Committee(s):	Date:
Finance Committee	09 December 2025
<b>Subject:</b> International Disaster Fund – Proposals for allocation	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	Diverse Engaged Communities Dynamic Economic Growth
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	IDF Annual Fund (City's Estate)
Has this Funding Source been agreed with the	
Chamberlain's Department?	
Report of: Greg Moore, Deputy Town Clerk	For Decision
Report author: Jack Joslin, Head of Central Funding and Charity Management Team	

# Summary

Each year, the Finance Committee sets aside a sum of £100,000 to allocate towards funding appeals made in response to international disasters. Typically, these are crises such as major earthquakes, tsunami, and other humanitarian incidents.

In order to expedite the deployment of funds in response to appeals, your Committee previously agreed to delegate authority to the Town Clerk, in consultation with the Chairman and Deputy Chairman of this Committee, to consider proposed donations. However, in practical terms, even this delegation resulted in a considerable delay between an emergency occurring and the City Corporation's donation being made, with a further delay accruing prior to any monies reaching the affected region and supporting efforts on the ground.

In the interests of improving the efficacy of the City's contributions and streamlining administration, officers considered whether an alternative approach might be utilised, in order to maximise the impact of the funding available. In the Autumn of 2024 the Finance Committee awarded £75,000 allocation of funds to REACT, a rapid response charity which is specifically set-up to send volunteer Response Teams to humanitarian emergencies within six hours in the UK and 24-48 hours internationally. In addition, the Finance Committee provided funding to the Disaster Emergency Committee (DEC), to support its Middle East Humanitarian Crisis Appeal.

This report provides an update on the impact of this funding and an opportunity to review the arrangements, together with a recommendation to Members concerning how they might wish to allocate funds going forward.

### Recommendation(s)

Members are asked:

- To agree to the proposal for the ongoing designation of the International Disaster Fund.
- To approve funding of £50,000 to REACT for 2025/26 Financial Year to support with the costs of responding to International Humanitarian Disasters.
- To provide £25,000 to the Disaster Emergency Committee, to support its current Appeal.
- To approve an ongoing grant of £75,000 to REACT and designate £25,000 to the DEC for each financial year, with regular review points and annual reporting to the Finance Committee.

# **Main Report**

# **Background**

- 1. The City of London Corporation, through its Finance Committee, has set aside a sum of £100,000 each year into an International Disasters Fund (IDF).
- 2. The fund is used to provide donations to support responses to international humanitarian emergencies and, since January 2017 (most recently refreshed in November 2020), the criteria of the Disaster Emergency Committee (DEC) has been utilised for the selection and monitoring of UK aid charities to fund when responding to an international disaster. The Central Funding and Charity Management Team (CFCMT), formerly the Central Grants Unit (CGU), within the Corporation provides advice and recommendations to the Finance Committee in respect of individual appeals, as well as on how donations would be best placed in the instance that a DEC appeal is not launched.
- 3. The CFCMT maintains relationships with the DEC and its partners to seek to ensure it has advance notice of any appeals. The DEC will typically inform the CFCMT in advance of the launch of an appeal to ensure the City of London Corporation can be an early responder to any appeal launched and use its influence to get our partners to do the same. Delegated authority arrangements are in place to seek to expedite the formal approval of grants; however, the pace of response is still dependent on an appeal being launched, the CFCMT assessing and recommending an appropriate sum, and the requisite approvals being obtained by email.
- 4. In addition to international appeals, from March 2020, the Coronavirus Pandemic had a significant impact on life in the UK. Initial donations were made through the IDF to respond to this need, with it agreed at the start of the lockdown it was agreed that the IDF explore options to support organisations working in the UK in response to the Coronavirus Pandemic.
- 5. In March 2022, the war in Ukraine started prompting one of the largest DEC Appeals on record, as millions of Ukrainians were displaced from their homes. At the meeting of the Court of Common Council in March 2022, the Court resolved to move £250,000 from the Finance Committee Contingency Budget into the IDF to support that specific DEC Appeal.
- 6. It should be noted that a significant amount of CFCMT officer time is put into the assessment of International Appeals and recommendations made to the

Chairman and Deputy Chairman of the Finance Committee in exercising the delegated authority arrangements.

