



## Resource Allocation Sub (Policy and Resources) Committee

**Date:** THURSDAY, 15 DECEMBER 2016  
**Time:** 12.15 pm  
**Venue:** COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

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

**Enquiries:** Angela Roach  
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Lunch will be served in the Guildhall Club at 1pm

N.B. Sections of this meeting may be subject to audio-visual recording

John Barradell  
Town Clerk and Chief Executive

## 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 6 October 2016.

**For Decision**  
(Pages 1 - 4)

4. **PROJECT FUNDING UPDATE**

Report of the Chamberlain.

*This report will be considered by the Policy and Resources Committee.*

**For Decision**  
(Pages 5 - 8)

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

Report of the Director of the Built Environment.

*This report has been considered by the Streets and Walkways Sub Committee, the Planning and Transportation Committee, the Projects Sub Committee, and will be considered by the Policy and Resources Committee.*

**For Decision**  
(Pages 9 - 30)

6. **EASTERN CITY CLUSTER - PUBLIC ART (YEAR 6 & 7-9)**

Report of the Director of the Built Environment.

*This report has been considered by the Culture, Heritage and Libraries Committee, the Streets and Walkways Sub Committee and the Projects Sub Committee.*

**For Decision**  
(Pages 31 - 40)

7. **THE CITY BRIDGE TRUST: PROPOSED REVENUE BUDGETS - 2016/17 AND 2017/18**

Report of the Town Clerk and Chamberlain.

**For Decision**  
(Pages 41 - 48)

8. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
9. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
10. **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**

11. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the Sub-Committee meeting held on 6 October 2016.

**For Decision**  
(Pages 49 - 52)

12. **NON-PUBLIC APPENDIX TO ITEM 4 [PROJECT FUNDING UPDATE]**

**For Information**  
(Pages 53 - 54)

13. **GUILDHALL COMPLEX - FINANCIAL RESTRAINTS REPORT**

Report of the City Surveyor.

*This report has been considered by the Finance Committee.*

**For Decision**  
(Pages 55 - 62)

14. **REQUEST FOR ADDITIONAL FUNDING OF THREE POSTS ON A FIXED TERM CONTRACT BASIS TO DELIVER THE EXPANDED CYCLICAL WORKS PROGRAMME.**

Report of the City Surveyor.

**For Decision**  
(Pages 63 - 68)

15. **FUNDING OF THREE ADDITIONAL STAFF TO INVESTMENT PROPERTY GROUP, CITY SURVEYOR'S DEPARTMENT**

Report of the City Surveyor.

*This report has been considered by the Property Investment Board and the Finance Committee.*

**For Decision**  
(Pages 69 - 78)

16. **CITY OF LONDON CORPORATION GRANTS REVIEW: GRANT FUNDING FOR CHRIST'S HOSPITAL AND KING EDWARD'S SCHOOL WITLEY**

**For Decision**

- a) Education Board Resolution (Pages 79 - 80)

To consider a resolution of the Education Board regarding grant funding for Christ's Hospital and King Edward's School Witley.

- b) City of London Corporation Grants Review: Grant Funding for Christ's Hospital and King Edward's School Witley (Pages 81 - 110)

Report of the Town Clerk.

*This report has been considered by the Education Board and will be considered by the Policy and Resources Committee.*

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

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

# Agenda Item 3

## RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Thursday, 6 October 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, 6 October 2016 at 12.00 pm

### Present

#### Members:

Mark Boleat (Chairman)  
Jeremy Mayhew (Deputy Chairman)  
Deputy Roger Chadwick  
Henry Colthurst  
Simon Duckworth  
Deputy the Revd Stephen Haines  
Edward Lord  
Deputy Catherine McGuinness  
Deputy Joyce Nash  
Sir Michael Snyder  
Deputy John Tomlinson  
Alderman Sir David Wootton

#### In Attendance

Vivienne Littlechild

#### Officers:

John Barradell	-	Town Clerk and Chief Executive
Peter Kane	-	Chamberlain
Caroline Al-Beyerty	-	Financial Services Director
Paul Wilkinson	-	City Surveyor
Peter Young	-	City Surveyor's Office
Iain Simmons	-	Department of the Built Environment
Bob Roberts	-	Director of Communications
Paul Nagle	-	Chamberlain's Department
Esther Sumner	-	Open Spaces Department
Simon Murrells	-	Assistant Town Clerk
Angela Roach	-	Principal Committee and Members Services Manager

#### 1. APOLOGIES

Apologies for absence were received from Stuart Fraser, Stephen Haines, Hugh Morris, Alderman Andrew Parmley, Giles Shilson and Tom Sleigh.

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

There were no declarations.

3. **MINUTES**

The minutes of the meeting held on 7 July 2016 were approved.

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

The Sub-Committee considered a report of the Director of the Built Environment concerning the progress of the experimental safety scheme as part of the improvements to Bank Junction and the reallocation of Section 106 funding to the Scheme.

A Member reminded the Sub-Committee of the role of the Projects Sub-Committee in determining the method by which a project should be undertaken and questioned whether that Sub-Committee had been consulted on the final experimental option being pursued. Members were advised that an options paper had been considered earlier this year by the relevant Sub-Committees, including the Projects Sub-Committee, and that the purpose of the current report being considered was to take the preferred experimental option to the next stage.

It was suggested that the reallocation of funding be delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman for approval subject to confirmation that an options paper had been considered by the Projects Sub-Committee previously. Members supported the suggestion.

RESOLVED – That the reallocation of funding totalling £98,571 be delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman for approval, subject to confirmation that an options paper had been considered by the Projects Sub-Committee previously.

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

There were no questions.

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

There were no urgent items.

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 I of the Schedule 12A of the Local Government Act.

**Item Nos.**

**Paragraph(s) in Schedule 12A**

8 - 12

3

## **Part 2 - Non-Public Agenda**

**8. NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 7 July 2016 were approved.

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

The Sub-Committee considered and agreed a joint report of the City Surveyor, the Chamberlain and the Commissioner of the City of London Police on the progress of the Police Accommodation Strategy.

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

The Sub-Committee considered and agreed a joint report of the Headmaster of the City of London Freemen's School and the City Surveyor concerning the progression of works to the Main House as part of Phase 2 of the School's Masterplan.

**11. OPERATIONAL PROPERTY REVIEW - PROGRESS**

The Sub-Committee considered and agreed a report of the City Surveyor outlining the progress of the Operation Property Review.

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

The Sub-Committee considered and agreed a report of the City Surveyor concerning repairs and maintenance of the Poultry Market.

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

There were no questions.

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

There were no urgent items.

**The meeting ended at 12.35pm**

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Chairman

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<b>Committee(s):</b>	<b>Date(s):</b>
Resource Allocation Sub Policy and Resources Committee	For decision For decision 15 December 2016 15 December 2016
<b>Subject:</b> Project Funding Update	<b>Public</b>
<b>Report of:</b> The Chamberlain	<b>For Decision</b>
<b>Report author:</b> Caroline Al-Beyerty, Chamberlain's Department	

### Summary

This report seeks approval to one-off funding of up to £799k to allow two new proposals to be progressed to the next gateway and to provide top-up loan funding for two Barbican SBR schemes. The Priorities Board, the officer group created to provide a more holistic approach to the allocation of project finance, proposes that these requests be met from the 2016/17 City Fund annual provision for new schemes. Annual provisions have been set aside in both City Fund (£2m net) and City's Cash (£3m) to provide a degree of flexibility to fund smaller value new capital schemes as they arise.

A summary of the forecast position for the 2016/17 annual provisions is shown below:

	City Fund £m	City's Cash £m
2016/17 provisions	2.000	3.000
Allocations previously agreed	(0.036)	(0.036)
New Requests:		
• Relocation of Adult Skills and Education Service to City Business Library	(0.071)	-
• Barbican Estate New Baggage Stores (SBR)	(0.610)	-
• Barbican Centre SBR loan top-up funding:		
- Frobisher Crescent Level 4	(0.052)	-
- New Retail Unit	<u>(0.066)</u>	-
	(0.799)	
<b>Unallocated balance remaining</b>	<b>1.165</b>	<b>2.964</b>
Future potential requests	(1.137)	(2.307)
Forecast Headroom after allowing for Future Potential Requests	0.028	0.657

If these requests were agreed the balance remaining for City Fund would be £1.165m. There are currently no new requests for funding from the City's Cash provision which has an unallocated balance of £2.964m.

Details of the schemes to be funded including future potential requests are contained in the Appendix.

There is also a separate request for funding of £671k from the On Street Parking Reserve towards the cost of implementing the Bank Junction Experimental Safety Scheme, which is supported by the Priorities Board. This is the subject of a separate report on today's agenda.

### **Recommendations:**

It is recommended that Members agree to the following requests for funding totalling £799k from the 2016/17 City Fund provision for new schemes:

- Relocation of Adult Skills and Education Services to Guildhall Business Library – a contribution of up to £71k, dependent on the project sum approved at Gateway 5 by the Chief Officer after procurement;
- Barbican Estate New Baggage Stores (SBR proposal) – a provision of up to £610k, (including £19k to progress to the next gateway) with the remainder of £591k dependent on the project sum approved at Gateway 5 by the Chief Officer after procurement;
- Top-up loan funding for two Barbican Centre SBR proposals to cover cost increases:
  - Frobisher Crescent Level 4 - £52k
  - New Retail Unit - £66k;

.all subject to the requisite approvals by other committees.

