

<b>Committee:</b>	<b>Date:</b>
City Bridge Trust	27 <sup>th</sup> November 2014
<b>Subject:</b> Progress Report	<b>Public</b>
<b>Report of:</b> Chief Grants Officer	<b>For Decision</b>
<b>Summary</b>	
<p>This is a regular Progress Report by the Chief Grants Officer.</p> <p><b>Recommendations:</b></p> <p>a) <b>It is recommended that from 1 January 2015, you will require all organisations being offered a grant to support all or part of a post, to pay at least the London Living Wage in respect of that post, and that you instruct officers to make the appropriate amendments to your grant offer letter and guidance.</b></p> <p>b) <b>Members are asked to note the report.</b></p>	

### Main Report

#### **The Work Continues**

1. The Friday visits to your grantees continue and the invitation has been extended to all Members and many officers in other departments: particularly targeting colleagues working in Tower Bridge and the Bridge House Estates surveyors' team.
2. The most recent example of such a visit was by your Chief Grants Officer and his Executive Assistant to the Alzheimer's Association in Barking. Your funding is supporting a development worker who is able to deliver dementia awareness training in different venues across the borough. The visit was to some sheltered housing to participate in one such session: an engaging and informative session was delivered and was well received. Your Chief Grants Officer narrowly escaped a proposal to become the 4<sup>th</sup> husband of a feisty 100 year old (the other three had all been called George).

#### **Living Wage**

3. You will be aware of the work in London to persuade all employers to pay all their employees at least the London Living Wage, currently £9.15 per hour. A recent independent evaluation of this work by Cambridge Policy Consultants estimates that £49m in additional wages have been paid out for 23,000 low paid workers, and employers increasingly believe in the reputational benefits of paying a living wage.

4. The City of London Corporation has taken the policy decision to pay the London Living Wage to all its staff and contractors going forward. This is to be welcomed and chimes with your Investing in Londoners grants programmes, in particular the strand focused on reducing poverty.
5. It is timely therefore to introduce a condition into your grant offer letter stipulating that any post funded in whole or part by you must pay at least the London Living wage. This has already been successfully implemented by our partner funder Trust for London: they have kindly shared their learning. On the basis of their experience, this is unlikely to cause any difficulty to the groups and in reality the salary costs we are funding are above the living wage. However, this will send an important message.
6. **It is therefore recommended that from 1 January 2015, you will require all organisations being offered a grant to support all or part of a post, to pay at least the London Living Wage in respect of that post, and that you instruct officers to make the appropriate amendments to your grant offer letter and guidance.**

#### **CBT Committee Away Half-Day**

7. Thank you to those of you who were able to attend the CBT Committee Away Half-Day. There were some interesting discussions and ideas and it was a good opportunity for Members and Officers to work together.
8. A short report of the day will be circulated at your Committee Meeting. The content of the time spent together, and that of the Officer Away Days has informed the 20<sup>th</sup> Anniversary paper you will consider later in your papers. We would welcome any feedback on the half-day to ensure we can factor this in when planning next year's.

#### **Youth Offer**

9. You will recall your funding of the Youth Offer whereby each London Borough was offered a grant of £100,000 to work with a partner from the voluntary and community sector (VCS) to support young people not in education, employment, or training. This work has been subject to external evaluation from the outset and on 18<sup>th</sup> November a mid-way learning event will be taking place at the St. Brides Foundation.
10. **Key headlines** from the initial draft of the interim evaluation report are:
  - 1,119 Youth Offer participants since June 2013, of which 357 have now completed the programme.
  - Of those who have completed the programme, 38% have entered full-time education or training; and 35% have entered full-time employment.

- **Qualitative data suggests that both LAs and VCS partners have made valuable contributions to the Youth Offer:** local authorities have contributed a strategic overview of the profile of the young people not in education, training, or employment in their borough; LA's networks are perceived as valuable to Youth Offer projects as are their links and relationships with employers. Voluntary & Community Sector partners contribute specialist expertise and the ability to engage effectively with these young people. This is attributed to VCS partners being trusted by local communities in a way that LAs are not.
- **LAs have tended to select VCS partners with which they have previously worked** rather than choosing to work with new partners. This could be seen as reflecting the fact that the majority of projects seek to extend existing provision, which is considered to have been successful rather than test new ideas.
- **Early engagement of VCS partners** is recognised as beneficial to partnerships and projects.
- The most successful projects are those where **LA staff have informed their colleagues in other departments about the Youth Offer**, making signposting and referral easier.
- The programme's **flexibility** is perceived to be a particular strength of the Youth Offer.

