



Resource Allocation Sub (Policy and Resources) Committee

Date: THURSDAY, 13 DECEMBER 2012

Time: 12.00 noon

Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members: Mark Boleat (Chairman)
Roger Chadwick (Deputy Chairman)
Deputy Ken Ayers (Chief Commoner)
Deputy John Barker
Deputy Douglas Barrow
Deputy Michael Cassidy
Ray Catt
Simon Duckworth
Alderman Sir Robert Finch
Stuart Fraser
The Rt Hon the Lord Mayor Alderman Roger Gifford
Deputy Catherine McGuinness
Deputy Joyce Nash
Deputy Sir Michael Snyder
John Tomlinson
Alderman Fiona Woolf

Enquiries: Angela Roach
tel. no.: 020 7332 3685
angela.roach@cityoflondon.gov.uk

Lunch will be served in the Guildhall Club at 1pm

John Barradell
Town Clerk and Chief Executive

AGENDA

1. **APOLOGIES**
2. **DECLARATIONS BY MEMBERS OF PERSONAL OR PREJUDICIAL INTERESTS IN RESPECT OF ITEMS TO BE CONSIDERED AT THIS MEETING**
3. **MINUTES**
To agree the public minutes of the meeting held on 4 October 2012 (copy attached).
For Decision
(Pages 1 - 4)
4. **EFFICIENCY SAVINGS**
Report of the Chamberlain (copy attached).
For Information
(Pages 5 - 12)
5. **ALLOCATION OF GRANTS FROM TRANSPORT FOR LONDON 2013/14**
Report of the Director of the Built Environment (copy attached).
For Information
(Pages 13 - 28)
6. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
7. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
8. **EXCLUSION OF THE PUBLIC**
MOTION - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

Item Nos.
9 - 12

Paragraph(s) in Schedule 12A
3

Part 2 - Non-Public Agenda

9. **NON-PUBLIC MINUTES**
To agree the non-public minutes of the meeting held on 4 October 2012 (copy attached).
For Decision
(Pages 29 - 30)
10. **ADDITIONAL WORKS PROGRAMME 2013-14**
Report of the Chamberlain (copy attached).
For Decision
(Pages 31 - 36)

11. **BILLINGSGATE MARKET - SATELLITE UNIT 1**
Report of the City Surveyor (copy attached).

For Decision
(Pages 37 - 54)
12. **GUILDHALL SCHOOL STRATEGIC PLAN 2010-2015**
Report of the Chamberlain (copy attached).

For Decision
(Pages 55 - 74)
13. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
14. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREED SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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RESOURCE ALLOCATION SUB-COMMITTEE

Thursday 4 October 2012

Minutes of the meeting of the RESOURCE ALLOCATION SUB-COMMITTEE held at Guildhall, EC2 on Thursday 4 October 2012 at 12.30pm.

Present

Members:

Mark Boleat, Chairman
Roger Chadwick, Deputy Chairman
Deputy Ken Ayers, Chief Commoner
Deputy John Barker
Deputy Doug Barrow
Ray Catt
Simon Duckworth
Alderman Sir Robert Finch
Stuart Fraser
Deputy Catherine McGuinness
Deputy Joyce Nash
John Tomlinson

Officers:

| | |
|---------------------|--------------------------|
| John Barradell | - Town Clerk |
| Chris Bilsland | - Chamberlain |
| Caroline Al-Beyerty | - Chamberlain's Office |
| Peter Young | - City Surveyor's Office |
| Simon Murrells | - Assistant Town Clerk |
| Angela Roach | - Town Clerk's Office |

1. APOLOGIES

Apologies were received from Alderman Roger Gifford and Sir Michael Snyder.

2. DECLARATIONS BY MEMBERS OF PERSONAL OR PREJUDICIAL INTERESTS IN RESPECT OF ITEMS TO BE CONSIDERED AT THIS MEETING

There were no declarations.

3. MINUTES

The public minutes and summary of the meeting held on 26 July 2012 were approved subject to the addition of John Tomlinson to the list of Members present.

Matter Arising - Guildhall Art Gallery and Guildhall Yard

In response to a query about the licence for coffee stand located in Guildhall Yard, the Surveyor advised that officers were investigating an extension of the licence and the terms on which it should be offered.

4. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE

There were no questions relating to the work of the Sub-Committee.

5. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no items of urgent business.

6. EXCLUSION OF THE PUBLIC

RESOLVED – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

| Item Nos. | Paragraph(s) in Schedule 12A |
|------------------|-------------------------------------|
| 7 - 8 | 3 |

Part 2 – Non-Public Agenda

7. MINUTES

The non-public minutes of the meeting held on 26 July 2012 were approved.

8. OPERATIONAL ASSET DISPOSAL PROGRAMME

The Sub-Committee considered and agreed a joint report of the Chamberlain and the City Surveyor setting out proposals for the asset disposal programme.

9. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE

There were no questions on matters relating to the work of the Sub-Committee whilst the public were excluded.

10. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

There were no urgent items for consideration whilst the public were excluded.

The meeting closed at 12.50pm

CHAIRMAN

Contact Officer: Angela Roach

Tel. no. 020 7332 3685

e-mail: angela.roach@cityoflondon.gov.uk

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Agenda Item 4

| | |
|---|---------------------------|
| Committee: Resource Allocation Sub-Committee | Date: 13 December 2012 |
| Subject: Efficiency Savings | Public |
| Report of: The Chamberlain | For Information |

Summary

The inflation provision has been revised to 1% in 2013/14 and 2% in 2014/15. At the same time an efficiency squeeze of 2%, phased over 2 years from 2013/14, has been introduced. In practice this means that Chief Officers need to manage budgets within a net 1% uplift over the next two financial years.