#### **Current Position**

- 7. In the interests of improving the efficacy of the City's contributions and streamlining administration, officers considered whether an alternative approach might be utilised, in order to maximise the impact of the funding available.
- 8. Consequently, in the Autumn of 2024, the Finance Committee awarded £75,000 (24/25: £50,000, 25/26: £25,000) allocation of funds to REACT, a rapid response charity which is specifically set-up to send volunteer Response Teams to humanitarian emergencies within six hours in the UK and 24-48 hours internationally.
- 9. Since funding was awarded, REACT has been active in responding to several humanitarian incidents which include Hurricane Beryl in the Caribbean, the Myanmar Earthquake the Earthquake in Afghanistan and most recently Hurricane Melissa. Your funding has allowed for REACT to respond to each these disasters while also supported them in developing key partnerships including joining the UN World Food Partnership.
- 10. Providing funding up front to REACT has not only ensured the Corporation's funding is being used more quickly to respond to those crises to which it already supports but has also resulted in administrative efficiencies in avoiding discrete assessments being made and approvals obtained in response to individual appeals. The CFCMT has maintained close relationships with REACT, receiving updates on deployments and monitoring information on the impact of the funding. A report on the work of REACT can be found at Appendix 1.
- 11. In addition, at the same Autumn meeting the Finance Committee provided funding of £50,000 to the Disaster Emergency Committee, to support its Middle East Humanitarian Crisis Appeal. This Appeal was launched to support the increasing humanitarian crisis in the middle east which has been getting increasingly more severe since funding was awarded. **Appendix 2** provides an update on the impact of this funding.
- 12. On the 6<sup>th</sup> May 2025 the DEC held an event in the Guildhall Crypts with support from the CFCMT, bringing together all their international aid partners and attracting a large audience of City Business, Liveries and Members of the Finance Committee. The event fed back on the current DEC campaigns and noted the deep and long-term impact of the City of London's support. Feedback from the event highlighted the power the City has for convening stakeholders around issues, which has led to the DEC making new City connections to support future appeals.

## **Options**

13. In broad terms, there are three options available to the Committee:-

- a) **Option 1** Continue to support the current arrangement where REACT receive £75,000 each year and £25,000 is retained to support DEC Appeals when they launch.
- b) **Option 2** Provide funding of £50,000 to REACT and retain £50,000 to support DEC Appeals when the launch.
- c) **Option 3** Revert to the previous policy where IDF funding is only given to the DEC or its partners.

# **Proposal**

- 14. The pilot period of funding for REACT has been positive. It has responded to a range of humanitarian incidents that fall under the usual threshold of the DEC and have been proactive on providing updates as incidents unfold. Maintaining this relationship will allow for REACT and the DEC will ensure the City of London is being purposeful with its International Disaster Fund and supporting a wide spectrum of humanitarian relief efforts.
- 15. Reflecting on the options and the imperative to make our contributions be as effective as possible, it is proposed that your committee resolves to agree Option 1 on an ongoing basis with regular review points and an annual updated provided to the Committee.
- 16. Given we are currently over two thirds through the financial year with a remaining budget of £75,000, a pragmatic approach might be to commit to provide funding of £50,000 to REACT for 2025/26 FY, taking their total to £75,000. It is the view of officers that the remaining funding of £25,000 be allocated to the DEC Middle East Humanitarian Appeal, taking the total donations to this Appeal to £75,000.

## **Corporate & Strategic Implications**

- Strategic implications This proposal allows for donations made through the International Disaster Fund to be streamlined. By investing in one organisation the CoLC can develop a clear partnership that delivers on the aims of the IDF and will provide better data about the impact of this work.
- Financial implications The proposals within this report present no additional financial implications.
- Resource implications The proposals would continue to result in resource
  efficiencies for the City of London Corporation through a substantial decrease
  in administrative time associated with individual appeal responses and donation
  considerations. The CFCMT Team will continue to manage the relationship with
  REACT on an ongoing basis, which will be require less resources than dealing
  with individual appeals.
- Legal implications None.
- Risk implications A full due diligence assessment of the proposed grant recipient has been undertaken in order to assess the financial viability and

- delivery record of REACT. The assessment indicates that there is no substantial risk associated with the proposed approach.
- Equalities implications During the assessment of applications the CFCMT take into consideration EDI considerations. Funding to REACT will support CoLC in its EDI ambitions by providing humanitarian support internationally, to where it is needed most.
- Climate implications None.
- Security implications None.

### Conclusion

17. The IDF has made significant donations to support International Humanitarian Disasters since its inception. By utilising the expertise of International Aid organisations, the donations have always been directed at the areas that need it most. This paper proposes a mechanism by which the IDF might potentially be more impactful in how it donates to support International Disasters, with an appropriate review point to monitor efficacy.

# **Appendices**

- Appendix 1 REACT Impact Report and Proposal
- Appendix 2 DEC Middle East Appeal Impact Report

## **Background Papers**

- "Donations – International Disaster Fund", Report to Finance Committee, 16 May 2023

## **Jack Joslin**

Head of Central Funding and Charity Management Team

E: <u>Jack.Joslin@cityoflondon.gov.uk</u>