### **Main Report**

#### **Background**

1. The Policy and Resources Committee have agreed to set aside sums of £24m (£3m per annum) over the period from 2012/13 to 2019/20 in both the City Fund and City's Cash financial forecasts (£48m in total) to provide a degree of flexibility to fund smaller value new capital schemes as they arise.
2. In June 2012, the Policy and Resources Committee agreed that only projects that are considered essential and which fit within the following categories may be approved at Gateways 1-4 of the Project Procedure, until further notice:
  - 1) Health and safety compliance
  - 2) Statutory compliance
  - 3) Fully/substantially reimbursable
  - 4) Spend to save or income generating, generally with a short payback period (as a rule of thumb within 5 years)

In addition, under exceptional circumstances, other projects considered to be a priority by the Resource Allocation Sub-Committee will be allowed to proceed.

3. The majority of projects working their way through the early gateways are to be funded either from internal ring-fenced sources such as the Barbican Centre and GSMD Capital Caps and the City Surveyor's Designated Sales Pools or from external sources such as Section 106 deposits and Government/Transport for London grants which are restricted for specific purposes.
4. Decisions about the allocation of resources for those projects that do not have access to these sources of funding are generally taken when a scheme reaches Gateway 4a – Inclusion in Capital Programme, although requests at earlier gateways are also arising on a more frequent basis. To help members to prioritise the allocation of City resources to projects from a wide range of funding sources, the

Priorities Board has been created to provide a more holistic approach to the allocation of project finance, by considering bids for funding from a range of available (less constrained) sources, including in particular future receipts from the unallocated pots of the City's Community Infrastructure Levy (CIL).

5. The 2016/17 provisions for new schemes amount to £2m for City Fund (£3m less £1m for the existing Museum building) and £3m for City's Cash.

### Requests for Funding

6. There are four requests for funding totalling £799k and the Corporate Priorities Board has identified the 2016/17 City Fund annual provision for new schemes as the most appropriate source of funding.
  - Relocation of Adult Skills and Education Services to Guildhall Business Library – a contribution of up to £71k. This proposal is classified as an **essential** scheme as it facilitates the construction of a new academy school and affordable housing on the old Richard Cloudesley School site. The contribution of £71k represents the proportion of the £250,000 cost which remains unfunded after applying existing S106 and local risk monies. The actual sum required will be confirmed at authority to start work stage (gateway 5) to be approved by the Chief Officer in accordance with the Project Procedure.
  - Barbican Estate New Baggage Store Installation – funding of up to £610k, including £19k to reach the next gateway. This is classified as an **advisable income generation** scheme which is being progressed to achieve **SBR** target savings, with an anticipated payback period of approximately 3.5 years. A sum of £19k is requested to reach the next gateway, with the balance of £591k being an upper limit based on estimates – the actual sum required will be confirmed at authority to start work stage (gateway 5) to be approved by the Chief Officer in accordance with the Project Procedure.
  - Top-up loan funding to cover cost increases on two Barbican Centre **SBR** schemes:
    - Frobisher Crescent Level 4 – additional sum of £52k. The original approved cost of the scheme was £500k – the increase is to cover unforeseen construction issues related to electrical works and replacement of screens and doors
    - New Retail Unit – additional sum of £66k. The original approved cost of the scheme was £589k – the increase is to cover costs of time delays and necessary changes to specifications which came to light after works had started.

The above requests are subject to the requisite approvals from other committees.

7. The forecast position for the 2016/17 annual provisions is shown in the report summary above.
8. If the City Fund requests were agreed, a balance of £1.165m would remain. A number of future potential requests amounting to £1.137m have been identified to date, which would result in a headroom balance of just £28k if all were eventually progressed.
9. There are no new requests for City's Cash funding and an unallocated balance of £2.964m remains. Future potential requests amounting to £2.307m have been identified (excluding a provision for the West Ham Park Nursery site which as yet is unquantified) which would result in a forecast headroom of £657k if all were to be progressed.

10. Details of the schemes requiring funding, the resulting implications on the 2016/17 annual provisions and also schemes which may require funding in future years is provided in the Appendix.

### **Conclusion**

11. There are four requests for funding totalling £799k and the Corporate Priorities Board has concluded that the 2016/17 City Fund provision for new schemes provides the appropriate source of funding.
12. There are adequate resources available to meet these requests. After allowing for future potential requests for funding which have been identified to date, the unallocated balances are currently forecast at £28k and £657k for City Fund and City's Cash respectively.

**Appendix** – Detailed schedule of projects requiring funding from the 2016/17 and future year provisions for new schemes

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<b>Committees:</b>	<b>Dates:</b>	
<ul style="list-style-type: none"> <li>• Streets and Walkways Sub-Committee</li> <li>• Planning and Transportation Committee</li> <li>• Projects Sub-Committee</li> <li>• Resource Allocation Sub-Committee</li> <li>• Policy and Resources Committee</li> </ul>	06/12/2016 (for information and comment only)	13/12/2016
	14/12/2016	15/12/2016
	15/12/2016	
<b>Subject:</b> Bank Junction Improvements: Experimental Safety Scheme	<b>Gateway 4/5 Authority to Start Work Regular</b>	<b>Public</b>
<b>Report of:</b> <b>Director of the Built Environment</b> <b>Report Author:</b> Gillian Howard		<b>For Decision</b>
<b><u>Summary</u></b>		
<p>• <b><u>Dashboard</u></b>            Project Status: Green            Timeline: Gateway 4/5            Total estimated Cost: up to £1,179,100            Spend to date approx. £373,000            Approved Budget: £387,100 (October 2016 issues report)            Overall Project Risk: Green</p> <p><b><u>Summary</u></b>            The proposal is to make Bank Junction safer and improve, or at least maintain, the average vehicle journey time in the total modelled area (roughly bounded by Cannon Street, Bishopsgate, London Wall and New Change/St Martin Le Grande). General traffic will be restricted from the junction during the working day, Monday to Friday 0700 to 1900. Over the last year, officers have worked with TfL on the traffic modelling and design. Officers have also engaged extensively with the local community to develop the design in detail; to best meet the needs of the local and wider communities. The scheme has been considered by the Roads Space Performance Group (RSPG) at TfL, on a technical basis, and it supports the recommended option.</p> <p>The scheme delivers;</p> <ul style="list-style-type: none"> <li>• A highly significant casualty reduction at Bank;</li> <li>• Average general traffic journey times of a neutral/slightly positive benefit compared to the do nothing option; and</li> <li>• Significant benefits for the London bus services in the modelling area.</li> </ul> <p>To make sure that the scheme delivers maximum benefit, it is proposed to implement it using an experimental traffic order. This approach will allow modifications to be made if necessary and allow appropriate monitoring to take place.</p>		

## **Recommendations**

### **Streets and Walkway's Sub Committee:**

1. To note the contents of this report for information and make comment.

### **Planning and Transportation Committee and Projects Sub-Committee:**

2. Approve the recommendation to proceed to implementation of the experimental safety scheme at Bank to be bus and cycle only Monday to Friday, 0700 -1900 for a period of up to 18 months by use of an experimental traffic order.
3. Approve delegated authority to the Chairman and Deputy Chairman to agree the procurement for the temporary enforcement cameras if not within the estimated budget range.
4. Approve the budget of £792,000 to implement, monitor and report back to committee the outcome of the experimental scheme within 18 months of the scheme becoming operational.
5. Approve the inclusion of any further Transport for London funding to the project budget that arises after this committee decision.

### **Resource allocation Sub-Committee:**

6. Approve the allocation of the S106 deposits set out in Table 3 (Appendix 1) totalling £121,052 to the Bank junction experimental safety scheme
7. Approve the allocation of up to £670,948 from the On Street Parking Reserve account to the Bank Junction experimental scheme.
8. Approve the inclusion of any Transport for London funding to the project budget that arises with a report to this committee to confirm the inclusion and resultant balance on the On Street Parking Reserve or S106 contributions.

### **Policy and Resources Committee**

9. To approve the experiment to restrict motor vehicles crossing Bank Junction to be bus and cycle only Monday to Friday, 0700 -1900 for a period of up to 18 months.

## **Overview**

Since the Issues report in October 2016:-

- Completed and gained approval of the traffic modelling results by TfL;
- Road Space Performance Group (TfL) agreed the scheme from a technical perspective;
- Completion of the detailed design and submission and completion of the stage 1 and 2 road safety audit, which assess the design for adverse safety implications so that remedial work to the design can take place;
- Cost estimates collated; and
- Continued engagement with stakeholders.

To date the project has expended approximately £373,000 to reach this gateway 4/5 report. This has been spent on the extensive traffic modelling required by TfL; topographical and radar surveys; staff costs to cover project management, stakeholder engagement, detailed design, planning for enforcement and proposed loading changes. Table 2 in Appendix A shows expenditure against budget line.

