



Resource Allocation Sub (Policy and Resources) Committee

Date: THURSDAY, 6 OCTOBER 2016
Time: 12.00 pm
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members: Mark Boleat (Chairman)
Jeremy Mayhew (Deputy Chairman)
Deputy Roger Chadwick
Henry Colthurst
Stuart Fraser
Simon Duckworth
Deputy the Revd Stephen Haines
Deputy Catherine McGuinness
Edward Lord
Hugh Morris
Deputy Joyce Nash
Deputy Dr Giles Shilson
Tom Sleigh
Sir Michael Snyder
Alderman Dr Andrew Parmley
Deputy John Tomlinson
Alderman Sir David Wootton

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Lunch will be served in the Guildhall Club at 1pm

John Barradell
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

3. **MINUTES**

To agree the public minutes of the Sub-Committee meeting held on 7 July 2016.

For Decision
(Pages 1 - 4)

4. **BANK JUNCTION IMPROVEMENTS: EXPERIMENTAL SAFETY SCHEME**

Report of the Director of the Built Environment.

NB: This report has been considered and approved by the Streets & Walkways Sub-Committee and is due to be considered by the Projects Sub-Committee.

For Decision
(Pages 5 - 12)

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

6. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

7. **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 1 of the Schedule 12A of the Local Government Act.

Part 2 – Non-Public Agenda

8. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the Sub-Committee meeting held on 7 July 2016.

For Decision
(Pages 13 - 16)

9. **POLICE ACCOMMODATION STRATEGY: OVERVIEW AND PROGRAMME UPDATE**

Joint report of the City Surveyor, the Chamberlain and the Commissioner of the City of London Police.

NB: This report has been considered and approved by the Police Committee it was also considered by the Corporate Asset Sub-Committee and is due to be considered by the Projects Sub-Committee and the Property Investment Board.

For Decision
(Pages 17 - 28)

10. **CITY OF LONDON FREEMEN'S SCHOOL MAIN HOUSE - PROGRESS OF PHASE 2 OF THE MASTERPLAN**

Joint report of the Headmaster of the City of London Freeman's School and the City Surveyor.

NB: This report will also be considered by the Board of Governors of the City of London Freeman's School and the Projects Sub-Committee.

For Decision
(Pages 29 - 48)

11. **OPERATIONAL PROPERTY REVIEW - PROGRESS**

Report of the City Surveyor.

NB: This report is also due to be considered by the Grand Committee later this day.

For Decision
(Pages 49 - 60)

12. **POULTRY MARKET - REPAIRS AND MAINTENANCE**

Report of the City Surveyor (TO FOLLOW).

NB: This report is also due to be considered by the Grand Committee later this day.

For Decision

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

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

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RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Thursday, 7 July 2016

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources) Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Thursday, 7 July 2016 at 12.00 pm

Present

Members:

Mark Boleat (Chairman)
Jeremy Mayhew (Deputy Chairman)
Henry Colthurst
Simon Duckworth
Deputy the Revd Stephen Haines
Edward Lord
Deputy Catherine McGuinness
Hugh Morris
Deputy Joyce Nash
Alderman Dr Andrew Parmley
Deputy Dr Giles Shilson
Sir Michael Snyder
Deputy John Tomlinson
Alderman Sir David Wootton

Officers:

John Barradell	- Town Clerk and Chief Executive
Peter Kane	- Chamberlain
Peter Bennett	- City Surveyor
Caroline Al-Beyerty	- Financial Services Director
Damian Nussbaum	- Director of Economic Development
Bob Roberts	- Director of Communications
Giles French	- Assistant Director of Economic Development
Simon Murrells	- Assistant Town Clerk
Peter Lisley	- Assistant Town Clerk
Nigel Lefton	- Remembrancer's Department
Paul Nagel	- Chamberlain's Department
Angela Roach	- Principal Committee and Members Services Manager

1. APOLOGIES

Apologies for absence were received from Roger Chadwick and Tom Sleigh.

2. MEMBERS DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

Catherine McGuinness declared an interest in item no 16 as a Governor on the Board of Governors of the City Academy Hackney.

3. **MINUTES**

The minutes of the meeting held on 19 May 2016 were approved.

4. **EFFICIENCY PLAN**

The Sub-Committee considered a report of the Chamberlain concerning the production and publication of the City Corporation's Efficiency Plan.