## Communications

11. Following discussion at your Away Half-Day in October, the revised Communications Plan is included in your papers for today's meeting, together with the proposed Delivery Plan.
12. Officers are in the process of re-engaging the media agency, Champollion for the next 12 months. It is anticipated that the principal focus of their work will be on communications around activities and initiatives to mark the Trust's 20<sup>th</sup> anniversary during 2015 and to secure strategic coverage of the work of City Philanthropy – a Wealth of Opportunity.
13. Since your last meeting, the following media coverage has been achieved by the media team of the Public Relations Office:

Charity	Publication	Circulation	Links	Reach
Paladin	Huffington Post UK	4,600,600 unique users	<a href="http://www.huffingtonpost.co.uk/laurarichards/stalking-harassment_b_5810926.html">http://www.huffingtonpost.co.uk/laurarichards/stalking-harassment_b_5810926.html</a> *co-written by PRO	UK Wide
Prince's Trust	Community Newswire		<a href="http://www.mediatrust.org/newswirefeed/10m-to-fight-youth-unemployment/8061/">http://www.mediatrust.org/newswirefeed/10m-to-fight-youth-unemployment/8061/</a>	London wide
Prince's Trust	Charity Times	9,000	<a href="http://www.charitytimes.com/ct/archive-news-list.php">http://www.charitytimes.com/ct/archive-news-list.php</a>	UK wide
Prince's Trust	BBC London 94.9	471,000 listeners per day	Chairman Jeremy Mayhew interviewed on youth unemployment <a href="http://www.bbc.co.uk/programmes/p028lwyc">http://www.bbc.co.uk/programmes/p028lwyc</a>	London wide
Rambert	South West Londoner		<a href="http://www.swlondoner.co.uk/lambeth-dance-companys-100000-grant-provide-dance-classes-dementia-patients-boost-quality-life/">http://www.swlondoner.co.uk/lambeth-dance-companys-100000-grant-provide-dance-classes-dementia-patients-boost-quality-life/</a>	Target- South West London boroughs including Lambeth.
Rambert	Community Newswire		<a href="http://www.mediatrust.org/newswirefeed/dance-group-to-support-older-people/8136/">http://www.mediatrust.org/newswirefeed/dance-group-to-support-older-people/8136/</a>	UK charitable sector
Choices Islington	Community Newswire		<a href="http://www.mediatrust.org/newswirefeed/funding-to-support-women-in-prison/8142/">http://www.mediatrust.org/newswirefeed/funding-to-support-women-in-prison/8142/</a>	UK charitable sector
Rambert	Mature Times	200,000 per month	<a href="http://goo.gl/7rkoAu">http://goo.gl/7rkoAu</a>	UK wide- targeted at 50+
Choices Islington	Islington Gazette	13,573	<a href="http://www.islingtongazette.co.uk/news/charity_gets_50k_to_help_pregnant_hmp_holloway_inmates_1_3834938">http://www.islingtongazette.co.uk/news/charity_gets_50k_to_help_pregnant_hmp_holloway_inmates_1_3834938</a>	Islington
Youth Offer	New Statesman	200,000 hits per month	<a href="http://www.newstatesman.com/politics/2014/11/even-youth-unemployment-falls-government-has-wrong-approach-tackling-skills-gap">http://www.newstatesman.com/politics/2014/11/even-youth-unemployment-falls-government-has-wrong-approach-tackling-skills-gap</a>	UK wide (political audience)
Sonshine Clun	Horticulture Week	6,295	<a href="http://www.hortweek.com/food-growing-charity-wins-funding-expand-project-park/parks-and-gardens/article/1321606">http://www.hortweek.com/food-growing-charity-wins-funding-expand-project-park/parks-and-gardens/article/1321606</a>	People working or interested in the horticultural industry.