Officers have also reported to the public inquest in July 2016 into the fatality at the junction in June 2015. The City were asked to attend pre-inquest hearings, submit written evidence for the inquest and were also invited to be present during the hearing. The Coroner also asked to ensure that relevant points and findings were taken into consideration for the future proposals for change at Bank. As requested, information from the hearing has informed the development of the recommended proposals. The Coroner felt that given the evidence submitted by the City around the work that was being done to make changes at Bank, nothing constructive could be added by way of a preventative death report on this occasion. There is therefore an expectation that measures to improve safety in this complex location will be brought forward.

The proposed experimental Safety Scheme is a way of delivering a safety benefit for the public as soon as possible whilst further consideration of the long term changes for Bank continues. The experimental scheme will not solve all safety aspects at Bank, but will make a significant difference without the need for significant infrastructure changes; which will take more time to plan and deliver.

Under section 122 of the Road Traffic Regulation Act 1984 (RTRA), the City as highways authority must exercise its powers under the RTRA so as to secure the expeditious, convenient and safe movement of vehicular and other traffic including pedestrians, and the provision of suitable and adequate parking facilities on and off the highway. These powers must be exercised so far as practicable having regard to the following matters:-

- (a) the desirability of securing and maintaining reasonable access to premises.
- (b) the effect on the amenities of any locality affected including the regulation and restriction of heavy commercial traffic so as to preserve or improve amenity.
- (c) the national air quality strategy.
- (d) facilitating the passage of public service vehicles and securing the safety and convenience of their passengers.
- (e) any other matters appearing to the City to be relevant.

Under Section 149 of the Equality Act 2010 the public sector equality duty requires public authorities to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation
- Advance equality of opportunity and
- Foster good relations between those who share a protected characteristic ( i.e. race, sex, disability, age, sexual orientation, religion or belief, pregnancy or maternity, marriage or civil partnership and gender reassignment) and those who do not.

Part of the duty is to have “due regard” where there is disproportionate impact and to take steps to mitigate the impact, on the basis that it is a proportionate means has been adopted towards achieving a legitimate aim.

• Proposed way forward

The evidence collated and modelled shows a strong case for implementing, on an experimental basis, a restriction on all vehicles, other than buses and cycles, crossing Bank Junction between the hours of 0700 to 1900 Monday to Friday, excluding Bank Holidays. This is the time period that 75% of collisions occur at Bank and it is anticipated that between 50-60% casualty savings can be made with the recommended Scheme.

It is therefore recommended that the experiment permits buses to continue to cross the junction during the restricted hours, along with pedal cyclists. This strikes a balance between the high people movement function of the junction and its approaches, whilst making a significant improvement to safety, particularly for pedestrians and cyclists. By restricting the number of turning movements and vehicle journeys through the junction the probability of a collision and serious injury is reduced.

Chart 1 below illustrates how the junction would operate, in terms of casualty numbers, in a purely controlled environment (i.e. no vehicles permitted at all on the approach arms or across the junction, save for bus and cycle movements or bus cycle and taxi movements), projected back over the last five years. The casualty saving overall would have been 85% if it had have been bus and cycle only. The proposed experimental Safety Scheme is not recommended to be implemented on a pure controlled basis – vehicles are permitted access on the approach arms, with bus and cycle movement permitted through the junction during the restricted time period. Therefore the casualty saving potential is not likely to be as great as shown in Chart 1; however officers believe a 50-60% casualty saving is still achievable (which is on average between 11 and 13 casualties a year saved).



### Casualty Comparison: 2011 to 2015

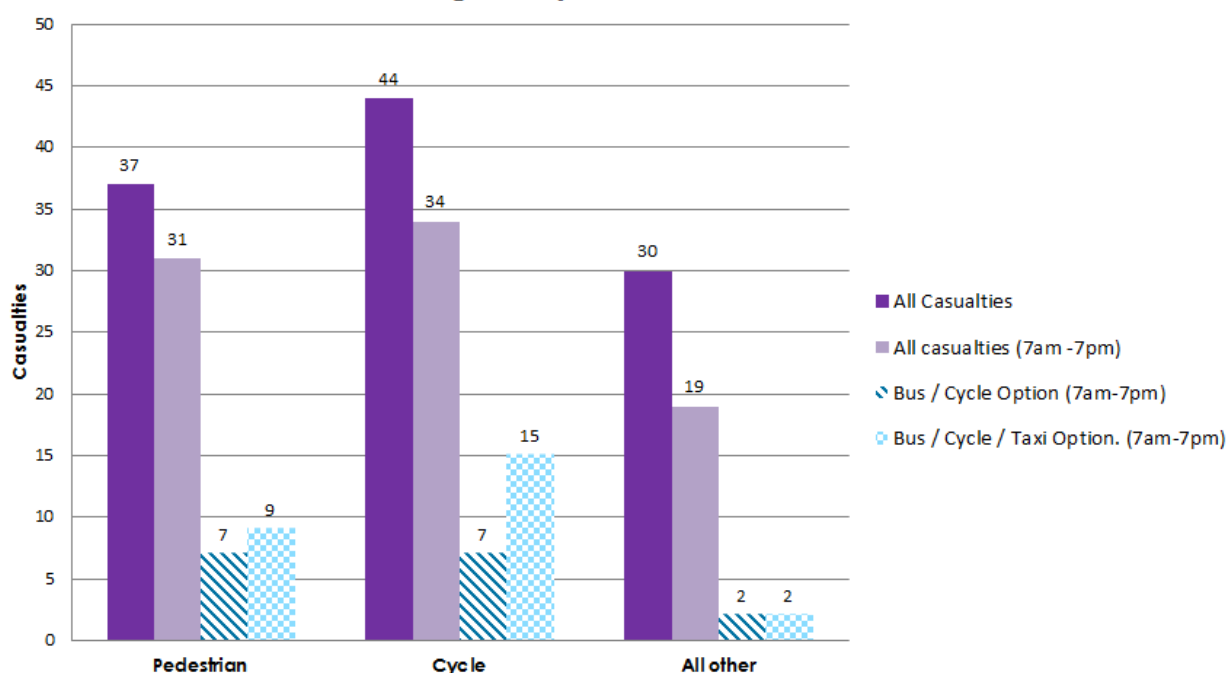


Chart 1: illustration of the impact of completely restricting vehicles in the Bank area.

The proposed Scheme makes provision for vehicle access to be permitted up to the boundary of the restricted part of the junction (marked purple on Diagram B below) for anyone with a need to visit a property, pick up and drop off a passenger, or deliver goods and services. This compromise to the design means that there are only a small number of properties that will experience some change to their servicing ability. There will also be the need for some rerouting to access properties. Therefore, the negative aspects of the restriction are expected to be limited to a few occupiers and this aspect will be monitored throughout the period of the experiment to inform future decision-making. The support for a change to improve safety at this location is widespread and is considered to outweigh the expected minor disbenefits. The volume of motor vehicles on the approach arms is expected to decrease in any event and therefore there should be an improvement in safety terms on these approaches as well as at the junction.

In the overall balance, while there is a negative impact on a few occupiers at the junction and officers are working to deliver a more flexible scheme for them without diminishing the safety benefit, it is believed that the benefits significantly outweigh the few negative impacts and it is recommended that Members agree to the implementation of this experiment and the outlined monitoring regime.

#### • Total Estimated Cost

The total estimated implementation cost of this scheme is £792,000. This covers the cost of:

- pre-implementation communication exercise;
- the physical implementation of the signs and lines and other physical changes;
- temporary enforcement cameras;
- on-going monitoring;
- formal public consultation and the analysis of the data; and
- staff costs.

At the end of the process, there will be a further report to Committee which is likely to

either recommend that the experimental traffic order is made permanent, or recommend alternative measures, or recommend that the junction return to its current operation.

The total estimated project cost is £1,179,100. The explanation for this is set out in section 5.

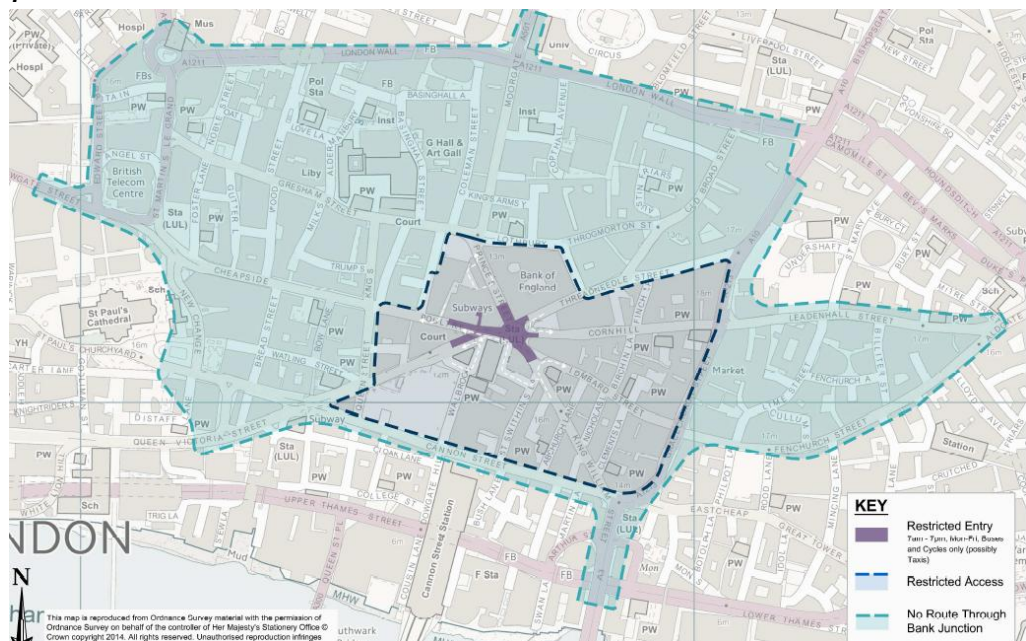
## Main Report

### 1. Design summary

In the last 12 months, Officers have worked closely with TfL to develop the design and technical work. In terms of physical changes there is very little that is required. The scheme's success relies heavily on a high compliance rate which is believed can be achieved by simple but effective signage, robust enforcement and good communication.