This report summarises how Chief Officers intend to make their efficiency savings.

Most departments are managing within these limits using a variety of measures which generally have limited impact on services.

However, there are three departments which have wider cost pressures and the measures they are using to manage these pressures are more substantial. These three departments are:

- Built Environment
- Markets and Consumer Protection
- Barbican Centre

The City Corporation is now several years into a policy of treating most services equally when local risk budgets are set and so far, budgets and savings have generally been met without a disproportionate impact on services. However, if unavoidable cost pressures cannot be reasonably managed, the policy may need to be revised. It will certainly require close monitoring.

Recommendations

Members are asked to note this report.

Main Report

Background

1. The City Fund and City's Cash forecasts as approved by the Court showed a deficit position by 2015/16 of £2.1m and £2.3m respectively. The original plan was to neutralise these deficits with savings earmarked from the PP2P programme, other savings identified from the overall

efficiency plan and any further savings as necessary. However Members instructed the Town Clerk and Chamberlain to address these deficits with an additional savings programme.

2. Accordingly the inflation provision has been revised to 1% in 2013/14 and 2% in 2014/15. At the same time an efficiency squeeze of 2%, phased over 2 years from 2013/14, has been introduced. In practice this means that Chief Officers need to manage budgets within a net 1% uplift over the next two financial years. This uplift needs to cover the cost of any pay awards, as may be agreed and any other inflationary pressures. Inevitably this means Chief Officers need to make savings to keep costs within budget.
3. This report provides a broad overview of how Chief Officers are intending to make the necessary savings and assesses the impact on services. The report also highlights where departments are experiencing wider cost pressures and sets out the measures being taken.
4. The Guildhall School of Music and Drama will receive uplifts for pay and price of 1% and 2% for 2013/14 and 2014/15 respectively, but will not be required to find the efficiency savings due to the particularly difficult financial situation being addressed at the school. A separate paper on the financial strategy at the School is being presented to your Committee at this meeting.
5. The three schools are also exempt from the exercise. The Police Committee budget is also exempt, managing its budget in accordance with changes in police funding and making its savings through the City First programme.

Savings Proposals

6. Most Chief Officers are choosing to manage the overall cash position within 1% uplift over the two years. Appendix 1 indicates whether departments are choosing to apply the uplift in 2013/14 or in 2014/15.
 - a. **Chamberlain-** the intention is to take the 1% uplift in 2013/14 and make the 2% efficiency savings (£382,000) in 2014/15. The savings will be achieved by reductions in staffing costs and supplies and services.
 - b. **City Surveyor-** as the department is undergoing significant change, with the implementation of the new consolidated repairs and maintenance contract and the introduction of the new corporate operating model for facilities management, it seems prudent to take the 1% uplift in 2013/14 and make the bulk of the 2% efficiency savings (£440,000) in 2014/15. At present, a small

efficiency saving on the City Marketing Suite of £48,000 has been achieved in 2013/14 but the remainder of the 2% savings will be made in 2014/15 through a combination of staffing savings and other operating costs for the department, together with increased income through greater recovery of fees and reduction in tenant voids.

- c. **Comptroller and City Solicitor** – 2% efficiency savings across the period equate to £62,000. The savings are planned to be achieved across the two years, with the department forgoing the inflation uplift in 2013/14 and taking the 2% uplift in 2014/15. The 1% savings in 2014/15 of £31,000 are being achieved through a combination of staffing savings and supplies and services costs.
- d. **Children and Community Services**- 2% efficiency savings across the period equate to £102,000. The savings are planned to be achieved across the two years, with the department effectively taking the 1% uplift in 2014/15. A full zero based budget exercise was carried out. The 1% savings (£56,000) required in 2014/15 have been found across the whole range of activities.
- e. **Culture Heritage and Libraries**- The department intends to spread the 2% efficiency savings (£186,000) across the period, taking the 1% uplift in 2013/14 and the 2% uplift in 2014/15. The bulk of the £93,000 savings per annum will be made from a reduction of £60,000 in staff costs made up of 1.6 FTE posts and some agency costs across libraries and the London Metropolitan Archives.
- f. **Open Spaces**- A full zero based budget exercise was carried out. The department intends to spread the efficiency savings (£206,000) across the two years. The £103,000 savings per annum, together with the remaining £159,000 from the 10% savings, will be found across staffing costs, transport and supplies and services together with increased income.
- g. **Private Secretary to the Lord Mayor**- The majority of the 2% savings (£52,000) is being met across the two years at £26,000 per annum from sustainable additional income from lettings at Mansion House. The increased income is a combination of higher charges and additional lettings. To provide a measure of additional control on staffing costs, any new contracts are generally being offered for a fixed one year term at the current time.
- h. **Remembrancer** – 2% efficiency savings across the period equate to £14,000. The savings are planned to be achieved across the two years, with the department forgoing the inflation uplift in in

2013/14 and taking the 2% uplift in 2014/15. Supplies and services budgets are being reduced in the 'Ceremonial' cost centre to achieve the required £7,000 in 2014/15.

