



<b>Committee:</b> Funding Committee of the City Bridge Foundation Board	<b>Date:</b> 02 December 2025
<b>Subject:</b> Budget Monitoring Report for CBF Funding Activities: Period End 30 September 2025	<b>Public</b>
<b>Report of:</b> CBF Finance Director and CBF Chief Funding Director	<b>For Information</b>
<b>Report author:</b> Sufia Begum, Finance Business Partner	

## Summary

This report provides a financial update on CBF Funding activities for the period 1 April 2025 to 30 September 2025 and an updated forecast for the financial year ending 31 March 2026.

CBF Funding's approved expenditure budget is £46.7m, comprising of £42.2m allocated to grant commitments, £4.2m to operational costs, and £0.3m to central recharges. The revised grants commitments forecast for the year is £50.1m. Further details are provided at paragraphs 3 to 13 of this report.

## 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 CBF and solely in the charity's best interests:**

- i) **Note the contents of the report.**

## Main Report

### Background

1. In support of the budget monitoring oversight responsibilities of the Funding Committee of the CBF Board, this report presents a financial update on funding activities and the latest financial forecast for the year.
2. CBF holds a grant-making designated fund which represents surplus income set aside for funding grant-making activities. At the beginning of 2025/26, the grant-making designated fund held £69.9m, including £62.1m available to be awarded as grants or for the costs of grant-making, and a £6.8m notional year end accounting adjustment for the net present value of grant liabilities, as required under the SORP, but which is not available for spending. This represents an annual allocation of £17.7m together with funds remaining from prior years' regular allocations, alongside £44.5m remaining from the £200m uplift approved in March 2020. Appendix 1 sets out the grant-making designated fund available for awarding as grants and the cost of grant making (excluding accounting adjustments).

CBF Funding's Actual Spend v Budget

	Year to Date 30 Sep 2025			Annual - 2025/26		
	Actual	Latest Approved Budget	Variance	Forecast Outturn	Latest Approved Budget	Variance
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Grant Commitments</b>						
Grants	(15,232)	(17,230)	1,998	(50,082)	(42,200)	(7,882)
<b>Total Grant Commitments</b>	<b>(15,232)</b>	<b>(17,230)</b>	<b>1,998</b>	<b>(50,082)</b>	<b>(42,200)</b>	<b>(7,882)</b>
<b>Operational Costs</b>						
Employees	(1,443)	(1,575)	133	(3,130)	(3,132)	2
Consultants	(150)	(237)	87	(484)	(484)	-
Supplies & Services	(121)	(185)	64	(528)	(529)	1
<b>Total Operational Costs</b>	<b>(1,714)</b>	<b>(1,997)</b>	<b>284</b>	<b>(4,142)</b>	<b>(4,145)</b>	<b>3</b>
Recharges	(177)	(173)	(4)	(177)	(347)	170
<b>Total Expenditure</b>	<b>(17,123)</b>	<b>(19,400)</b>	<b>2,277</b>	<b>(54,401)</b>	<b>(46,692)</b>	<b>(7,708)</b>

- At the end of September 2025, grant commitments were £15.2m against the year-to-date budget of £17.2m. The variance of £2m is due to *Bridging Divides*. A surge of applications was received just before the deadline, and these are still being processed.
- Following reviews, the grant commitments forecast for the year has been revised to £50.1m against a budget of £42.2m, with the increase utilising funds already held within the designated fund. The revised forecast considers the analysis of the first two quarters grant commitments, current assessments in hand, and funding programs planned for the remainder of the year.
- Propel is projected to have £17.6m commitments in 2025/26 with the bulk being the £16.1m grant awarded to Collaboration Circle for aligned grantmaking in quarter three. The remaining spend (only approx. £1.5m) relates to the final grants awarded in the previous aligned grants rounds. New grants under Propel will be administered via Collaboration Circle from 2025/26.
- Final *Bridging Divides* grants are being issued with £13.2m forecast for the year and £11.4m of this already committed as at 30 September 2025.
- Strategic Transition Awards of £10m are forecasted to begin in quarter three of 2025/26.
- Commitments through the Access to Justice grants programme are scheduled to start in 2026/27.



9. The forecast for the remainder of the year also includes a £1m grant conditionally awarded under the Anchor programme (which has otherwise closed) and a potential £2m spend on crisis and emergency projects, which will be rolled forward into the 2026/27 budget should no such need arise during the financial year.
10. Detailed analysis of the grants committed to date can be found within the Grant Funding Activity Report.

## **Operational Costs**

### Employee Costs

11. The Funding team restructure is complete. Year to date, we are reporting an underspend of £131k, primarily due to recruitment timing, with two posts remaining vacant since the start of the year. Employee costs have been forecasted to align with budget by year end as new fixed term positions are filled, but a residual underspend may remain.

### Consultants Fees and Supplies and Services

12. Consultants' fees and Supplies and Services spend are tracking to budget.

## **Recharges**

13. This heading includes activities undertaken by the City Corporation on behalf of the Funding Team, with costs being recharged for Human Resources, Digital Services, and premises costs. These are now processed on a quarterly basis, rather than solely at year-end and are forecasted to align to budget at year end.

## **Conclusion**

14. Grant funding commitments are expected to increase as the year progresses, with high-value commitments forecast for quarters three and four. CBF has launched its new ten-year funding policy, *Standing with Londoners*. As part of this, new funding programmes will be developed, alongside up to £10m of Strategic Transition Awards projected in the second half of the year. In addition, the majority of Propel funding is being awarded in quarter three.

## **Appendices**

- Appendix 1 – CBF Grants Designated Fund Analysis

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