Youth Offer	New Statesman (City Bridge Trust's Youth Offer is detailed within article)	200,000 hits per month	<a href="http://www.newstatesman.com/politics/2014/11/ev-en-youth-unemployment-falls-government-has-wrong-approach-tackling-skills-gap">http://www.newstatesman.com/politics/2014/11/ev-en-youth-unemployment-falls-government-has-wrong-approach-tackling-skills-gap</a>	UK wide (political audience)
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## City's Giving

14. You may recall that at your meeting in February 2014, you approved a grant of £220,000 to support the further development of Islington Giving, a coalition of five funders and the council for voluntary service for Islington which have come together to increase giving, both time and money, in Islington. You were a founder funder of Islington Giving which, to date, has achieved the following:
  - 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.
15. Part of the grant was to build on the Islington Giving model in other parts of London through an initiative originally called City's Giving. It was agreed that the work would be most appropriately located within London Funders and work commenced in September 2014.
16. The work is currently being undertaken by two consultants who are working to a Reference Group of which the Deputy Chief Grants Officer is a member. Its first meeting was held last month. As well as CBT, the group comprises representatives from Cripplegate Foundation, Macquarie Group, London Funders, Islington Giving, ACF and Rocket Science.
17. At that meeting, the consultants reported that they had been concentrating their time in meeting with key players from Islington Giving, potential partners for the initiative (including London Community Foundation, London Council for Voluntary Service and the Spice London Time Credits initiative).
18. City's Giving had its first public appearance when the consultants and London Funders' Chief Executive ran a workshop at the Greater London Volunteering Conference in September 2014 to showcase the work of Islington Giving and to encourage local volunteering agencies to consider new ways to encourage local participation.
19. It was agreed by the Reference Group that the project would be re-branded as *London's Giving*.

## Cost of Generating Funds (COGF)

20. At your last meeting, Members queried the cost of generating funds (COGF) in relation to some charities, particularly when the figure appears high or low, or where a figure has not been provided at all. The Chamberlain has provided the following comments.
21. Whilst it is recommended practice for charities to disclose their COGF in their year-end audited accounts, not all do so. In these situations, the grants officer will seek an estimate from the charity as to its COGF in the current year and, for future years, encourage the charity to provide this figure in their year-end statements. The benefits of understanding this cost are also

explained, particularly that it allows the charity to question at least once a year whether its COGF is reasonable in relation to the funds it raises. In addition, it is explained that by disclosing the COGF, potential funders, such as CBT, are provided with reassurance that this cost is being monitored and it allows the funder to discuss the level of COGF with the charity.

22. As to whether a COGF figure should be regarded as high or low, it is not realistic to set rigid parameters. This is due to the wide ranging activities employed by charities to raise funds and the differing costs of each activity. For example, a charity operating several charity shops is likely to have a much higher COGF than a charity which relies on funding from a single grant from one funder which it only has to reapply for every 3 years.
23. However, when preparing 'Financial Observations' for CBT Committee, the grants officer in consultation with the Chamberlain will review the COGF and provide comment should the figure appear unusually high or low. The general 'rule of thumb' will be to comment where COGF is outside a range of, say, 5% to 35% of the value of total income. Where a figure is not provided in a charity's accounts, the grants officer will discuss this with the charity and the outcome of the conversation will be recorded in the Financial Observations, hopefully noting that the charity has provided an estimate for the current year and that it has agreed to disclose the COGF in its audited accounts in future.
24. For organisations other than charities which do not have a recommended practice requirement to disclose their COGF in their audited accounts, the grants officer will request a current year estimate of this cost and seek an explanation from the body if it is outside the range of 5% to 35% of total income. This should not be onerous for most organisations as they should know the cost of their fund raising activities and routinely review whether they are cost effective. However, it is appreciated that for smaller or new organisations, particularly those without a dedicated fundraiser, the COGF may be more difficult to estimate. In those situations the grants officer or Chamberlain will offer advice as to how the COGF could be estimated and the benefits of monitoring this cost.
25. The definition of COGF and what costs should be included seems to have caused some confusion amongst charities in the past and has led to some inconsistencies. The current explanation of what to include in the COGF is contained within the existing Statement of Recommended Practice for Accounting and Reporting by Charities (2005). However, this guidance is soon to be superseded by a new SORP which is effective for accounting periods commencing on or after 1 January 2015. This new guidance is attached at Annex A, which now refers to the COGF as 'Expenditure on Raising Funds' and it is hoped that this provides a clear understanding for charities in the future.