- i. **Town Clerk-** 2% efficiency savings across the period equate to £312,000. The bulk of the savings are planned to be achieved across the two years, with the department forgoing the inflation uplift in 2013/14 and taking the 2% uplift in 2014/15. The 2014/15 savings of £156,000 are being made from various non-staffing budgets, mainly supplies and services, across the Town Clerk's wide portfolio of service.
7. There are three departments however that are experiencing wider cost pressures and face challenges in reaching a balanced budget in 2013/14 or 2014/15. The three departments are Built Environment, Markets and Consumer Protection and the Barbican Centre. The measures being taken and the resulting challenges to achieving a balanced budget are highlighted below. Also highlighted are any risks to service provision as a result of cost savings.

Built Environment

8. The intent is to achieve the first 1% of the savings (£178,000) by foregoing the 1% inflation uplift in 2013/14, effectively freezing net expenditure. However, there are significant underlying cost pressures in Built Environment due to changes in Building Control, equal pay legislation affecting agency workers and inflationary pressures on contracts. The implementation of an increase in planning application charges of 15% on 22 November 2012 has helped to meet the resource gap, but reductions need to be made to balance the budget. These reductions are targeted in the following areas:
- £30,000 reduction in overtime for Cleansing & Waste Management areas – this will reduce the flexibility of the service to respond as flexibly as it is currently able to address additional pressures.
 - £30,000 reduction in Training budgets – limited impact as headroom in the budget identified from underspends in the current and previous financial year.
 - Not retaining the additional administrative post to deal with increased level of FOI activity, funded from carry-forward budget this financial year. As there is a target of responding to all FOIs within 20 days, this reduction will need careful monitoring. The City Corporation could be subject to further investigation by the Information Commissioner if this impacts on the City Corporation's overall response rate being below 80% response within 20 days.

- Holding Building Control posts vacant due to reduction in business activity- no current impact.
 - Various other supplies & services budget reductions with limited impact.
9. By 2014/15, the cost pressures lead to an estimated budget shortfall. More work needs to be done, but these pressures could amount to as much as £1.2m from:
- the continuing reduction in Building Control income of £182,000 due to changes in government legislation and the economic downturn;
 - equal pay legislation affecting agency workers requiring an increase in employee resources of £147,000;
 - inflationary pressures on contracts, e.g. MRS Enterprise contract £150,000; and
 - revenue funding of the Highways Asset Management System (HYMS) of £200,000 to £300,000.
10. The department is taking the following measures to address the budget shortfall of £1.2m in 2014/15:
- A review of the building control service.
 - Review the car park strategy; the overall loss on car parks to local risk is currently just over £80,000.
 - Proposal to introduce barriers and charging at two additional public convenience sites agreed at Port Health Committee (subject to capital funding of barriers and associated equipment). The intention is to generate additional income to contribute to increased agency staffing costs. All subject to appropriate Gateway approvals.
11. A report will be produced early in 2013 to address the estimated budget shortfall. Adjustments may be requested to the local risk budget to address unavoidable cost pressures.

Markets & Consumer Protection

12. The intent is to make the first 1% of the savings (£60,000) by foregoing the 1% inflation uplift in 2013/14. However, with reductions in Port income, the 2013/14 budget estimates currently include unidentified savings of £250,000. The department may need to utilise the Products of Animal Origin Reserve which was set up to cover fluctuations in port trade. A review of the Port Service is being conducted before calls on the Reserve are proposed. Also, costs of providing inspection services at the new Thames Gateway Port, currently under construction, will need to be assessed.

Barbican

13. The Barbican is taking the inflation uplifts each year and spreading the 2% efficiency saving (£298,000) across 2013/14 and 2014/15. In effect therefore taking the uplift in 2014/15. At this stage there is still a £470,000 target to meet a balanced budget for 2013/14, which will be achieved by February 2013, through cost reductions across all areas.
14. The Barbican is a semi-commercial department, with £17m of 2013/14 income coming from operations and £16m from the City. Substantial cost savings have been made in recent years and the focus now is on maintaining the level and quality of artistic activity, supported by increased trading income from both artistic and commercial sources. Commercial income increases from £7.9m in 2011/12 to £9.1m in 2013/14, in line with its business plan.
15. Two main efficiency initiatives are planned for 2013/14, which are intended to deliver the efficiency savings required:
 - a. A review of front of house operations, examining quality, consistency and value for money
 - b. A review of pricing, examining how to increase box office income from artistic activity.
16. For the other departments, exercises have been carried out to establish where the savings be made as summarised below. No significant risks to operations have been identified as a result of the reductions.

Conclusion

17. Overall, the required efficiency savings are deliverable however there are pressure points in three departments. The financial impacts are such that for Built Environment it is likely that a request for budget adjustments may need to be made; that may also be the case for Markets and Consumer Protection. However the Barbican Centre is intending to make necessary efficiency savings within the funding levels.
18. The Corporation is now several years in to a policy of treating most services equally when local risk budgets are set and so far, budgets and savings have generally been met without a disproportionate impact on services. It may be though that, as this policy continues this may need to be revised and it will certainly require close monitoring.

