to ensure that grant funding is responsive to City of London communities' needs. This report provides an overview of projects and services funded through the SCF in the 2024/25 financial year alongside a comprehensive analysis of the grants awarded by the SCF over the last five years illustrating the contribution of the SCF to delivering both DCCS key strategies and City of London's Corporate Plan strategic outcomes.

Recommendation

Members are asked to:

- 1. Note the criteria for the Stronger Communities Fund at Appendix 1
- 2. Note the recent grants awarded from the Stronger Communities Fund 2024/25 at **Appendix 2.**
- 3. Note the analysis of the Stronger Communities Fund over the last five years, 2020/21 to 2024/25 inclusive, and its impact for City of London communities at **Appendix 3**.

Main Report

Background

- 1. The Stronger Communities Fund (SCF) is one of a portfolio of four open grant funding programmes that form the City of London Corporation's (CoLC's) Central Grants Programme (CGP). The SCF opened in October 2016 and in February 2018 the Community and Children's Services Committee (CCSC) agreed to add a Small Grants Scheme to the Stronger Communities Programme, as there was no longer resource in the DCCS to deliver a Small Grants Scheme independently.
- The SCF awards grants to projects and services that are being delivered for the benefit of communities or beneficiaries within the City of London and/or its housing estates across London.
- 3. SCF applications must meet one or more of the fund's sub-themes 'developing stronger neighbourhoods and communities by enabling more people to become involved in their communities and encouraging a broader understanding of the diverse needs of these communities' and/or 'promoting community health and wellbeing demonstrating positive outcomes that address the health and wellbeing priorities set out in the 2024-28 Joint Health and Wellbeing Strategy'. (See Appendix 1).
- 4. SCF has a rolling deadline with an 8- to 12-week decision turnaround allowing the fund to be responsive to immediate local needs.
- 5. The CCSC delegates the award of grants to Officers of the Department of Community and Children's Services (DCCS).
- 6. A comprehensive grant management service for SCF and other City of London grant funding programmes is delivered by the CFCMT drawing on the team's expertise in the field of grant-making and in line with 'Open and Trusting' grant making practice. The CFCMT is a City of London-wide resource managing a number of other grant programmes on behalf of departments across the City of London including the Community Infrastructure Levy Neighbourhood Fund.
- 7. Management of the SCF process is aligned with the City's existing grant allocation process through the CFCMT. Applications to the SCF undergo a process of due diligence, assessment and financial review by Funding Managers before sign-off by a Senior CFCMT Officer. Eligible applications are then presented to the SCF Officer Panel for delegated decision. The SCF Officer Panel comprises of three Senior Officers from across DCCS and is chaired by the Director Commissioning & Partnerships, DCCS. At the Officer Panel consideration is given to each proposal's alignment with the SCF criteria, outputs and outcomes, value for money in terms of social, environmental as well as financial value and equality considerations.

Stronger Communities Programme 2024/25

8. In 2024/25 the CFCMT received 49 applications in total – a 48% increase in applications to the SCF from the previous financial year. This steep increase in the number of applications to grant funders is being experienced across the sector as charity and VCS organisations whose reserves were used during the

- pandemic struggle with increasing costs at a time when several major charitable funders are realigning their funding priorities or closing.
- 9. The CGP has an annual City's Estate budget of £220,000 split across three funding programmes, and additional funds specifically to deliver the Destination City Partnership Fund. In 2024/25 the SCF received an annual budget of £73,333 to allocate to eligible applications, 10 grants were awarded funding totalling £70,680. A list of grants awarded and more detail on the projects funded can be found at **Appendix 2**.
- 10. Grant approval rate for the year fell to only 20% the lowest approval rate for the fund over the last 5 years. (See **Appendix 3, Table 2**).
- 11. The average value of the grant awarded during 2024/25 rose to £7,068 possibly reflecting the higher costs incurred by the voluntary and community sector in delivering projects and services during the cost-of-living crisis. (See **Appendix 3**, **Table 1**).
- 12. During 2024/24 70% of the grants awarded fell within the SCF Main Grants Scheme for applications over £3,000 and 30% of the grants awarded fell within the Small Grants Scheme. (See **Appendix 3, Table 3**).
- 13. 1 application remains under assessment. 37 applications were rejected or withdrawn (76%) with many of these applications being for projects outside the City of London and its managed housing estates, or under-developed, or encouraged to transition to the CILNF to ease demand on the SCF's limited funds. (See **Appendix 3, Table 2**).
- 14. During 2024/25 40% of all grants awarded were of benefit City-wide communities and 60% of all grants awarded were of benefit to specific City of London Wards (Cripplegate and Portsoken). This represents a year on year increase in the percentage of grants awarded to specific wards reflecting the Panel's focus on investing in City communities living in areas with the highest index of multiple deprivation. (See **Appendix 3, Tables 7 and 8**).
- 15. In 2024/25 all of the grants awarded were to organisations with a turnover of less than £500k reflecting the SCF's focus on supporting small community and grassroot organisations. (See **Appendix 3, Table 10**).
- 16. Of the Main Scheme grants awarded in 2024/25 43% were preventative in nature. This characterises the SCF Main Scheme as investing in early intervention to prevent escalation of need and longer term costs, with the complementary Small Grant Scheme existing in parallel as the only City of London Corporation funding available to very small grassroots and voluntary groups serving communities in the Square Mile. (See Appendix 3, Table 17).

