

Committee:	Date:
The City Bridge Trust	4 th September 2013
Subject:	Public
Progress Report	
Report of:	For Decision
Chief Grants Officer	
<u>Summary</u>	
<p>This is a regular Progress Report by the Chief Grants Officer.</p> <p>Recommendation</p> <ul style="list-style-type: none"> • That this report be received and its contents noted; and • That your new grants programmes be given the over-arching title of 'Investing in Londoners'. 	

Main Report

1.0 New Grants Programmes

- 1.1 Despite soaring temperatures and the holiday season, it has been a busy couple of months at City Bridge Trust. In addition to continuing with grants assessments and managing the current grants caseload, the principal focus has been the transition from closing your previous Working with Londoners grants programmes (which closed on 21st June 2013), and planning the launch and introduction of our new programmes. I am pleased to report everything is on track for the new programmes to be 'soft-launched' on 23rd September 2013.
- 1.2 There is considerable work involved in the different facets of making a smooth transition from the old to the new programmes, especially as we are moving to an entirely online application process. The team has been busy re-designing the application form, drafting programme criteria and guidelines and planning the communications strategy. The learning and evaluation aspects of the new programmes continue to be a critical aspect of this work and a substantive paper focused on this area is being prepared for you to consider at your next Committee meeting, looking to build on our work to date and make further improvements.
- 1.3 Although the new programmes are due to launch on 23rd September 2013, it will take time for new applications to be received, assessed and ready to bring to your Committee. However, at the time of writing this report, there remained 166 Working with Londoners applications that were received prior to the closure on 21st June 2013. These are in the process of being assessed. This means there will be a period over the

coming months where you will continue to consider applications against the previous grants programmes criteria, for example, at today's Committee meeting, such applications represent 100% of the applications you will be considering. It is likely the same will be true of the October meeting. Working with Londoners applications will then start to taper off and applications against the new criteria will increase. Officers will of course ensure that there is clear water between the two types of application, for your ease of consideration and to enable effective learning and data capture.

- 1.4 Considerable thought has been given to the naming of your new grants programmes. Officers recommend that the programmes are given the over-arching title of 'Investing in Londoners'. The Corporation's Public Relations Office kindly confirmed that this title does not pose any problems in respect of other work across the Corporation and was positive about the proposed name.

2.0 Resources

- 2.1 Another key area, has been starting to plan ahead to year end in terms of grant spend and resources. Given the acute needs that continue to be prevalent across London, and your position as London's largest grant-making trust, it is vital that we ensure we have sufficient capacity to undertake sufficient grants assessments to fully expend the grants budget, whilst maintaining quality, to ensure that your grants reach and benefit Londoners.
- 2.2 To this end, we are looking at our own grant officer capacity and are very pleased to welcome our new grants officer, Julia Mirkin, who has joined us from the Paul Hamlyn Foundation. Julia replaces John Merivale who has now retired. We are also meeting with our colleagues in the Chamberlain's department to discuss work flow and their resource needs. We are of course considering this in the round, taking into account the resource needs on the Social Investment side and the enhanced role we hope evaluation of our new programmes will play in our work. We will report back to you on plans and any recommendations in the autumn.

3.0 Induction

- 3.1 I have continued to enjoy a full schedule of introductory training and meetings with Corporation colleagues and key partners in the grant-making and social investment spheres. A particular highlight was meeting with Wei Mei Chan, your Access and Sustainability Officer, based in the Centre for Accessible Environments. Wai-Mei Chan advises applicants on your Access to Buildings programme, and is, on the basis of feedback, clearly excellent in her role. She is also a valuable

ambassador for City Bridge Trust amongst her extensive networks at the community level.

- 3.2 A further highlight was visiting the Corporation's Secondary of London at the Old Bailey: learning about the operational complexity of the courts and the human stories behind it. Given your new programme on making London a safer city and the rehabilitation and resettlement of offenders, we discussed the possibility of future collaboration.
- 3.3 I have also begun a round of accompanying each of our grants officers on assessment visits so I can learn and understand the process we are currently operating. I will also be visiting organisations we currently fund to see the breadth and quality of work you are funding. I hope very much many of you will join me as part of the Members' visits programme.