Appendices

Appendix 1: 1% of net local risk budgets analysis

Contact:

Caroline Al-Beyerty

E. caroline.al-beyerty@cityoflondon.gov.uk

T. 0207 332 1113

1% of 2012/13 Net Local Risk Budgets (see notes 1 and 2)

| 1% Net Increase | | Chief Officer | City Fund £000 | City's Cash £000 | BHE £000 | GA £000 | Total £000 |
|-----------------|---------|---|-------------------|---------------------|-------------|------------|---------------|
| 2013/14 | 2014/15 | | | | | | |
| | | Director of the Built Environment | | | | | |
| | ✓ | Planning and Transportation | 99 | 0 | 2 | 0 | 101 |
| | ✓ | Environmental Services | 75 | 0 | 0 | 0 | 75 |
| | ✓ | Open Spaces | 2 | 0 | 0 | 0 | 2 |
| | | Chamberlain | | | | | |
| ✓ | | Finance | 23 | 2 | 0 | 166 | 191 |
| | | City Surveyor | | | | | |
| ✓ | | Property Investment Board | 19 | 108 | 20 | 0 | 147 |
| ✓ | | Culture, Heritage and Libraries | 0 | 1 | 0 | 0 | 1 |
| ✓ | | Policy and Resources | 0 | 0 | 0 | 72 | 72 |
| | | Comptroller and City Solicitor | | | | | |
| | ✓ | Establishment | 0 | 0 | 0 | 31 | 31 |
| | | Director of Community and Children's Services | | | | | |
| | ✓ | Barbican Residential | (24) | 0 | 0 | 0 | (24) |
| | ✓ | Community and Children's Services | 80 | 0 | 0 | 0 | 80 |
| | | Director of Culture, Heritage and Libraries | | | | | |
| | ✓ | Culture, Heritage and Libraries | 84 | (1) | (5) | 0 | 78 |
| | ✓ | Planning and Transportation | 0 | 0 | 15 | 0 | 15 |
| | | Director of Markets and Consumer Protection | | | | | |
| | ✓ | Licensing | (2) | 0 | 0 | 0 | (2) |
| | ✓ | Port Health and Environmental Services | 26 | 3 | 0 | 0 | 29 |
| | ✓ | Markets | 0 | 33 | 0 | 0 | 33 |
| | | Director of Open Spaces | | | | | |
| | ✓ | Open Spaces | 10 | 108 | 0 | 0 | 118 |
| | ✓ | Port Health and Environmental Services | (15) | 0 | 0 | 0 | (15) |
| | | Managing Director, Barbican Centre | | | | | |
| ✓ | | Barbican Centre | 149 | 0 | 0 | 0 | 149 |
| | | Principal, Guildhall School of Music and Drama | | | | | |
| note 3 | note 3 | Board of Governors | 0 | 51 | 0 | 0 | 51 |
| | | Private Secretary to the Lord Mayor | | | | | |
| | ✓ | General Purposes Committee of Aldermen | 0 | 24 | 0 | 0 | 24 |
| | ✓ | Policy and Resources | 0 | 2 | 0 | 0 | 2 |
| | | Remembrancer | | | | | |
| | ✓ | Policy and Resources | 0 | 10 | 0 | (3) | 7 |
| | | Town Clerk | | | | | |
| | ✓ | Policy and Resources | 74 | 6 | 0 | 0 | 80 |
| ✓ | | General Purposes Committee of Aldermen | 0 | 2 | 0 | 0 | 2 |
| ✓ | | The City Bridge Trust | 0 | 0 | 8 | 0 | 8 |
| | ✓ | Establishment | 0 | 0 | 0 | 66 | 66 |
| | | Total | 600 | 349 | 40 | 332 | 1,321 |
| | | Re-apportion Guildhall Administration | 173 | 139 | 20 | (332) | 0 |
| | | Total | 773 | 488 | 60 | 0 | 1,321 |

Notes

1. As the IS Internal Trading arrangements ended on 31 March 2012, the 1% of net local risk budgets has been calculated after deducting IS Trading costs.

2. The figures in the table are 1% of net local risk budgets and therefore if a service is a net credit, the 1% will similarly be a credit - shown in brackets. However, if the figures are to be used to calculate savings the brackets should be ignored. For example, the £24,000 credit shown for the Barbican Estate is 1% of a net local risk budget of £2.4m. To achieve 2% savings the budget would need to increase to a net credit of £2.448m.

3. The Guildhall School of Music and Drama will receive the uplifts for pay and prices of 1% and 2% for 2013/14 and 2014/15 respectively but will not be required to find the efficiency savings due to the particularly difficult financial situation being addressed at the School.

| | |
|---|---|
| <p>Committee: Planning and Transportation Committee Resource Allocation Sub-Committee (for information only)</p> | <p>Date: 9 October 2012 13 December 2012</p> |
| <p>Subject: Allocation of Grants from Transport for London for the 2013/14 Financial Year</p> | <p>Public</p> |
| <p>Report of: The Director of the Built Environment</p> | <p>For Decision</p> |

Summary

This report sets out the two non-specific funding grants that Transport for London has made to the City of London for the 2013/14 financial year. These grants must deliver the Mayor’s transport objectives and the report recommends how resources should be allocated to do this in order to deliver the approved *City of London Local Implementation Plan 2011* in the 2013/14 financial year.

A balanced set of proposals is set out covering five of the seven Local Implementation Plan programmes plus the new focus area of air quality. All of the proposals are deliverable within the 2013/14 financial year and the grants must be fully utilised by 31 March 2014. The recommendations about how the grants should be allocated are based, as in previous years, upon a process of prioritisation of potential projects that has been developed and agreed by the Highway and Planning Funds Group.

Recommendation

I RECOMMEND THAT your Committee approves the allocation of the two non-specific grants from Transport for London for the 2013/14 financial year set out in Table 1 of this report.

Main Report

Background

1. Transport for London is empowered by section 159(1) of the Greater London Authority Act 1999 (“the Act”) to give financial assistance to any

body or person in respect of expenditure incurred or to be incurred by that body or person in doing anything that in the opinion of Transport for London is conducive to the provision of safe, integrated, efficient and economic transport facilities or services to, from or within Greater London. Transport for London uses this power to make annual grants to the City and the London boroughs to assist them in delivering projects that assist the Mayor of London in implementing his transport strategy.

