

<b>Committee:</b>	<b>Date:</b>
The City Bridge Trust	12 <sup>th</sup> February 2014
<b>Subject:</b> Strategic Initiative: Islington Giving	<b>Public</b>
<b>Report of:</b> Chief Grants Officer	<b>For Decision</b>
<b><u>Summary</u></b>	
<p>This paper proposes that you continue to support, in association with Islington Giving, a proven model to encourage giving money, time and talents to improve Londoners' lives. It will also enable the successful model to be shared and developed with other London boroughs.</p> <p><b>Recommendation</b></p> <p>That you approve a sum of £220,000 over 2 years (£100,000; £120,000) to support the further development and roll-out of the Islington Giving model, to be costed against your budget for Strategic Initiatives for 2013/14.</p>	

## **Main Report**

### **1.0 Background**

- 1.1 Islington Giving is a unique model of charities working together. It brings together six different organisations inspired by the Cripplegate Foundation. The coalition consists of five funders who all work in Islington; and Voluntary Action Islington, the umbrella organisation for community groups in the borough.
- 1.2 You were a founder funder of this initiative; and it has proved a considerable success in leveraging additional resources, including:
- Over £2m raised to support charitable work in the borough;
  - More than 1,300 volunteers involved;
  - Over £1.4m invested in local organisations;
  - A £300,000 partnership with Arsenal Foundation as part of its celebration of 100 years in Islington.

### **2.0 Proposal**

- 2.1 The proposal is to build on the early success of the Islington Giving model and to further develop the model, whilst supporting other London boroughs to learn from the experience and to inform the development of similar initiatives.

- 2.2 Your previous grant has enabled considerable work to be undertaken with older people in Islington: reducing isolation using local venues, open spaces and opportunities as a way of supporting older residents to meet others and to connect with friends and with their wider community.
- 2.3 This targeted work continues to inform the development of the Islington Giving model and can be seen as a piece of action research which is also providing practical benefits.
- 2.4 The proposal is to continue supporting this work targeting older people in Islington and also to fund a part-time post to assist in taking the model and working with other boroughs to see how they may use the experience to develop a local initiative that can replicate the success of Islington Giving.

### **3.0 Costs**

- 3.1 The Trust is being asked to provide a contribution of £220,000 over two years; £100,000 in the first year and £120,000 in the second year. This contribution would support:
- Staffing costs for the lead delivery organisation and partners delivering targeted work with older people (including Age UK and North London Cares);
  - The cost of a part-time dedicated post (based at the Cripplegate Foundation) who would work with other London boroughs to replicate the Islington Giving model in a way which is locally appropriate;
  - A £3,500 contribution to volunteer travel and support costs; and
  - £1,000 towards promotional materials
- 3.2 The uplift in year two reflects the anticipated expansion in the number of delivery partners.

### **4.0 Financial Observations**

- 4.1 The Cripplegate Foundation is the host organisation for Islington Giving and will be legally responsible for any grant you may agree. . Cripplegate is a grant-giving foundation with an investment asset base of £29.5m (as per the audited accounts of 31 December 2012).
- 4.2 Cripplegate's operating surplus for the year ended 31<sup>st</sup> December 2012 was £78,147 (2.9% of turnover), comprising a deficit of £145,212 on endowment funds, offset by surpluses of £124,586 on unrestricted funds and £98,773 on restricted funds. Gains on the revaluation and disposal of investments of £1,496,284 contributed to an overall surplus of £1,574,431.

- 4.3 The reserves policy states that the organisation aims to hold free unrestricted reserves of at least £700,000 which is equivalent to 7 months' worth of 2014 unrestricted budgeted expenditure. The audited accounts as at 31 December 2012 show free unrestricted reserves standing at a negative £1,194,078. The charity advises that this should not be cause for concern as at the time the accounts were prepared, the £1.125m cost of the purchase of Cripplegate's new premises had been met from unrestricted reserves and had not yet been allocated against the endowment. We are advised that this sum will be set against the endowment in the accounts for the year ended 31 December 2013 which are currently being drafted (a copy of which will be available in April 2014).
- 4.4 Cripplegate's draft outturn position for 2013 shows total income of £2,012,614, expenditure of £1,824,980 and a surplus of £187,634 (£127,762 restricted and £59,872 unrestricted).
- 4.5 Cripplegate's current year 2014 budget shows a break even position on income of £2,078,580 all of which has been confirmed, comprising a deficit of £4,000 on restricted funds offset by a surplus of £4,000 on unrestricted funds.
- 4.6 **Islington Giving (a restricted fund of Cripplegate Foundation which would benefit from this CBT grant):**  
Cripplegate's audited accounts for the year ended 31 December 2012 show that the Islington Giving restricted fund ended the year with a total holding of £686,730, which was an increase of £259,430 over the previous year.
- 4.7 Islington Giving's draft outturn position for 2013 shows total income of £404,117, expenditure of £310,575, and a surplus of £93,542. This should increase the restricted fund to a total of £780,272.
- 4.8 Islington Giving's current year 2014 budget shows total income of £656,700, expenditure of £500,000, and a surplus of £156,700. This should see the restricted fund further increase to £936,972. The charity advises that this fund is needed to meet expenditure for increased activity into the subsequent year(s).

## **5.0 Allocation from Strategic Initiatives**

- 5.1 It is proposed that the cost of £220,000 is charged against your 2013/14 allocation for Strategic Initiatives of £747,500 (subject to the potential uplift, depending upon your decision on the recommendation set out earlier in these papers in the Chief Grant's Officer's Progress Report).

## **6.0 Conclusion**

- 6.1 You have been praised for your contribution as a founder funder of this innovative partnership. The initial contribution from the founder funders has levered in considerable additional resources for the benefit of communities in Islington.
- 6.2 The model has been externally evaluated with very positive results. It also received a 'Highly Commended' in the 2013 Charity Awards for Innovation in Funding and Grantmaking.
- 6.3 This is an opportunity to embed early success; further develop the model and to replicate the success of one borough in other areas of London.

## **5.0 Recommendation**

That you approve a sum of £220,000 over 2 years (£100,000; £120,000) to support the further development and roll-out of the Islington Giving model, to be costed against your budget for Strategic Initiatives for 2013/14.

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