#### 1.1 Basics of the design

There are three layers to the design. The outer layer is the advanced warning of no through route at Bank. The inner layer is the restriction to allow access to properties but no through route. Lastly the inner centre; which is the area of the enforceable motor vehicle restriction. These can be seen in diagram A.



*Diagram A: Zones where signage strategy starts and changes*

The central part of this design can be seen more clearly in diagram B below.

The lighter grey area bounded by the dotted line effectively becomes an area that motor vehicles can enter to pick up and set down passengers and undertake loading and servicing activity at the kerbside. Without through-access to the junction, the desire to enter this grey area for any other purpose would be limited.

The dark area (purple) in the centre shows the extent of the proposed motor vehicle restriction and the beginning of the enforcement points. Within this area, vehicles that are not exempt will receive a Penalty Charge Notice (PCN) for a

moving traffic offence if they cross the junction during the operational hours of the scheme.

The white arrows indicate where servicing vehicles (some size restrictions) can gain access to the boundary of the junction restriction, but ultimately not across it. The route into Mansion House Place is covered by the existing access restriction from St Swithin's Lane which has rising bollards.

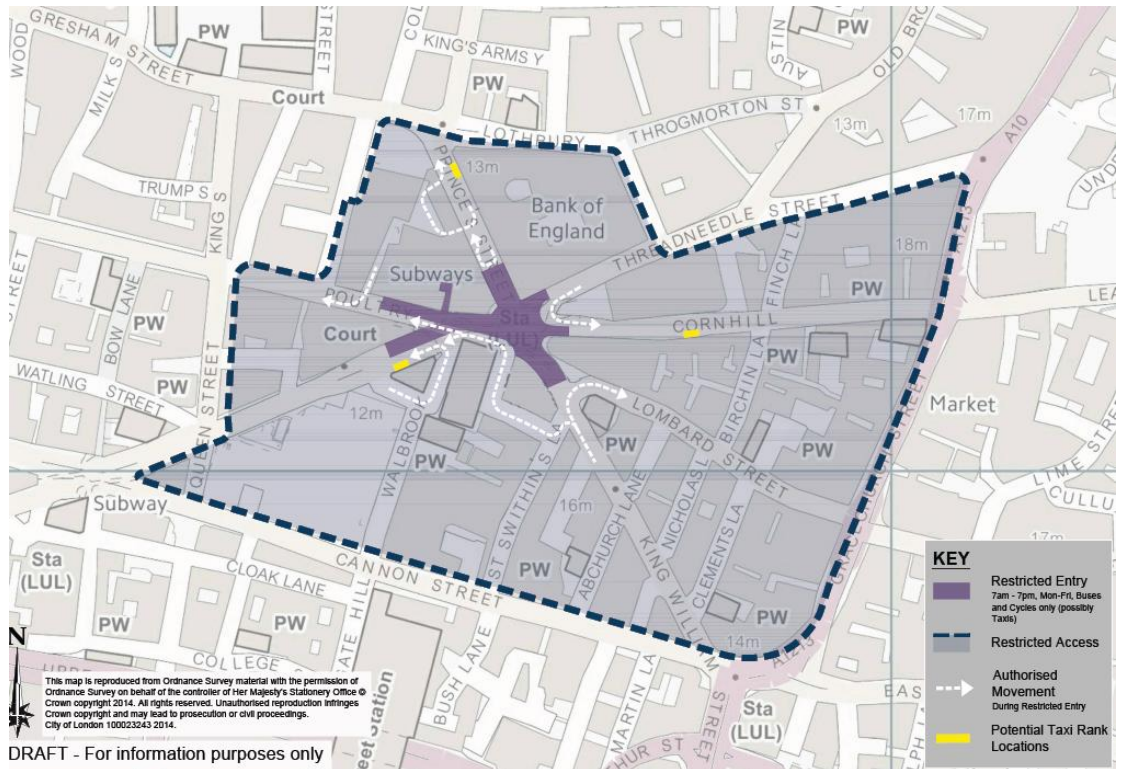


Diagram B: inner zone for access and restricted crossing movements.

The enforcement gateways are proposed to be signed as in diagram C, with a buff colour surfacing to make a visual demarcation on the highway.



Diagram C: Except buses and cycles signs.

### 1.2 Loading changes

It is necessary to make some loading changes in the wider area to prevent loading in some places where it is currently allowed, but in most cases alternative kerbside loading is provided nearby. These changes are proposed to counteract changes in traffic flow on some streets so as not to cause pinch

points on the network. The City is required to balance the competing demands of kerbside activity and secure the expeditious movement of traffic. On balance there will be a reduction in the amount of kerbside available for loading activity between 0700 and 1900 in the local area. Officers will, as part of the communication exercise, encourage businesses to consider using their service bays more often (where they have them) and consider retiming of deliveries where possible. If there is opportunity for other delivery consolidation to take place the City will assist where it can to encourage and facilitate this. These proposed loading changes will form part of the experimental traffic order, and will be monitored.

### **1.3 Enforcement**

It is proposed that the City enter a procurement process to obtain a set of temporary automatic number plate recognition (ANPR) cameras to enforce during this experimental period. The cameras would record all contraventions and submit them to the City for our ordinary enforcement procedures to take place. A penalty charge notice (PCN) would be issued to every motor vehicle that contravenes the experimental traffic order, every time it occurs. The PCN would be £130, reducing to £65 if paid within 14 days.

The reason for using unattended enforcement cameras for this experiment is to intended to produce a high level of compliance. The improved safety benefits will only be realised if there is a high compliance rate. The issuing of penalties encourages a high degree of compliance and rigorous enforcement will help achieve high compliance. People are less likely to repeat an offence if they get fined every time they do it. This does mean that in the early days of the experiment there is likely to be a high level of PCN's issued, but it is anticipated that within the first couple of months that this will decrease significantly. As is usual with this type of enforcement, there will be an initial period with warning notices issued rather than PCN's. If any revenue is generated from the enforcement of this scheme it would be returned to the On Street Parking Reserve.

Officers are also working with the City Police and the City's Road Danger Reduction team to establish a programme of behaviour support at the junction to encourage compliance by pedestrian and cyclists to reduce potential conflict. In particular, officers are working with the City Police to establish a vigorous enforcement programme for when the scheme first goes live.

#### **City Police enforcement cameras**

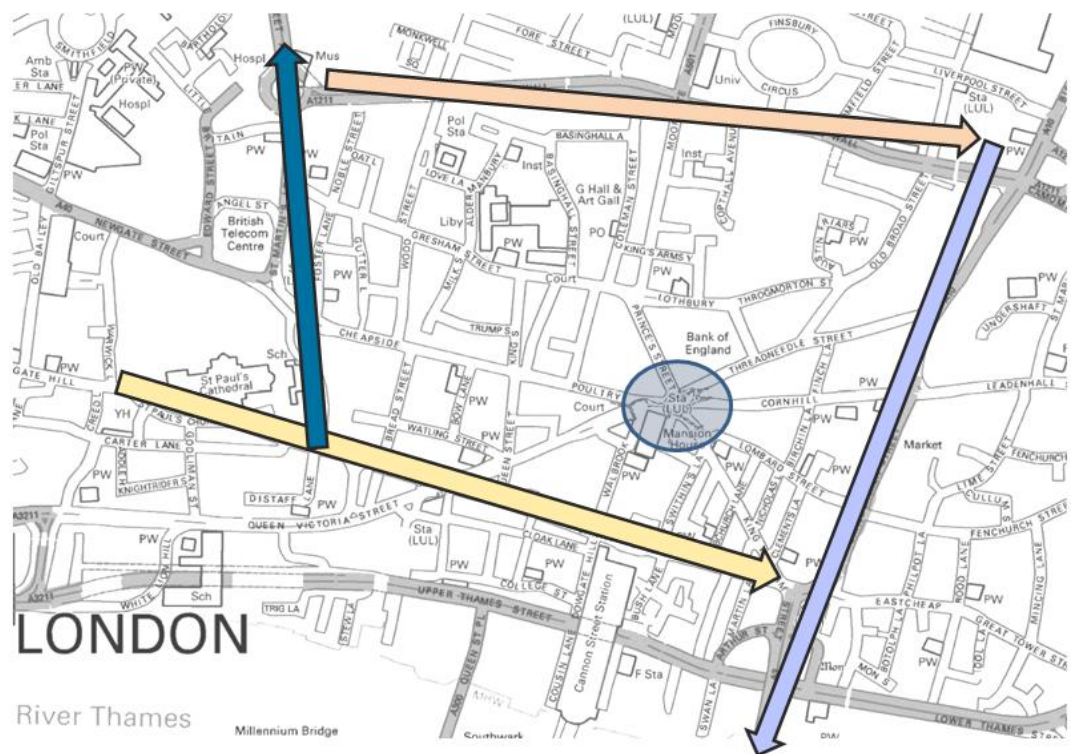
Unfortunately the timescales for the City Police Camera Upgrade programme at Bank and the Bank Safety Scheme do not align, which is why this temporary camera solution has been proposed. It has been assumed that the temporary cameras would be needed for a maximum of 18 months (how long an experimental traffic order can be in place before it expires). It is envisaged that within the lifetime of the experiment the City Police camera upgrade will take place. Should the experimental traffic order be made permanent at a later date, it is intended that the Police cameras will be used to continue the enforcement regime. Enforcement of the moving traffic offenses would remain with the City of London's enforcement team, but captured via the technology of the City Police cameras. If the Police cameras are operational by the time we reach the minimum contract term of the temporary camera solution, and before any

decision is made on the success of the experimental scheme, we could look to swap cameras at this point.