Current Position

2. Transport for London makes a number of grants to the City, usually on an annual basis. These include grants for major schemes, renewal of principal roads, assessment and strengthening of bridges and projects that complement certain high-profile Mayoral initiatives such as cycle hire and cycle superhighways. These grants are for specific purposes and are only able to be used on the projects for which the grants are made. Your Committee is usually asked to approve expenditure of these grants on these projects when approving the funding arrangements for those projects (either in the normal annual resource allocation process or through *ad hoc* reporting). These grants for specific purposes therefore do not form part of this report.
3. For the 2013/14 financial year Transport for London has also made two non-specific grants to the City that are available to be spent on programmes and projects that serve to implement the Mayor's transport strategy.
4. The **corridors, neighbourhoods and supporting measures grant** is determined according to a formula that was developed by Transport for London in conjunction with London Councils and in consultation with the City and the London boroughs. The formula includes factors for bus reliability, bus patronage, casualties, vehicle delay, carbon dioxide emissions from transport and residential population weighted by indices of deprivation. The weighted residential population factor means that the City receives a relatively small grant compared to the London boroughs. The grant is £815,000 for the 2013/14 financial year.
5. The **local transport funding grant** is a fixed sum of £100,000 for the City and each London borough in the 2013/14 financial year.
6. There are two separate grants because of the separate ways in which they are calculated. Both must be used to implement the Mayor's transport strategy; subject to that constraint both can otherwise be used at the City's discretion, subject to approval by Transport for London.

7. In total therefore, the City has grants totalling £915,000 to implement the Mayor's transport strategy in the City in the 2013/14 financial year.
8. It is important for the City to consider how expending the Transport for London grants will deliver its approved Local Implementation Plan. Your officers consider that the allocation that this report sets out fully accords with the objectives and programmes of the Local Implementation Plan.

Proposals

9. It is proposed to expend these two grants as set out in Table 1 of this report (*below*). The proposed allocation of the grants is spread across five of the seven Local Implementation Plan programmes plus the new focus area of air quality. The two Local Implementation Plan programmes that are not allocated any grant are the highway maintenance programme and the transport planning programme.
10. The **highway maintenance programme** benefits from specific grants from Transport for London for the renewal of principal roads and the assessment and strengthening of bridges.
11. The **transport planning programme** will be entirely delivered using staff funded through the Director of the Built Environment's local risk budget. These staff will be contributing to the City's development management (town planning) processes (including post-approval processes such as assessing and approving travel plans and delivery and servicing plans). The transport planning programme may need to include some data collection work in the 2013/14 financial year in order to assist with setting priorities around traffic management and street design, but at this early stage it seems likely that this work will also be able to be contained within local risk resources.
12. As in previous years, it is proposed to allocate the two grants in accordance with the prioritisation process that was developed and agreed by the Highway and Planning Funds Group in July 2010. This process is set out in Appendix 1 to this report. It establishes the principle that the non-specific grants from Transport for London should only be used where specific or more constrained funding resources are not available. The application of this principle has meant that the highway maintenance programme, which benefits from specific grants for principal road maintenance, is not included with the allocation of the two non-specific grants.

13. The process also sets out three broad priority considerations:—
first priority: completion of committed projects
second priority: non-committed projects likely to attract match funding
third priority: non-committed projects unlikely to attract match funding
14. All committed projects in the 2013/14 financial year, costing in total £540,000, are able to be funded. This allows consideration to be given to those projects where match funding is available. All match-funded activity and projects in the 2013/14 financial year, costing in total £220,000, are able to be funded. This allows £155,000 of the grants to be allocated to non-committed activity and projects in the 2013/14 financial year.
15. Selection of the items to be funded has been made with the intention to provide a balanced portfolio that delivers appropriately against each programme within the approved Local Implementation Plan (with the two exceptions set out at paragraphs 9–11 *above*). The proposed allocation is therefore in full accordance with the approved Local Implementation Plan.
16. Given the prioritisation criteria set out *above* the proposed allocation is as *follows*:—

- i. **Cycling Revolution Programme**

In the 2013/14 financial year this programme will continue to provide **high quality cycling routes, two-way cycling and other cycling improvements**. The City has an extensive network of cycle routes and local cycle links, although these are incomplete on the ground and are generally not signed. Priorities for intervention in 2013/14 will be given to the strategic routes, in particular routes 0, 10, 38 and 39. There may also be opportunities to improve routes or links identified as priorities by users. On-street works will be undertaken as well as feasibility and investigative studies to determine the most suitable proposals to take forward.

Reinstatement of further streets to two-way working for cyclists will deliver approximately 12 more streets where cyclists can ride in either direction and preparatory work will be undertaken to allow further streets to be converted to 2-way working in future financial years. In addition, advanced stop lines will be installed at all junctions; more on-street cycle parking will be installed when opportunities become available; some cycle route signage may be introduced prior to a comprehensive Central London-wide cycle route signing system being agreed among the Central London local authorities; and some cycle lanes not on routes or links may be introduced if there is a clear need.

There may also be opportunities for cyclists to suggest additional small-scale improvements.

This activity is considered to be essential because of the potential for reducing cyclist casualties and its importance to City stakeholders. In terms of casualty reduction targets, it will obviously focus on cyclist casualties, particularly avoiding fatal and serious casualties.