4.0 Conference with Barrow Cadbury Trust, LankellyChase Foundation and New Economics Foundation (nef)

- 4.1 On 9th July 2013 the Chairman welcomed over 120 delegates to the Livery Hall for a conference hosted by City Bridge Trust in partnership with Barrow Cadbury Trust, LankellyChase Foundation and nef, entitled "Creative Solutions for Tough Times – practical and local responses to poverty and inequality".
- 4.2 City Bridge Trust, Barrow Cadbury Trust and LankellyChase Foundation had funded nef to undertake research into how people in two of the most economically disadvantaged parts of Birmingham and Haringey, were experiencing the effects of the recession, or the 'new austerity'. nef launched the executive summary of its findings *Surviving Austerity* at the conference.
- 4.3 Keynote speaker David Lammy, MP for Tottenham, spoke of the importance of local community, stressing that without community there can be no enterprise. Other speakers included Anna Coote, nef's Head of Policy and Paul Slatter, Director of the Chamberlain Forum. Workshops followed, showcasing a range of creative community approaches to challenging times, including London Time Credits, a new model of volunteering, that you are funding Spice to develop in London.

5.0 Media Work

- 5.1 **City Philanthropy – a wealth of opportunity**
An article entitled "The New Philanthropy" by your City Philanthropy Manager, Cheryl Chapman, appeared in Tempus magazine early in July. The article discussed the new generation of young City professionals that are keen to include philanthropy as part of their career, and new,

engaged ways of giving, such as the philanthropy syndicates that you are funding Young Philanthropy to develop in City firms.

5.2 Your City Philanthropy Manager has been working closely with the media agency, Champollion, alongside the Museum of London and Charterhouse, to develop a media strategy for the forthcoming City Philanthropy exhibition which opens at the end of October 2013. This will include use of social media, for example, a blogger event as part of the exhibition launch and a tweet sheet based on FAQs on philanthropy, as well as developing new content for the City Philanthropy website.

5.3 **Growing Localities**

Champollion has also been working closely with some of your grantees on this programme to help them develop and target local news stories. The following articles have appeared since the papers were prepared for your last meeting:

Organisation	Press
Selby Gardening Club	East London Advertiser
Burgess Park Food Project and Hexagon Housing	South London Press
Ealing Gazette	Groundwork's 'Access to West London's Nature' programme
OrganicLea	Chingford Times
London SE1	Bankside Open Spaces Trust
Fulham & Hammersmith Chronicle	Groundwork's 'Access to West London's Nature' programme

5.4 **Working with Londoners**

An article appeared in the Hendon & Finchley Times about Saracens Sport Foundation and the sporting opportunities for the over 50's that you are funding.

5.5 **Social Media**

In addition to the work on the City Philanthropy exhibition, Champollion have continued work on the Parklife London website, which you are developing as part of your Growing Localities Initiative, in order to increase the number of boroughs covered in time for a re-launch at the end of September 2013.

5.6 Four press releases were issued following your last Committee meeting all of which were tweeted and re-tweeted, reaching thousands of followers.

6.0 **Rejected applications**

6.1 Elsewhere in your papers today, you will see an untypically high number of applications being recommended for rejection.

- 6.2 There are two main reasons for this. Firstly, the recent recess has meant that your officers have been able to scrutinise twice as many applications as usual between meetings. Secondly, the implementation of a closure date in late June for the Working with Londoners programmes has inevitably led to more, speculative applications which have been clearly short of the standard required. Overall, however, the number of rejections as a proportion of applications received in the recent period is only slightly higher than usual.
- 6.3 Finally, although most of the rejections are under the name of your officer, Ciaran Rafferty, one should not presume that his assessment standards are any more demanding than those of his colleagues! Ciaran provides the "first-read" to received applications and so for those where the proposal clearly does not warrant further scrutiny then they will go forward in his name as being recommended for rejection.