#### **1.4 What does this scheme do to traffic?**

The overall average impact on general traffic within the modelling area is neutral/slightly positive. Extensive traffic modelling has taken place with TfL in order for the City to be able to submit for TfL approval under the Traffic Management Act 2004. The modelling area was agreed with TfL based on the use of the Strategic ONE model, which covers Greater London, and seeing how far the impact of a closure at Bank would have in the surrounding area. The vast majority of the impact remains within the modelled area which is crudely bounded by London Wall, Bishopsgate, Cannon Street and New Change/St Martin Le Grande.

A neutral impact means that there are some streets which incur a small delay and other streets that have an improved journey time experience, but overall the average impact is neutral. TfL have focused their interest on the four key corridors that crudely outline the detailed modelling area (as seen in Diagram D), which you would expect to work harder under this proposal. In the morning peak there is a minimal impact across these key routes.



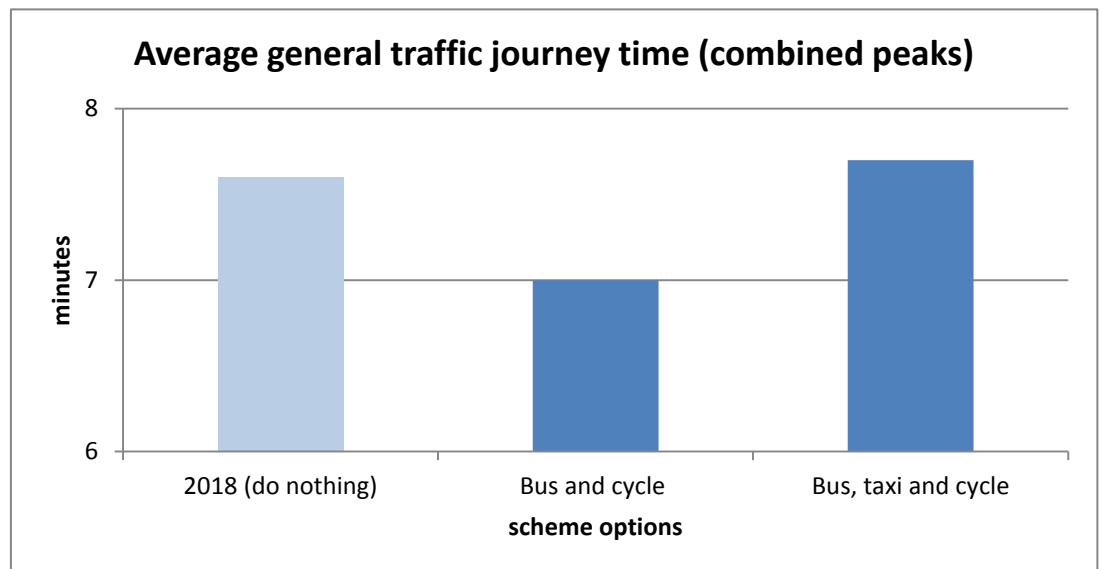
*Diagram D*

In the evening peak the model highlights a likely issue on Cannon Street. This is caused by a high demand in the model to turn right onto London Bridge at Monument Junction from Cannon Street. Given the layout of Monument junction, when the right turn is in high demand traffic blocks back past the traffic signals hindering the straight ahead eastbound movement thereby causing a delay.

As is the case now, Cannon Street in the evening peak has good and bad days regarding slow moving traffic approaching Monument. This is something that Officers intend to monitor during the experiment. With daily traffic flow fluctuations, the demand for the right turn will change daily during the peak periods which will change the impact on Cannon Street. The modelled output highlights that the occurrence of a delay on Cannon Street approaching Monument is likely to be more frequent.

It is felt that on balance, given the considerable benefits of the proposed Scheme, that the modelled increase in journey time on the Cannon Street link is acceptable. TfL's Road Space Performance Group agreed with this assessment.

Chart 2 shows the averaged modelled peak journey times for general traffic within the modelled area for the 'do nothing' scenario in 2018, i.e Bank being bus and cycle only; and Bank being bus, taxi and cycle only. As can be seen the combined average effect is that the bus and cycle scheme option has the potential to be more efficient for general traffic.



*Chart 2*

The proposal for bus and cycle only during the restricted hours at Bank balances the City's overarching duties as a traffic authority (securing the expeditious convenient and safe movement of traffic and having regard to the effect on amenities and the efficient use of the network avoiding congestion and disruption).

How is that possible?

It seems counter-intuitive to take traffic away from one area and redistribute it onto nearby streets with average journey times not increasing. In this instance, the reason is because Bank Junction, as it currently works, is extremely inefficient at moving vehicles. With six arms of traffic and a large expanse of surface between stop lines, the 96 seconds per cycle of traffic lights just doesn't go very far. The surrounding traffic lights have to allocate part of their traffic light cycle time to feeding the approach arms to and from Bank. If you reduce the demand for the approach arms by reducing the vehicles that can cross Bank, you can reallocate the surrounding signal times to give longer green times to

circulate more efficiently around the Bank area. Whilst distance travelled maybe greater, the journey time on average takes no longer, and is possibly improved.

#### Monument Junction

As previously discussed in the Gateway 3 report in December 2015, the reconfiguration of Monument junction is likely to be key for the longer term proposals for Bank. Monument Junction is a TfL managed junction. At the initial time of writing the gateway 3 report, it was anticipated that for the experimental safety scheme to work at its best, physical change to Monument Junction would be necessary. It has become clear that the only tool available to us in the short term is changing the signal timings to maximise the efficiency and demand.

With the physical constraint on the northbound London Bridge Approach reducing traffic to one lane, this has put added pressure on the traffic signals to have sufficient green time to try and prevent congestion south of the bridge. This and other complexities make Monument Junction a capacity pinch point regardless of whether the Bank experimental scheme is progressed.

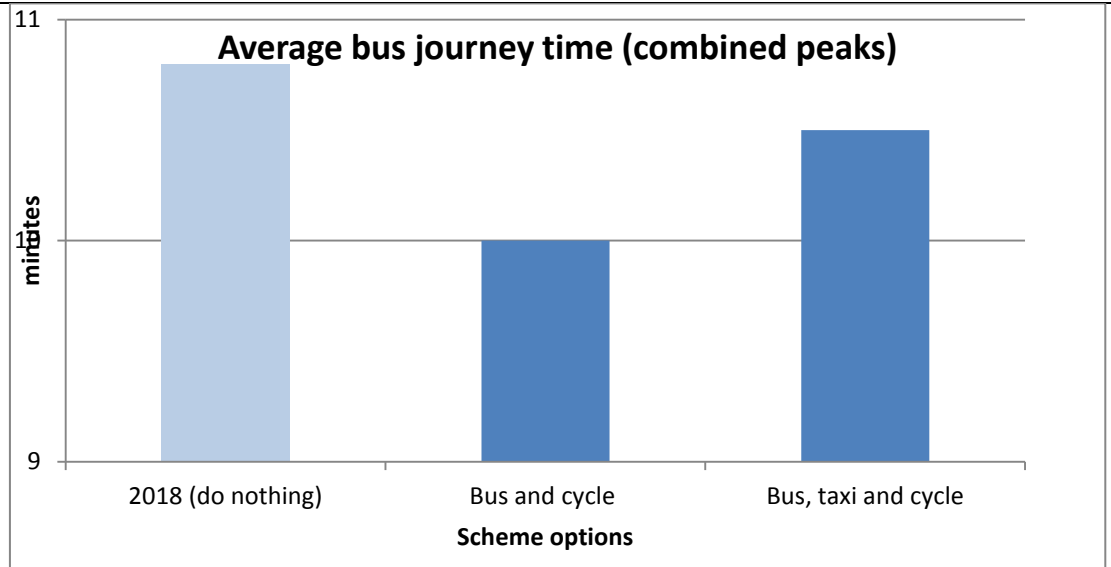
Officers have offered to work with TfL on developing plans to change Monument Junction so that it can better accommodate the large numbers of pedestrians and increasing numbers of cyclists.