The cycling revolution programme will continue into future financial years.

ii. Road Danger Reduction Programme

In the 2013/14 financial year this programme will continue to implement the *Road Danger Reduction Plan* through **road safety education, training and publicity** activity. The *Road Danger Reduction Plan* will be the primary strategic document setting out the City's plans for casualty reduction. Analysis of collision and casualty locations, types and causation factors will have been completed in the 2012/13 financial year as part of preparing the *Road Danger Reduction Plan* so this aspect will not require funding in 2013/14.

The education, training and publicity activity is considered to be essential as it will form a key part of implementation of the *Road Danger Reduction Plan*. The focus of the *Road Danger Reduction Plan* and the education, training and publicity activity in 2013/14 and in future financial years will be on avoiding fatal and serious casualties, particularly among vulnerable road users (pedestrians, cyclists and motor cyclists). Appendix 2 to this report sets out the Local Implementation Plan's summary of the planned road safety education, training and publicity activity.

The road danger reduction programme will continue into future financial years.

iii. Streets as Places Programme

In the 2013/14 financial year this programme will continue to deliver the green corridors project and will commence work on strategic walking routes.

The **green corridors** project is in its third and final year. Planting of between 15 and 20 street trees across the City is planned for the 2013/14 financial year.

The strategic **walking routes** will target improvements on routes to and from stations and, in particular, on routes that complement the significant work to both enhance and relieve the pressure upon Bank junction. Enhancements to these routes will include widened footways and sections of raised carriageway in order to make streets easier to cross. Lighting will also be improved and more greenery introduced where this is appropriate. In terms of casualty reduction targets, the walking routes will obviously focus on pedestrian casualties, particularly avoiding fatal and serious casualties.

The streets as places programme will continue into future financial years.

iv. Traffic Management Programme

In the 2013/14 financial year this programme will address a range of priorities. It will continue to provide **tactile paving and accessibility measures**. There are some 60 locations across the City where amendments to tactile paving are required. This primarily consists of removing tactile paving at dropped kerbs, but also adding or amending tactile paving at some pedestrian crossings where it is missing or incorrectly laid. The City of London Access Group has carried out numerous street audits across the City and this process has identified various locations where improvements are required to provide a more inclusive street environment. The interventions required are primarily amendments to levels and the removal of obstructions, but includes some other infrastructure changes to aid mobility.

The programme will continue to provide **lining corrections** across the City. The yellow lines indicating waiting prohibitions are not consistent throughout the City. There is a mixture of 50 mm, 75 mm and 100 mm lines in a variety of shades of yellow. It is intended to standardise this to a consistent format of 50 mm lines in the light yellow shade called deep cream.

The programme will provide two **informal crossings**, at Fenchurch Street and Eastcheap, to cater for additional crossing demand generated by the Plantation Place development.

The programme will also include three studies to formulate future programmes of work: a City-wide **signage removal/relocation study**; a **courtesy crossings study** to formulate a programme for implementing in the most efficient manner the 57 sites across the City

that could benefit from the provision of courtesy crossings; and a **study of Newgate Street gyratory removal**.

The tactile paving and accessibility measures are considered to be essential to meet the needs of people with disabilities. In terms of casualty reduction targets, the tactile paving and accessibility measures, informal crossings and courtesy crossings study will focus on pedestrian casualties, particularly avoiding fatal and serious casualties. The study of Newgate Street gyratory removal will focus on avoiding fatal and serious casualties, particularly among vulnerable road users (pedestrians, cyclists and motor cyclists).

The traffic management programme will continue into future financial years.

v. Travel Behaviour Programme

In the 2013/14 financial year this programme will continue to deliver **travel behaviour education, training and publicity** through campaigns and promotions such as London Underline, Use Your Energy Wisely and All Change Please and will again focus activity around Bike Week, European Mobility Week, Walk to Work Week and Walk to School Week.

This activity is considered to be advisable given its potential to avoid expenditure on more costly engineering interventions through changing road users' behaviour. It deals with general issues of travel behaviour but has a strong emphasis on walking and cycling, which supports road danger reduction for pedestrians and cyclists and the pedestrian and cyclist casualty reduction targets, particularly avoiding fatal and serious casualties.

The travel behaviour programme will continue into future financial years.

vi. Air Quality

In the 2013/14 financial year this new programme of work will address **emissions from taxis and air quality around Sir John Cass's Foundation Primary School**. Emissions from taxis will be tackled through looking, City-wide, at locations for providing new or relocating existing taxi ranks and encouraging passengers to hire taxis from ranks rather than hailing taxis that are plying for hire. This work

will be done in conjunction with the taxi drivers' associations and clubs, the City of London Police and Transport for London.

The emissions from taxis work will cost £52,000 but this is being 50% match funded by the Department for Environment, Food and Rural Affairs (DEFRA) and so only £26,000 is required from the Transport for London grant. The air quality around Sir John Cass's Foundation Primary School will cost approximately £50,000 but this is being 50% match funded by the Greater London Authority and so only £25,000 is required from the Transport for London grant.

These activities are considered to be essential as the significance of the impacts of London's very poor air quality on health, particularly children's health and lung development, becomes ever clearer.

Work on improving air quality will continue into future financial years.

17. Table 1 *overleaf* sets out a summary of the proposed allocation of the non-specific Transport for London grants for the 2013/14 financial year.