Stronger Communities Fund Analysis of Grants Awarded over the last 5 years

17. **Appendix 3** provides the first comprehensive analysis of the grants awarded by the Stronger Communities Fund (SCF) over the last five years (2020/21 to 2024/25 inclusive) illustrating the contribution of the SCF in delivering both

- Department of Community & Children's Service's key strategies and City of London's Corporate Plan strategic outcomes.
- 18. The SCF is delivered across two schemes. The Main Scheme is characterised through its funding of preventative grants which avoid the costly escalation of need due to early intervention. Delivered alongside is the Small Grants Scheme that provides the City's resident-led and grassroots voluntary groups with their first step on the funding ladder.
- 19. Over the last five years, 2020/21 to 2024/25 inclusive, the SCF has distributed £381,520 in 53 grants to 33 unique organisations. (See **Appendix 3, Table 1**). 9 organisations received two or more grants each.
- 20. Over the last three years the average value of grant awarded has risen from £5,543 to £7,068 reflecting increases in costs incurred by Voluntary and Community sector (VCS) organisations post-pandemic and compounded by the cost-of-living crisis. (See **Appendix 3, Table 1**).
- 21. Over the last 4 years (2021/22 to 2024/25) applications to the SCF have trebled and this trend is set to continue with an anticipated further 41% increase in applications in 2025/26 compared to the previous year. (See **Appendix 3, Table 2**).
- 22. At the same time as a steep annual increase in the demand for SCF funding, the average value of a SCF grant awarded has increased but the value of funds available has remained more or less constant. Consequently, the annual approval rate has dropped to 20% with 4 out of every 5 applications not being awarded funding. (See **Appendix 3, Table 2**).
- 23. Over the last 5 years 53% of SCF grants awarded (£236,438 investment) were of City-wide benefit (62% of the total value of grants awarded), with 47% of SCF grants awarded identified for specific wards/areas representing £145,082 investment (38% of total value of grants awarded) of which £131,954 was for projects delivered in three wards including two of the most deprived wards in the City of London Aldgate ward, Cripplegate Ward and Portsoken Ward. (See **Appendix 3, Table 6**).
- 24. Over the last five years 80% of grants awarded were to small organisations with an annual turnover of less than £500k with just under half (43%) of all grants awarded to 'very small' organisations with an annual turnover of less than £100k such as CoL Residents Associations, gardening clubs and community groups. (See **Appendix 3, Tables 9 & 10**).
- 25. 32% of grants awarded over the last five years have been to organisations/ groups that were user-led (for example led by older people, led by residents of a specific area or those with a particular health issue) representing a £75,210 investment. However, only 2% of grants over the last 5 years (£10,000 investment) were specifically to organisations/groups that were BAME user-led. (See **Appendix 3, Table 13**).