#### **1.5 What happens to the bus services?**

The overall impact on bus services through the modelling area is beneficial. The experimental Safety Scheme offers the opportunity for some significant bus journey time benefits within the modelled area, of which there are 25 routes that pass through. In the morning peak period it is anticipated that 23 out of the 25 routes will see a journey time reduction. This is a significant potential saving for London bus passengers and a high probability of cost savings for London Buses.

In the evening peak, with the issues described around Monument junction and Cannon Street, 16 out of the 25 routes still experience a journey time benefit. However the improvements are more modest and balanced out by the delay to the remaining 9 routes to make a net neutral position in the evening peak.

When combining the peaks, the significant savings in the morning peak outweighs the neutral impact in the evening peak giving an average journey time saving per bus. This is demonstrated in Chart 3



*Chart 3*

Whilst on average there is a good news story for bus passengers, there are a couple of routes which the City is continuing to discuss possible mitigation measures for as part of this Scheme. The modelled journey time delay on these routes if realised could be costly for London buses as they may have to put another bus into service to keep to the existing frequency. Mitigation could include rerouting a service via Bank. These discussions are ongoing and have the potential to make the scheme work more efficiently in the evening peak.

Overall London Buses are supportive of the proposed changes and the benefits it could bring to their services.

### **1.6 Benefits to pedestrians**

At Bank the traffic signals will be altered to better reflect the reduced numbers of vehicles passing them. Pedestrians will have less time to wait for the next pedestrian phase, and therefore a greater opportunity to cross during the dedicated pedestrian time.

At this stage of the experimental scheme there is no proposal to alter the width of the footways surrounding the space, or remove any of the guard railing. This is something that can be followed up with at a later date as part of the longer term scheme proposals for Bank.

The experimental scheme will also trial the removal of the zebra crossing on Threadneedle Street, east of Bartholomew Lane. It is proposed to move the crossing point to the west side of Bartholomew Lane and be replaced with a pedestrian refuge, in the first instance. The new position of the crossing point will be in a less trafficked section for the pedestrians, meaning that there will be lots of opportunity to cross without the consequence of interrupting the diverted traffic flow to the east of Bartholomew Lane. Officers will monitor and engage with public on whether they feel the refuge meets their needs or whether they would prefer a zebra crossing in the new location.

In the wider area, where traffic signals are being retimed for this Scheme there are two locations where pedestrians will have to wait longer between pedestrian



phases in the traffic light sequence. This wait time is standard at many of the surrounding sets of signals. There are also four locations where the pedestrian phase in the signal sequence has been slightly reduced to balance the additional vehicle movements. This will be closely monitored and if there is an opportunity to redistribute time back to the pedestrian phase at these locations we will endeavour to do this.

The overall impact on pedestrians is neutral in terms of their experience within the modelling area.

### **1.7 Equalities**

The overall impact on equalities within the modelling area is neutral, but it is deemed that there is a possible adverse impact that could be created during the operational hours of the scheme. For those persons who are unable or would find it difficult to move between approach arms to be picked up or dropped off by a private vehicle or taxi, they could find they have to travel an additional distance if the approach arm they are on does not offer the same direction of travel they wish to go in. For example, if on Cornhill, which during operational hours is eastbound only, and a person wished to travel west, they would have to divert eastbound first and come back on themselves in a westerly direction. Therefore, if in a taxi or private hire vehicle, this may incur an additional cost and journey time increase as the vehicle would not be permitted to cross the junction during the operational times of the restriction. (Although when using buses or wheelchairs overall beneficial impacts will be experienced)

The experimental scheme does not prevent door to door access, but it would mean that some journeys will have to reroute and cover a greater distance in order to achieve this. This impact has been mitigated as far as possible by adjustments to the restricted area.

The scheme also requires the relocation of the disabled bays currently on Bartholomew Lane. Officers have undertaken monitoring and contacted regular users of the bays to discuss relocation sites. It is proposed to relocate two of the three bays on Cornhill, which during restricted hours will be significantly less trafficked. The remaining bay, at this time, has not been relocated.

Once again, on balance, the adverse impacts are felt to be outweighed. The impacts of the Scheme will be monitored to ensure that there is no disproportionate adverse impact and/or that any impact is minimised in accordance with the City's public sector equality duty.

### **1.8 Air Quality**

The overall impact on air quality in the modelling area is neutral. It is an important issue for the City, particularly at Bank where there are high numbers of pedestrians and cyclists, but where air quality is poor. Air quality monitoring across 20 sites at and near Bank has been undertaken for a year to give a base level data for NOx. Air quality modelling was also undertaken using the 2015 feasibility traffic modelling data to assess what the likely implications of the experimental safety scheme were on air quality.

The overall result is that as approximately the same number of vehicles move within the modelling area, whether or not they can travel across Bank Junction,

the model area remains a similar poor area for air quality. The difference is that the concentrations of NOx and particulate matters are likely to go up on some streets and down on others.

Although the overall impact on air quality is likely to be neutral, levels of air pollution at Bank junction itself will be lower and, as this area is heavily used by pedestrians, this will lead to a reduction in exposure to pollution. If as expected pedestrian numbers continue to rise in this location, this will be an added benefit.

Air quality is a strategic problem that needs tackling at a level beyond this experimental scheme. However the data that can be collected could be very beneficial to quantify what happens and provide evidence for making those strategic decisions.

### **1.9 What about taxis?**

The City agreed with the taxi trade union bodies in November 2015 that we would further investigate the options for taxis to continue to cross Bank Junction or get closer than originally outlined for this experimental scheme.

Under the proposal for bus and cycle only across the junction in the operational hours, the work to date shows that there is an average neutral to slightly positive benefit for journey times within the modelling area for general traffic.

The design of the restriction area has been developed over the course of the last 12 months by talking to the local occupiers and trying to accommodate their needs as best we can whilst maintaining the principle of reducing crossing movements at junction. This design would not have changed whether the recommendation was for buses and cycles only, or buses, taxis and cycles only.

The largest part of determining whether taxis should cross the junction in addition to casualty savings was the impact on general traffic journey times and bus journey times from the traffic modelling work. This information only became available in early November 2016, with finalisation of traffic modelling results in mid-November.

The results of this were that when the two peaks are combined, the impact of permitting taxis across the junction is neutral on bus journey times over the 25 routes. However, where taxis are not permitted, on average the bus journey times are noticeably reduced. In terms of general traffic journey times on the four key routes, there were unacceptable increases in journey times on Bishopsgate with taxis included.

The Road Space Performance Group at TfL agreed that the proposed bus and cycle only option was technically the best option in terms of performance of the network, bus journey time benefits and casualty savings.

The casualty saving will not be as high if the City permits taxis across the junction as part of this experimental scheme. The more vehicles that cross the junction the higher the probability is of a collision occurring. If permitted, Bank would be seen as a priority route for taxis and the numbers crossing the junction would be likely to increase compared to today's levels. This can be seen from the traffic modelling work.

The City recognises the important role that taxis play in the transport mix, and therefore have been investigating where additional taxi rank facilities nearer to the junction's restricted boundary could be accommodated. Officers have

identified three potential locations and will continue to progress these with the City Police and aim to deliver these ranks as part of the experimental traffic order. If the experiment were to be withdrawn, this would include any ranks that were also part of the experimental order.

### **1.10 How will we monitor if the scheme is working well**

There is a plan to set up a monitoring and performance group with TfL so that we can ensure that we are able to monitor the scheme effectively. There will be a need to monitor the traffic signals that would need to be altered as part of this scheme. TfL are able to alter signal timings to adapt to changes in conditions in order to keep traffic flowing. If the signal timings are not generally running on the experimental scheme timing sequence then the traffic flow implications will be different to those modelled. This needs to be monitored so that we can understand the impact of the scheme has on traffic movement and the interaction with other external factors.

This group will establish the best way to monitor traffic movement and journey times, such as bus journey time data which is constantly monitored, and possibly queue length data at key junctions.

Clearly, one of the key success criteria for whether or not the scheme is working is around casualty numbers falling at Bank. It also important to monitor the wider area for any changes in trends of collisions that could be as a consequence of the experimental scheme. The City will do this with the City Police.

It is also intended that attitudinal/perception surveys will be undertaken before and after the change to assess how people feel about safety as well as numerical data on reported casualties.

It is planned that the introduction of this scheme would be managed in the same way that the City manages events on the highway. A managed structure will be in place to take decisions should any aspect of the scheme need tweaking in the initial roll out to give the scheme the best chance of success. Resources will be deployed as necessary to manage the on street activity and report back into the management chain any unexpected consequences.

### **1.11 Resilience of the network**

There are legitimate concerns regarding the resilience of the network with Bank restricted Monday to Friday. A resilience plan is being prepared using the traffic model to scenario test a number of key road closures and how that would work with restrictions in place. We can then plan to suspend the experiment when it is essential for street works to take place that would otherwise cause significant impacts on the surrounding network in order to maintain a resilient network.