Table 1: Proposed Allocation of the Non-Specific Grants from Transport for London for the 2013/14 Financial Year

| Crosscutting Theme | Casualty Target Group(s) | Local Implementation Plan Programme | Item | Amount |
|---------------------------|---------------------------------|--|---|-----------------|
| collision reduction | cyclists | cycling revolution | high quality cycling routes, two-way cycling and other cycling improvements | £175,000 |
| collision reduction | vulnerable road users* | road danger reduction | road safety education, training and publicity | £80,000 |
| collision reduction | pedestrians | streets as places | walking routes | £169,000 |
| collision reduction | pedestrians | traffic management | tactile paving and accessibility measures | £45,000 |
| collision reduction | pedestrians | traffic management | informal crossings | £30,000 |
| collision reduction | pedestrians and cyclists | travel behaviour | travel behaviour education, training and publicity† | £100,000† |
| environment | not applicable | air quality‡ | emissions from taxis§ | £26,000§ |
| environment | not applicable | air quality‡ | air quality around Sir John Cass's Foundation Primary School | £25,000 |
| environment | not applicable | streets as places | green corridors | £100,000 |
| environment | not applicable | traffic management | lining corrections | £40,000 |
| planning | not applicable | traffic management | signage removal/relocation study | £40,000 |
| planning | pedestrians | traffic management | courtesy crossings study | £40,000 |
| planning | vulnerable road users* | traffic management | study of Newgate Street gyratory removal | £45,000 |
| | | | <i>TOTAL:</i> | <i>£915,000</i> |

* "Vulnerable road users" are defined for this purpose as pedestrians, cyclists and motor cyclists.

† The travel behaviour education, training and publicity will be funded from the local transport funding grant. The other items will be funded from the corridors, neighbourhoods and supporting measures grant.

‡ Air quality is not a programme within the Local Implementation Plan, but rather a new area of work.

§ Match funded 50% by the Department for Environment, Food and Rural Affairs (i.e., a matching grant of £26,000 is available).

|| Match funded 50% by the Greater London Authority (i.e., a matching grant of £25,000 is available).

Financial Implications

18. Although there is considerable flexibility in the allocation of the two non-specific grants from Transport for London, the principal stipulation being that the expenditure involved serves to implement the Mayor's transport strategy, all expenditure funded from the 2013/14 grants must be completed within that financial year. Officers will monitor expenditure and adjust the elements, as necessary, to maximise the use of the funding.

Legal Implications

19. The financial assistance that Transport for London may give to the City includes in particular assistance in respect of any expenditure incurred or to be incurred by the City in discharging any function as a highway authority or a traffic authority (section 159(3) of the Act). In deciding whether to give financial assistance to the City, and if so the amount or nature of any such assistance, Transport for London may have regard to any financial assistance or financial authorisation previously given to the City and the use made by the City of any such assistance or authorisation (section 159(4) of the Act).
20. Financial assistance may be given subject to such conditions as Transport for London considers appropriate, including conditions for repayment in whole or in part in specified conditions (section 159(6) of the Act). Transport for London has published general conditions for expenditure of the financial assistance that it provides that the City must follow. These general conditions relate to factors such as the expenditure serving to implement the Mayor's transport strategy and the removal of infrastructure previously funded (in whole or in part) by Transport for London being undertaken only with Transport for London's agreement.
21. In carrying out its highway and traffic functions the City Corporation must have regard, *inter alia*, to its duty to assert and protect the rights of the public to the use and enjoyment of the City's highways (section 130 of the Highways Act 1980); its duty to secure the expeditious, convenient and safe movement of traffic having regard to any effect on amenities (section 122 of the Road Traffic Regulation Act 1984); its duty to co-ordinate the execution of works of all kinds (including works for road purposes) (section 59 of the New Roads and Street Works Act 1991); and its duty to secure the efficient use of the road network avoiding congestion and disruption (section 16 of the Traffic Management Act 2004).

Strategic Implications

22. Expenditure of the grants provided by Transport for London on the projects set out in this report will allow them to be implemented, which will assist in delivering five of the seven programmes within the *City of London Local Implementation Plan 2011* plus the new focus area of air quality and in delivering *The City Together Strategy: The Heart of a World Class City 2008–2014* (the City’s sustainable community strategy). Within *The City Together Strategy* the projects will particularly deliver on the themes of *protecting, promoting and enhancing our environment and creating a safer and stronger City*.

Conclusion

23. This report sets out the two grants that Transport for London has made to the City for the 2013/14 financial year that are not tied to specific purposes and recommends how these grants should be allocated.

Appendices:

1. Prioritisation Process
2. Road Safety Education, Training and Publicity (Example Activity)

Background Papers:

- Greater London Authority Act 1999
- The Mayor of London’s transport strategy
- *City of London Local Implementation Plan 2011*
- *The City Together Strategy: The Heart of a World Class City 2008–2014*

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Appendix 1: Prioritisation Process