- 26. 38% of SCF funded activities over the last 5 years were for general beneficiaries, 32% of all funded projects benefitted older people, 23% benefitted families, 23% benefitted children under the age of 11 and 17% benefitted young people aged 11-25 years. (See **Appendix 3, Table 19**)
- 27. Over the last 5 years 34% of all grants awarded were preventative in nature providing activities and services to the community that prevented the escalation of need providing considerable economic and social impact through early investment that reduces incidents of acute need and the resultant high costs of care and intervention. (See **Appendix 3, Table 17**).
- 28. For example, Mental Fight Club's SCF grant-funded Dragon Café in the City is a free, all-day, drop-in creative space, delivered every other Wednesday to support the mental health and wellbeing of City residents and workers, hosted by CoL Library Service in the public open access area of Shoe Lane Library. MFC provides an integrated service to overcome the shame and stigma commonly experienced by people with a mental health diagnosis and works with patrons at all stages of their recovery and management of their illness following a crisis, incident or inpatient stay. The grant-funded programme of artist-led creative activities builds patrons' agency, resilience, confidence, social network and sense of belonging thus preventing their escalation of need and avoiding costly in-patient services.
- 29. The SCF works in synergy with DCCS commissioned funds to deliver against priorities within five key strategies and plans: Children's & Young People's Plan; Carers Strategy; Safer City Partnership Strategy; SEND Strategy for Children and Young People; Strategy for Adult Social Care.
- 30. For example, CoL carers have reported that caring can have a significant impact on their health and emotional wellbeing. The SCF has directly delivered the CoL's **Carers Strategy 2023-28** Priority Two to support 'The Health and emotional wellbeing of carers' through the award to The Carers Centre of £2,000 to provide a warm space for carers and those they care for, providing social interaction, healthy refreshments and wellbeing activities, and through the SCF's award of £10,000 to Tavistock Relationships to promote the development of therapeutic support for carers and their loved ones living in the City of London.
- 31. Similarly. the SCF also provides funding to projects that deliver against the 2020-2024 SEND Strategy for Children and Young People's Outcome 3 'children and young people with SEND are integral and valued members of the City of London community' ensuring 'children and young people with SEND are welcomed and supported to participate in the cultural life of the City' through grants such as the award to Fusion Lifestyle for £9,000 towards sport and physical activity session's for SEND children living in the City of London and well-being sessions for parents and carers.
- 32. The SCF delivers against four of the six CoL Corporate Plan strategic outcomes. As expected, given the clear and strategic focus of the fund, SCF strongly contributes to creating 'Diverse engaged communities' with 64% of all grants awarded delivering increased community cohesion and 55% of all grants reducing social isolation. (See **Appendix 3, Table 18**). For example, grants such

as £3,000 to the Barbican Tuesday Club for older residents from the Golden Lane and Barbican Estates actively contributed to reducing social isolation for residents aged from their late 60s to 104 many of whom live alone and 58% of whom have some form of disability.

Future delivery

33. The CFCMT is in the process of reviewing its grant programmes, which will include a review of the Stronger Communities Fund policy and applicant support. Recommendations to further improve this established and impactful funding programme will be bought back to Committee in due course.

Corporate & Strategic Implications

- 34. <u>Financial implications</u> CFCMT Officer time to manage the SCF will be met by the CFCMT central team budget.
- 35. <u>Resource implications</u> Officer time to manage the SCF and review its impact will be provided by the CFCMT as part of the Team's responsibility for the CGP's management.
- 36. **Legal implications** None.
- 37. <u>Strategic implications</u> The delivery of the SCF providing support and services for communities in the City of London and City of London Corporation Housing Estates across London aligns to DCCS key strategies and plans and to the City Corporation's own Corporate Plan and stated aims of providing excellent services and creating diverse engaged communities.
- 38. <u>Risk implications</u> All SCF grants are managed and monitored by Funding Managers within the CFCMT to mitigate risks in project delivery through provision of ongoing advice and support.
- 39. Climate implications None.
- 40. <u>Equalities implications</u> The purpose of the SCF is to fund projects and services delivered for the benefit of communities or beneficiaries within the City of London and/or the City of London Corporation's Housing Estates across London which either 'develop stronger neighbourhoods and communities by enabling more people to become involved in their communities and encouraging a broader understanding of the diverse needs of these communities' and/or 'promote community health and wellbeing demonstrating positive outcomes that address the health and wellbeing priorities set out in the 2024-28 Joint Health and Wellbeing Strategy'. Health inequalities disproportionally impact individuals and households from target equality groups, including those from Black, Asian and Minority Ethnic (BAME) communities, older households, and those with disabilities. The delivery of the SCF contributes to tackling these inequalities.
- 41. **Security implications** None.

Conclusion

42. The Stronger Communities Fund is a highly impactful grant funding programme that contributes to the delivery of both the Department of Community & Children's Service's key strategies and the City of London's Corporate Plan strategic outcomes. The SCF is delivered across two schemes. The Main Scheme is characterised through its funding of preventative grants which avoid the costly escalation of need due to early intervention. Delivered alongside is the Small Grants Scheme that provides the City's resident-led and grassroots voluntary groups with their first step on the funding ladder. The SCF remains the only City of London Corporation grant funding programme open to very small and grassroots organisations.

Appendices

- Appendix 1 Central Grants Programme Stronger Communities Fund Criteria
- Appendix 2 Stronger Communities Fund Grants awarded 2024/25
- Appendix 3 City of London's Central Grants Programme Stronger Communities Fund Analysis of Grants Awarded 2020/21 to 2024/25

Sheena Etches

Funding and Charity Management Lead Central Funding and Charity Management Team

E: sheena.etches@cityoflondon.gov.uk