### **1.12 Community engagement and support**

Officers have engaged with local businesses to develop the design, but also on a wider scale. Through the Project Board we have discussed the proposals with board members, including Bloomberg, City Property Association, Cheapside Business Alliance, London Underground and Oxford Properties. Overall there is support for the approach the project has taken to develop this proposal. From

	<p>the Project Board we have also undertaken to discuss the proposals with the Cheapside Business Alliance Board and the City Property Association members, and again received positive feedback. The London Cycling Campaign and Living Streets are also supportive.</p>
<b>2. Delivery team</b>	<ul style="list-style-type: none"> <li>• Project management, stakeholder engagement and communication services will be provided by the project team within City Transportation.</li> <li>• Highway construction works (signs and lines) will be delivered by the City's Highway Term Contractor (J.B.Riney &amp; Co. Limited) with supervision undertaken in-house by City Highway Engineers.</li> <li>• Joint monitoring group City of London and TfL to monitor and collect the evidence of the impact of this scheme.</li> <li>• Enforcement of the scheme will be managed by the City's Parking ticket office.</li> </ul>
<b>3. Programme and key dates</b>	<p>Seek Approval – December 2016</p> <p>Pre- scheme engagement and communication January to April 2017</p> <p>Operational end of April 2017</p> <p>Public Consultation – May- October 2017</p> <p>Monitoring – on-going.</p> <p>Report Back – Summer 2018</p>
<b>4. Outstanding risks</b>	<ol style="list-style-type: none"> <li>1) Procurement of the ANPR cameras taking place within the time for the proposed operational date and having a testing period.</li> <li>2) Ensuring that all of the new traffic signal timing software is installed in time</li> <li>3) The negative reaction of drivers who are no longer permitted to cross the junction</li> </ol>
<b>5. Budget</b>	<p>It is anticipated that an additional maximum budget of £792,000 will be required to implement, monitor, consult and report back to Members before the 18 month experimental order time period expires. These figures are based on the maximum amount of time the experiment could run for.</p> <p>There will be significant amounts of officer time required to communicate on a wide scale, particularly with drivers who currently cross Bank. There will also be a lot of local business and resident communication on the lead up to the go live date. Then, the formal public consultation exercise which will last for six months.</p> <p>We are currently in discussion with TfL regarding their possible contribution to the implementation and monitoring of this scheme. Unfortunately as the key data from the traffic model did not materialise as quickly as hoped, TfL were unable to confirm their commitment to part funding of this scheme before the submission of this committee report. It is proposed that until there is confirmation from TfL that the remaining funding is taken from the On Street Parking Reserve. This is done in acknowledgement that there may not be a further contribution from TfL.</p>

Our experience from other projects has been that owing to cancellation/slippage of other projects in their annual programme, that TfL are often able to reallocate funds from other projects towards the end of the financial year. There is also the potential for some significant bus priority savings for TfL, so there is a secondary source of funding other than the major projects funding where we have previously been successful.

Item	Description	Estimated Cost £
<b>Works Costs</b>	Highways Implementation, including VMS advanced signage and electrical connections and removal of Zebra crossing	260,000
	Transport for London: Traffic Signal infrastructure and design	28,000
	<b>Sub Total</b>	<b>288,000</b>
<b>Staff Costs</b>	City Transportation: Project Management, Stakeholder Engagement & Communications and consultation staff time for up to 18 months.	274,000
	Highways	30,000
	Enforcement	40,000
	<b>Sub Total</b>	<b>344,000</b>
<b>Professional Fees</b>	Temporary Enforcement solution including implementation and maintenance of camera equipment for 18 months.	100,000
	Monitoring surveys and communication and consultation materials budget, TRO and ancillary costs	60,000
	<b>Sub Total</b>	<b>160,000</b>
	<b>Total sum</b>	<b>792,000</b>

*Table 1*

It is proposed to utilise £121,052 of S106 funding and interest payments.

It is recommended that Members agree the use of the above funds as outlined, and permit officers to continue to liaise with TfL to seek further funding contributions. Should they be forthcoming, the TfL allocations be accepted and used instead of either the identified S106 funds or in place of the On Street Parking Reserve.

This can be confirmed to Resource Allocation Sub-Committee as appropriate.

Any balance of the existing allocation to this project should be rolled forward once staff costs and committed works are reconciled. This can be taken off of

	<p>the proposed commitment on the on street parking reserve.</p> <p>The proposed S106 deposits and On Street Parking Reserve amounts are outlined in Appendix A Table 3 and Table 4.</p> <p><b><u>5.1 Reasons for estimated cost increase:</u></b></p> <p>In the initiation of this project, it was considered that the project could be designed and delivered for approximately £500,000. Design and traffic modelling has taken longer than hoped and incurred additional costs as outlined in the Issues report from October, of approximately £87,100.</p> <p>It was assumed at initiation that enforcement of the scheme would be undertaken using the upgraded CCTV network. Unfortunately the upgrade at Bank has not yet been undertaken and the timescales do not align. This has resulted in a cost of circa £100,000 to provide a temporary camera solution for a maximum of 18 months and for additional resources in the enforcement team to deal with the PCN's of approximately £40,000. Both of these costs could be reduced depending upon the time frame that they are needed for. Any income generated would be returned to the On Street Parking Reserve.</p> <p>There was no provision in the initiation for the removal and decommissioning of the zebra crossing on Threadneedle Street and the introduction of a new pedestrian refuge island. If this progresses this adds approximately £60,000 to the implementation costs. The original signage costs had been estimated using 20mph as a recent example. The detail of this scheme's signage is greater, with many directional signs needing replacing as well as the additional new signs and advance notice signs. We have included a period of variable messaging signs (VMS) in advance of the scheme go live. Altogether, this increases the sign implementation costs by approximately £90,000</p> <p>It is now considered that wider monitoring work will be undertaken to establish an evidence base of the impacts of this experiment both locally at Bank and in the wider area. This will include attitudinal and perception surveys as well as more quantitative data. Costing's for staff time, now that the impacts and design are fully understood, is higher. It is believed that to make this scheme a success it is worth putting the additional staff time to encourage a higher compliance rate. This will include communication with the local community and further afield, as well as behavioural monitoring of interactions between the cyclists, buses and pedestrians at Bank and the associated work to influence behaviour change.</p>
<p><b>6. Success criteria</b></p>	<p>The below success criteria was put forward to the Roads Space Performance Group at TfL. The emergence of the joint monitoring and performance group may develop some other criteria that can be measured to provide evidence for the scheme's overall success.</p> <p><b>Significant safety improvement at Bank.</b></p> <p>1. A total casualty saving at Bank of 50-60% is anticipated – success would be a minimum of a 25% reduction at Bank with an improvement of 5% within the wider area.</p> <p><b>Maintain access for deliveries.</b></p> <p>2. 75% of businesses are satisfied that their servicing and delivery activity is</p>

	<p>conveniently undertaken.</p> <p><b>Improve air quality at Bank.</b></p> <p>3. A measured reduction at Bank, but with the wider monitored area not being any worse overall.</p> <p><b>Not unreasonably impact on traffic flow, whilst preferably improve bus journey times.</b></p> <p>4. To have an average journey time improvement of bus services within the modelling area over the two peaks (Using IBUS data)</p> <p>5. The operation of the 4 key routes on average for general traffic is no worse than the proposed modelled output for 2018.</p>
<b>6. Progress reporting</b>	Monthly updates to be provided via Project Vision and any project changes will be sought by exception via Issue Report to Spending and Projects Sub Committees

### Appendices

<b>Appendix 1</b>	Financial information
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### Contact

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## Appendix A – Financial information.

Table 2: Expenditure to date to reach gateway 4/5

Description	Current Budget	Spent	Committed	Estimated November staff	Balance
	£	£	£	£	£
Highways Staff Cost	30,000	19,247	3,551	5,000	2,203
P&T staff cost	199,800	147,280	28,620	21,000	2,900
<b>Staff total</b>	<b>229,800</b>	<b>166,527</b>	<b>32,171</b>	<b>26,000</b>	<b>5,102</b>
<b>Fees</b>	<b>157,300</b>	<b>119,197</b>	<b>29,746</b>	n/a	<b>8,356</b>
<b>Total</b>	<b>£387,100</b>	<b>£285,724</b>	<b>£61,917</b>	<b>£26,000</b>	<b>£13,458</b>

Table 3: Proposed S106 funding

Development	Amount £
<b>Interest payments (2015)</b>	
Bow Bells House (10 Bread St)	8,576
150 Cheapside	1,082
1 Bartholomew Lane	2,160
Fleetway House (25 Farringdon Street)	5,392
1 Lothbury	2,550
The Pinnacle (ex DIFA Tower 22-24 Bishopsgate 2006)	10,675
Mondial House 90-94 Upper Thames Street	29,599
<i>Sub total</i>	<b>£60,034</b>
<b>S106 principal sums</b>	
33 King William Street, transport contribution	61,018
<i>Sub total</i>	<b>£61,018</b>
<b>Total S106 deposit</b>	<b>£121,052</b>

Table 4: Proposed use of On Street Parking Reserve

Contribution from	Amount £
S106 contributions	121,052
On Street Parking Reserve	670,948
<b>Total</b>	<b>£792,000</b>