RESOLVED – That the report be noted and, in particular, that the framework for the Efficiency Plan would include the following:-

1. light touch continuous improvement annual saving of 2-3% in budgets from 2018-19, with an incentive element adopted - in which a share of the savings could be re-invested in new priorities in the subsequent year as part of a revised carry-forward process;
2. the option of removing the 1% pay and prices allowance earlier, from 2017/18 when the majority of Serviced Based Review savings would have been delivered;
3. a rolling programme of departmental peer reviews to help identify more radical effectiveness and efficiency improvements; and
4. further cross cutting reviews, including prevention/demand management, when the current reviews have been implemented.

5. **PROJECTS FUNDING UPDATE**

The Sub-Committee considered a report of the Chamberlain concerning the provision of one-off funding to enable two projects, the Wide Area Network Replacement and the IT Infrastructure Performance Improvement Plan, to progress to the next gateway of the projects approvals process.

RESOLVED – that, subject to any requisite approval by other committees, it be recommended to the Policy and Resources Committee that approval be given to the provision of funding totalling £72k from the 2016/17 provisions for new schemes (50 % City Fund and 50% City's Cash) to progress the following two schemes to the next gateway:-

- Wide Area Network (WAN) replacement – £16k
- IT Infrastructure Performance Improvement Plan - £56k.

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

There were no questions.

7. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There were no urgent items.

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.

Paragraph(s) in Schedule 12A

9 - 16

3

Non-Public Agenda

9. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 19 May 2016 were approved.

10. **STRENGTHENING THE CITY OF LONDON CORPORATION'S SUPPORT AND PROMOTION OF THE CITY**

The Sub-Committee considered and agreed a report of the Town Clerk concerning the next steps to be taken in strengthening the City Corporation's support and promotion of the City.

11. **BARBICAN EXHIBITION HALL 1**

The Sub-Committee considered a report of the City Surveyor which provided an update on the enabling works to Barbican Exhibition Hall 1 in order to make the property more marketable. The latest position was noted.

12. **CYCLICAL WORK PROGRAMME – TRANSITIONAL ARRANGEMENTS FOR THE BARBICAN & GSMD**

The Sub-Committee considered a report of the Chamberlain updating it on the transitional arrangements for the Cyclical Work Programme for Barbican and Guildhall School projects. The content of the report was noted.

13. **REVIEW OF CASH BALANCES**

The Sub-Committee considered a report of the Chamberlain concerning a review of the cash balances held by the City Corporation and noted its content.

14. **PROJECT FUNDING UPDATE - APPENDIX**

The Sub-Committee noted the appendix to the Project Funding Update report at item no. 5.

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

There were no questions.

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

The following item of urgent business was considered:-

City Academy Hackney Sixth Form Expansion Loan

The Sub-Committee considered and agreed a report of the Town Clerk concerning the interest payable on the loan to the City Academy Hackney for its expansion project.

The meeting ended at 12.20pm

Chairman

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Committees:		Dates:	
Streets and Walkways Sub-Committee		27 September 2016	
Resource Allocation Sub-Committee		06 October 2016	
Projects Sub-Committee		11 October 2016	
Subject: Bank junction Improvements: Experimental Safety Scheme		Issue Report	Public
Report of: Director of the Built Environment			For Decision
<p><u>Summary</u></p> <ul style="list-style-type: none"> • <u>Dashboard</u> <p>Project Status: Amber Timeline: next Gateway - 4/5 December 2016 (previously September 2016) Total Estimated Cost: – £500,000 – £620,000 (Issues report Feb 2016) Spend to Date: approximately £205,000 Approved Budget: £300,000 (Issues report February 2016) Overall Project Risk: Green</p> <ul style="list-style-type: none"> • <u>Last Gateway approved</u> Gateway 3 (December 2015) • <u>Summary of issue</u> <ol style="list-style-type: none"> 1. Following a decision by Transport for London (TfL) that the traffic model work required for this project should be undertaken to forecast into 2018, rather than 2016 as the original feasibility modelling had been; there has been an extension to the programme and cost to this project. It is estimated that a further £87,100 is required to reach gateway 4/5. It had been hoped that officers would be able to reduce the programme time for the revised traffic modelling scope, but this has not been achieved. 2. The extra funds are requested to complete the following activities: <ol style="list-style-type: none"> a) A longer programme for the traffic modelling element of the work which is also more complex than first anticipated requiring more fees than originally budgeted for; b) A delay in the programme meaning that the Gateway report, originally planned for September 2016, will now be submitted in December 2016. This incurs additional staff cost in managing activity over a longer period of time; and c) An increase in expected staff hours for the design and engagement activities ensuring that appropriate pre-planning activity is undertaken, should the scheme be approved in December. 3. In 2015/16, Transport for London allocated £120,000 to the project. The City was unable to utilise all of this in the relevant financial year given that the programme for the traffic modelling did not progress as quickly as anticipated. This left £11,471 unspent and this funding could not be rolled 			