7.0 Charities – costs of generating funds

- 7.1 At your last meeting Members raised the issue of some charities seemingly spending a high proportion of their income on generating funds.
- 7.2 With the exception of non-incorporated charities with an income of less than £250,000 (which can choose to prepare receipts and payments accounts) charities are required to prepare accounts in accordance with the Statement of Recommended Practice (SORP). In accounting for expenditure, one of the categories that charities have to report on is the "Costs of generating funds". This may include sub-headings of 'costs for generating voluntary income', 'fundraising trading', and 'investment management costs', if these costs are significant.
- 7.3 *Costs of generating funds* are the costs associated with generating incoming resources from all sources other than from undertaking charitable activities. The main components of costs within this category are:
- costs of generating voluntary income
 - costs of fundraising trading, including cost of goods sold and other associated costs
 - costs of managing investments for both income generation and capital maintenance
 - any other costs of generating funds.
- 7.4 The *costs of generating funds* should not include:
- costs associated with delivering or supporting the provision of goods and services in the furtherance of the charity's objects; nor
 - the costs of negotiating the terms of a contract or performance related grant relating to the provision of such services.

- 7.5 Whilst these guidelines appear clear, how they are interpreted amongst auditors/examiners does vary and in some cases, for example, the costs apportioned for fundraising might include the full salary cost of a post where only a proportion of their role is spent on this activity (eg the director's post in an organisation where there are no designated fundraising staff).
- 7.6 Accounts for large, national, charities often display a large sum of expenditure in this category as they usually have several fundraising employees - in some cases whole departments. Your officers, when assessing applications, will always look at this expenditure and, where necessary, seek clarification from an organisation as to what exactly those costs incorporate. (In many cases expenditure includes the cost of activity which could also be seen as charitable, eg fundraising events which encourage a lot of volunteering.) Officers will seek to ensure that the expenditure is warranted and that it provides value for money (for example, the percentage of total income that this expenditure generates).
- 7.7 An example of the need to examine each applicant's particular circumstances is a major national charity which made a (successful) application to your Committee a number of years ago. *Costs of generating funds* for the charity that year were c£6m and represented a very high proportion of total expenditure. When quizzed at assessment the organisation explained that it had invested a lot of money in one year in employing an army of temporary street fundraisers. However, statistics showed that donors signed up by this method tended to commit via direct debit for an average of 6 years and, as such, the return on this expenditure needed to be considered over the longer term where it did, in fact, represent good value for money.
- 7.8 SORP is currently under review and it is hoped that one of the issues being considered is a more consistent approach to the classification of expenditure in this category. In the meantime, however, your officers will continue to scrutinise individual charity accounts and seek clarification where necessary.

8.0 Youth Offer briefing meeting

- 8.1 On 23rd July, your Officers held a briefing meeting in the City Marketing Suite for recipients of grants under your Youth Offer programme. The Youth Offer is a £3.2 million initiative which aims to support London's 32 local authorities to reduce the numbers of young people not in employment, education and training (NEETs) with the goal of helping 1000 of these young people into jobs or apprenticeships over 2 years. 31 grants have been made, including one joint grant between Haringey and Enfield. The aims of the meeting were to provide grantees with a background to the project; introduce them to the external evaluators;

and explain the payment schedule and other details on drawing down their grants.

- 8.2 The meeting was well attended with all projects represented and in many cases both the Local Authority and voluntary sector partner present. The Chairman of Policy and Resources welcomed attendees before handing over to the Chief Grants Officer who chaired the meeting. Attendees heard from Clare Thomas, former Chief Grants Officer, on the development of the Youth Offer; Mary Vine-Morris from London Councils, on London policy and practice of working with NEET young people; Susanna Lascelles from the Public Relations Office on the Youth Offer communications strategy; and your Grants Officer, Jemma Grieve Combes, on grant management details. The formal part of the day ended with a presentation from the Centre for Economic and Social Inclusion who have been appointed as external evaluators for the programme. They explained what the evaluation would involve and what data they would need from grantees. A lively Q&A session followed before attendees had a chance to mingle and find out more about the other projects over lunch.
- 8.3 Feedback from the day was good. Many commented on how useful it was to meet the other projects and were keen to contribute to the programme evaluation. We expect most projects to get started over the next 2 months and the evaluators are already working hard to set up monitoring processes and establish a baseline.

Recommendation

- That this report be received and its contents noted; and
- That your new grants programmes be given the over-arching title of 'Investing in Londoners'.

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Report written: 20th August 2013