- i. The Highway and Planning Funds Group agreed a principle that projects should only be funded from the non-specific grants from Transport for London if they could not be funded (or at least not fully funded) from more constrained sources of funding such as major schemes grants from Transport for London, maintenance grants from Transport for London, the Bridge House Estates, voluntary contributions for enhancements from City firms and contributions from City firms for enhancements as a *quid pro quo* for on-street security measures. This is to ensure that flexible sources of funding, such as these non-specific grants, are not fully committed on projects that may have alternative sources of funding available.
- ii. For example, the effect of this principle is that maintenance of principal roads should only be funded from these non-specific grants if there is no relevant principal road maintenance grant from Transport for London or if there is but it is fully committed. Similarly, the non-specific grants should not be used for strengthening highway structures if Transport for London has made a maintenance grant for that purpose and that grant is not fully committed.
- iii. The Highway and Planning Funds Group also recognised that this principle, though important, would be insufficient for prioritising the projects to recommend to your Committee as being funded (in whole or in part) from the two non-specific grants from Transport for London and, as a result, it also adopted a further three-stage process of prioritising projects.
- iv. This process is that, firstly, all **projects that are committed** be prioritised over those that are uncommitted. This recognises that projects that your Committee has approved (either directly or via a delegation) should proceed unless there are very good specific reasons for them not to, and that they should be prioritised over those projects that your Committee has not yet considered.
- v. Secondly, projects within both of these two broad groups of committed and uncommitted projects should be ranked as *essential, advisable or desirable*. For committed projects, this ranking will have been approved by your Committee through the project approval process. For uncommitted projects the ranking will be that set out or to be set out in the report to be submitted to your Committee. It will therefore be agreed between the Town Clerk, the Chamberlain and the Director of the Built Environment.
- vi. Thirdly, projects within these six groups of committed and uncommitted *essential, advisable and desirable* projects should be further ranked

according to whether or not the commitment of funding from the grants from Transport for London would serve to **bring in match funding** from a third party, with projects with scope for match funding being ranked above those with little or no potential for this.

- vii. These three factors establish a matrix of twelve ranked groups of projects, which serve to establish priorities to recommend to your Committee, and this process has been followed in determining the projects recommended for funding as set out in Table 1 of the main report.

Appendix 2: Road Safety Education, Training and Publicity (Example Activity)

- i. City Corporation road danger reduction campaigns including speeding, winter driving, Christmas drink driving, pedestrians exiting railway stations and tourists at Saint Paul's Cathedral and Tower Bridge.
- ii. European Traffic Police Network (TISPOL) road danger reduction campaigns including speeding, drink driving, drug driving and seatbelts.
- iii. Road safety, cycling and pedestrian training at the City's schools (the Charterhouse Square School, the City of London School, the City of London School for Girls, Saint Paul's Cathedral School and Sir John Cass's Foundation Primary School), including Family Day, Happy Feet, City Citizen and the road safety theatre show.
- iv. Road danger reduction exhibitions at City businesses, including BNP Paribas, J. P. Morgan, Linklaters and Standard Chartered and in multi-tenanted buildings such as 160 Queen Victoria Street.
- v. Presentations on safer cycling, including to residents of the Barbican Estate.
- vi. Road danger reduction training, including the Exchanging Places swaps for lorry drivers and cyclists and the light goods vehicle/cycle training course.
- vii. Assessments of City Corporation drivers including those at the City of London School and at Tower Bridge and in Cleansing Services and the Libraries Division.
- viii. Educative enforcement of road traffic offences by the City of London Police.
- ix. Publicity about road danger reduction at City Corporation events including the Lord Mayor's Show, the City's Bike Week events, the City Green Day and the City Corporation's Bicycle User Group meetings.
- x. Publicity about road danger reduction in the City at third-party events including Brake child road safety week, the Caring Driver event, the Condor Cycles cycle exhibition, the cycle hire safety day, the Cycle Show, the Dowgate Fire Station safety event, the London Marathon, the London Nocturne, the Race for Life and the London Sky Ride.

- xi. Participation in Transport for London road danger reduction campaigns including bus advertising.
- xii. Road testing of new City Corporation vehicles, including new electric vehicles for the City's schools.

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RESOURCE ALLOCATION SUB COMMITTEE

Thursday 4 October 2012

NOT FOR PUBLICATION

By virtue of paragraphs 3 of Part I of Schedule 12A of the Local Government Act 1972.

7. MINUTES

The non-public minutes of the meeting held on 26 July 2012 were approved.

8. OPERATIONAL ASSET DISPOSAL PROGRAMME

The Sub-Committee considered a joint report of the Chamberlain and the City Surveyor setting out proposals for the asset disposal programme.

Members noted that the Corporate Asset Sub-Committee had considered the proposals recently and had supported the recommendations subject to a more detailed report on Great Gregories Farm.

During discussion the following comments were made:-

- Officers were investigating alternative uses for Exhibition Hall 2 and as a consequence there was a possibility that it would no longer be surplus to requirements.
- Concern was expressed about the disposal of green land and the political sensitivities surrounding such sales. Attention was also drawn to Woodredon and Warlies Park Estate and the fact that a home for young people was located in the area.
- Members were assured that reports on the proposed individual disposals would be submitted to the relevant service committee for approval. Prior to the consideration of those reports, clear principles for declaring assets surplus to requirements would be established and would be presented to the next meeting of the Sub-Committee.
- Members noted that the City Corporation had now taken possession of the YMCA in Fann Street.

RESOLVED – That the following be approved:-

1. the schedule of potential operational assets disposals, subject to individual reports on each property being brought to Committee;
2. the Asset Realisation Board be requested to establish principles as to when to declare assets, or parts of assets, no longer used for operational

purposes as surplus to requirements, reporting back to Members as appropriate; and

3. a 'neutrality' principle to neutralise the impact on service department budgets from disposing of surplus assets.

9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

Procurement and Purchase 2 Pay (PP2P)

A Member stated that it would be helpful for Members to receive a general update on the progress of the PP2P project in the near future in order to keep them informed of any savings. The Town Clerk undertook to make arrangements for Members to be briefed accordingly.

10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were no urgent items for consideration whilst the public were excluded.

The meeting closed at 12.50pm

CHAIRMAN

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Agenda Item 10

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
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Agenda Item 11

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Agenda Item 12

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