forward into the new financial year. Therefore this has left a short fall of £11,471 of available funds from the approved budget of £300,000.

- Background

4. The Bank Junction experimental safety scheme is proposed to tackle safety concerns ahead of a longer term programme for changes at Bank Junction which are being developed in parallel. The experimental safety scheme, if approved, would see a motor vehicle restriction at Bank Junction, Monday to Friday 0700 to 1900. It is likely that bus and pedal cycle only will be allowed across the junction, however technical work is still being undertaken regarding whether taxis will be included in the restriction. This tackles the time period when 75% of collisions occur.

- Progress to date including resources expended

5. Significant progress has been made on the detailed design on the proposal for a timed motor vehicle restriction through Bank Junction, Monday to Friday 0700 to 1900 since the February 2016 Issues report, which advised of a contribution of £120,000 from Transport for London.

6. Progress includes:

- Continued work on the development of the traffic model with TfL which will, when finalised, give detailed:
 - indicative routings for the reassigned vehicular traffic;
 - expected journey times for both buses and general traffic through the traffic modelling area; and
 - the best options for optimising signal timings within the traffic modelling area as a result of less vehicles going through Bank.

This is an important area of the work, but it also technically complex due to the size of the model and is taking longer to approve than originally thought.

- Engagement with businesses which are most likely to be noticeably impacted by the proposal in terms of their ease of access, delivery and servicing by motor vehicles. 46 businesses so far have had discussions with the City about their current activities and this has helped to develop the detailed design proposals to better accommodate their needs. Discussions are still ongoing for some locations which are more difficult to find alternative solutions for. Further engagement with businesses further away from the junction, but within the zone of influence, is planned to start in September. In these cases, vehicles may have to change routing or there maybe loading and waiting implications.
- Plans for the location of signs, types of signs, and the need for electrical connections has also been detailed.
- Work continues in detailing the enforcement strategy for the restriction and looking at possible resilience plans for when there are street works elsewhere on the network.

7. A budget of £300,000 was previously approved to reach the next gateway, of which approximately £205,000 has been spent to date, full details in Appendix 1, table1.

- Proposed way forward

8. Additional funding of £98,571 is needed to reach the next gateway (4/5) to give a total budget of £387,100. It is proposed to use a number of S106 deposits which have relatively small amounts of funds still available from the interest payments on the original principal sums. One of these funds is required to be returned to the developer in February 2017 if unused. They have been identified as being appropriate to be used at Bank. Full details can be found in Appendix 1, table 3.

Recommendations

The Streets and Walkway Sub Committee and Projects Sub Committees are recommended to approve an increase in the fees and staff costs budget of £87,100 making a total budget of £387,100 now required to reach the next gateway;

The Resource Allocation Sub-Committee is recommended to approve the reallocation of the S106 deposits set out in table 3 of Appendix 1, totalling £98,571 to the Bank Junction experimental safety scheme.

Main Report

1. Issue description	<ol style="list-style-type: none"> 1. In the Gateway 3 report in December 2015, officers estimated that an experimental safety scheme at Bank, if approved, could be delivered in 12 months. It has become apparent that it is not possible to deliver the scheme by December 2016 following the requirement to model the proposal in the 2018 future traffic scenario and officers being unable to negotiate a reduced timetable for this work with TfL. 2. The traffic modelling work, which will give TfL the information they need in order to make a decision to approve the scheme under the Traffic Management Act 2004, is unlikely to conclude until November 2016. Officers believe it will be challenging but possible to provide Members with a Gateway 4/5 report in December, with a view to implementing the scheme in early April 2017. 3. The budget that was agreed in February 2016 of £300,000 is not going to be sufficient to reach the next gateway. This is due to the need to create the new 2018 traffic modelling base,
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	<p>the increased level of engagement with stakeholders ahead of finalising the proposals and the need to undertake pre-planning work ahead of the approvals to ensure delivery of the scheme as quickly as possible, if approved. This report seeks approval of a further £87,100 to complete the necessary work to cover increased fees and increased staff time. A breakdown of this can be seen in Appendix 1, table 2.</p> <p>4. It is estimated that a budget of £387,100 is required to reach gateway 4/5. The extra funds are requested to cover the following changes:</p> <ul style="list-style-type: none"> a) A longer programme for the traffic modelling element of the work which is also more complex than first anticipated requiring more fees than originally budgeted for; b) A delay in the programme meaning that the Gateway report, originally planned for September 2016, will now be submitted in December 2016. This incurs additional staff cost in managing activity over a longer period of time; and c) An increase in expected staff hours for the design and engagement activities to design out more issues ahead of the experimental traffic order to reduce the risk to the success of the experiment, and to keep local stakeholders informed of progress. <p>5. It is also worth noting at this stage that the whole project cost is likely to increase. A variety of options for how we sign and enforce the scheme is being estimated to allow flexibility, improved enforcement and improved aesthetics. A full breakdown of costs will be provided at the gateway 4/5 report once detailed design and cost estimates are completed and collated.</p>
<p>2. Last approved limit</p>	<p>6. The previous committee report (an issues report in February 2016) stated that an allocation of £300,000 was necessary to get to the next gateway (4/5).</p> <p>7. Table 1 in the Appendix shows the budget, spend and commitments at the end of August 2016.</p>
<p>3. Options</p>	<p>8. At this time the most practical option to recommend to fund the required £98,571, is to utilise funds from a small number of section 106 projects, as shown in Appendix 1, table 3. This uses interest accrued from those agreements which has not been utilised nor currently allocated or needed for other schemes. The 125 Old Broad Street transport (interest) contribution is required to be returned to the developer in February 2017 if unused, and the principal sum is already allocated to the Bank Junction Programme. Likewise the Mondial House transport principal contribution is already</p>

	<p>allocated to this project, and therefore would be sensible to allocate the remaining associated interest. The other deposits are in small amounts and individually are unlikely to deliver anything of significance in their original project location. These funds can all be used at Bank.</p> <p>9. Transport for London (TfL) have already contributed almost £170,000 towards this scheme and do not have any further funds available from the Major Schemes pot at the present time. They have communicated that they will consider further funds towards the implementation of the scheme.</p>
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Appendices

Appendix – Table 1	Spend to date
Appendix – Table 2	Proposed budget changes
Appendix – Table 3	Proposed funding sources

Contact

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Appendix - Financial Information

Table 1 - Spend to-date

16100335 - Bank Junction Interim Safety Scheme				
Description	Current Budget	Commitments	Spent	Balance
Highways	30,000	5,213	9,788	14,998
P&T Staff Costs	155,000	29,997	103,863	21,140
Fees	115,000	43,897	71,046	56
TOTAL	300,000	79,108	184,698	36,195

Includes spend and commitments until the end of Aug 2016

Table 2 - Proposed Budget required to reach next Gateway (4/5)

	Current Budget	Proposed Adjustment	Proposed New Budget	% Change
Highways Staff Costs	30,000	-	30,000	
P&T Staff Costs	155,000	64,800	219,800	
Staff Costs Total	185,000	64,800	249,800	35%
Fees	115,000	22,300	137,300	19%
TOTAL	£ 300,000	£ 87,100	£ 387,100	29%

Table 3 - Funding Sources

Description	
Existing Funding:	
TfL Financial Year 2015/16 - Major Schemes	120,000
TfL Financial Year 2015/16 - Major Schemes unspent	-11,471
Mondial House s106 - Transport	120,000
TfL 2016/17 - Major Schemes	60,000
New Funding Sources:	
125 Old Broad Street - Transport (interest)	47,837
Faraday Bldgs s106 - Transport (interest)	10,274
New Court (1-10 St Swithin's Lane) S106 - Transport (interest)	8,772
Mariner House S106 - Transport (interest)	5,399
Mondial House S106 - Transport (interest)	26,289
TOTAL	387,100

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