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<b>Committees:</b>	<b>Dates:</b>	
Culture, Heritage and Libraries Committee	05/12/2016	
Streets and Walkways Sub-Committee	06/12/2016	
Projects Sub-Committee	14/12/2016	
Resource Allocation Sub Committee	15/12/2016	
<b>Subject:</b> Eastern City Cluster - Public Art (Year 6 & 7-9)	<b>Gateway 6 Update Report</b>	<b>Public</b>
<b>Report of:</b> Director of the Built Environment	<b>For Decision</b>	
<b><u>Summary</u></b>		
<b><u>Dashboard</u></b>		
<ul style="list-style-type: none"> <li>• Project Status - Green</li> <li>• Total Estimated Cost for Year 6 - £422,962</li> <li>• Overall project risk - Green</li> </ul>		
<p>The purpose of this report is to update Members on Year 6 of the <i>Sculpture in the City</i> project delivered in 2016; advise on preparations for Year 7 (2017); and review the funding approval for the delivery of Years 8 and 9 of the project, which will be implemented in 2018 and 2019.</p>		
<p>The <i>Sculpture in the City</i> project, now entering its seventh consecutive year, has been developed as part of a long-term vision to enhance the public realm and forms part of the Eastern City Cluster and Fenchurch &amp; Monument Area Enhancement Strategy areas. It is aligned with objectives in the City's Cultural Strategy 2012-17, Visitor Strategy 2013-17 and the Community Strategy. The project's Partner Board brings together some of the leading names in property development and insurance in the City of London because these organisations recognise the multiple benefits the project brings towards making the City globally attractive.</p>		
<p><i>Sculpture in the City</i> sees contemporary sculpture by world renowned artists installed temporarily as part of a rolling programme which has grown year on year. This year's exhibition, Year 6, saw a greater number of artists and locations; 17 artworks in 20 locations, which has resulted in the project growing into what is now a 12 month activity.</p>		
<p>Education and learning for young people and adults is a fundamental part of the project, which has significant potential to grow in future years. Year 6 of the project included 36 on-site workshops and involved 220 children.</p>		
<p>The project is funded through external local partners and a contribution from the City of London. In addition, both national and international art galleries loan the sculptures, covering transport and part of the installation costs. The total cost for the delivery of last year's project was £422,962 (see Appendix 2 for more details), which delivered an estimated artwork value of £7,533 million on public display.</p>		
<p>Due to the success of the project, the Partner Board have committed to funding the project over the next 3 years (2017-19) to at least the same amount per annum</p>		

raised in Year 6 (£302,962). In February 2016, Members of Culture, Heritage and Libraries Committee and Streets and Walkways Sub and Projects Sub Committees approved a City contribution of £120k per annum over the same period, matching the City's funding level from 2016. The City's contribution comes from the s106 *Local Community Environmental Improvement Works* allocation of the Pinnacle development at 22 Bishopsgate. The developer of the site, 22 *Bishopsgate* (Lipton Rogers), has agreed that this funding source can be used for years 2017-19 of *Sculpture in the City*. This City contribution now needs approval from Resource Allocation Sub-Committee.

In February 2016, the idea of a charitable trust being responsible for the running of the project was reported to Members. However, due to the success of Year 6 and the significant and positive publicity gained for the City, coupled with the increased risk, administration and cost of transferring management of the project to a charitable trust in more uncertain economic conditions than were expected at the time of the last report, the Partner Board is of the unanimous view that the City continue to manage the project over the next 3 years.

**Recommendations:**

**Members of all relevant Committees:**

- i. Note the contents of this update report.
- ii. Agree to retain the project in-house for the next three years
- iii. Agree that any underspend from previous years is transferred to future years of the project
- iv. Approve the appointment and/or procurement of all services associated with the delivery of the project for years 2017-19 in accordance with Section 5 of this report.
- v. Delegate authority to the Director of Transportation and Public Realm and Head of Finance to adjust the project budget between staff costs, fees and works (and between Years 7-9), providing the overall budget is not exceeded.

**Members of Resource Allocation Sub Committee:**

- vi. Approve a contribution of £360k from the S106 obligation connected with the Pinnacle development at 22 Bishopsgate towards the implementation of the next 3 years of the project.

## Main Report

<p><b>1. Reporting period</b></p>	<p>February 2016 – December 2016</p>
<p><b>2. Progress to date</b></p>	<p><b><u>Year 6 (2016)</u></b></p> <p>The sixth year of the project, launched in June 2016, was regarded as the most successful year and features 17 sculptures by globally established artists including Anthony Caro, Matt Collishaw, Giuseppe Penone, Sarah Lucas and Jaume Plensa. In 2016, the project included the largest quantity of pieces to date and some of the most ambitious installations so far. The project achieved greater public impact by installing artwork in new areas, and extending the zone towards Fenchurch Street.</p> <p>The project is funded primarily through financial and in-kind support from external partners with an additional pump priming contribution from the City of London. Last year funding partners were 22 Bishopsgate, JSRE Ltd, Aviva, Aon, British Land, Brookfield, Hiscox, TH Real Estate, Tower 42, Willis and WR Berkley, along with four project patrons, 6 Bevis Marks, Leadenhall Market, MTEC Warehousing, Price &amp; Myers.</p> <p>In addition to the art installations, 36 on-site school workshops were organised by <i>Open-City London</i>, offering interactive activities to 220 children from 9 school classes within the City and adjacent boroughs. Also, community events were organised as part of the Archikids Family Festival (July 2016) and the London Open-House weekend (September 2016) during which free tours were offered to visitors. These events generated a lot of interest, with approximately 450 and 300 children and adults participating in the respective events.</p> <p>Feedback from Members, project partners, local stakeholders, schools and volunteers has again been very positive for a project that has now become a key part of the City’s extended cultural output. Year 6 also received extensive local and international media coverage featuring in more than 40 arts, cultural and business focused articles and received over 1000 media mentions with a potential reach of 5 million people all over the world. Sources for 2016 included the London Evening Standard, BBC Radio, ITV News London, The Guardian, Vanity Fair, the New York Times and Art Daily. Furthermore, new international artists and galleries have submitted their artworks for Year 7, showing the exposure achieved during Year 6 has led to greater interest.</p> <p>This year also saw the creation of a partnership with <i>Smartify</i>, a mobile application, allowing the audience to easily access a range of multi-media information about the artworks and artists from any device. Using advanced image recognition and augmented reality technology, <i>Sculpture in the City</i> visitors can simply scan the sculptures, and will immediately have access to engaging commentary, videos, and articles. Because this ‘app’ enables users to access both auditory and visual information, the experience of the artworks are more inclusive and accessible than ever. <i>Smartify</i> has provided an exciting new way for users to interact with the artworks. Responding to societal needs for digital and easily accessible information, the ‘app’ ensures that multi-media content relating the scanned artwork is immediately available, relevant and up-to-date.</p>

### **Year 7 (2017)**

For Year 7 it is proposed to build on the success of previous years by installing a similar number of artworks (16-17 pieces) and delivering even more school workshops & community events than in Year 6. This year, it is also proposed to improve the project's on-line presence, including an interactive learning resource for students at Key Stage Three (i.e. ages 11-14).

Due to the success of the project, the Partner Board have committed to funding the project over the next 3 years (2017-19) to at least the same amount per annum raised in Year 6 (£302,962). In February 2016, Members of Culture, Heritage and Libraries Committee and Streets and Walkways Sub and Projects Sub Committees approved a City contribution of £120k per annum over the same period, matching the City's funding level from 2016. The City's contribution comes from the s106 *Local Community Environmental Improvement Works* allocation of the Pinnacle development at 22 Bishopsgate. The developer of the site, *22 Bishopsgate* (Lipton Rogers), has agreed that this funding source can be used for years 2017-19 of *Sculpture in the City*. This City contribution now needs approval from Resource Allocation Sub-Committee.

In February 2016, the idea of a charitable trust being responsible for the running of the project was reported to Members. However, due to the success of Year 6 and the significant and positive publicity gained for the City, coupled with the increased risk of transferring management of the project to a charitable trust in more uncertain economic conditions than were expected at the time of the last report, the Partner Board is of the unanimous view that the City continue to manage the project over the next 3 years. In addition, the establishment and operation of a separate charitable trust would involve time and cost, involving unnecessary expenditure.

The project's Partner Board, comprising senior representatives from the project partner companies and the City of London, continues to serve as a successful mechanism for establishing project goals, selection of artwork, promoting partnerships with local stakeholders and sourcing additional funding partners, and making recommendations on expenditure as required by the 106 agreement.

An Art Advisory Board has been established for the past two years to preview and comment on all the proposed artworks. This board includes established individuals from the art world in London and reinforces the credibility of the project and the artistic merit of the selection process. Over 100 pieces have been submitted for Year 7. From these pieces will form a shortlist that will be presented to the City Arts Initiative Panel and Culture, Heritage and Libraries Committee in early 2017.

The key dates for Year 7 (2017) of the project are as follows:

• January/March – Selection of shortlisted artwork
• April – Submit planning applications for artwork
• May – De- installation of artwork Year 6
• June – Installation of artwork Year 7
• June/July – Launch event, “Sculpture in the City 2017”
• July/August/September – Delivery of Walking Tours and

	<table border="1" data-bbox="327 190 1294 264"> <tr> <td data-bbox="327 190 1294 226">Partner events</td> </tr> <tr> <td data-bbox="327 226 1294 264"> <ul style="list-style-type: none"> <li>• October – Call for submissions - Year 8</li> </ul> </td> </tr> </table> <p><b><u>Year 8 and 9 (2018 - 2019)</u></b></p> <p>Funding for any future growth in Years 7-9 will come from increasing the percentage of external contributions. The key areas for growth could include:</p> <ul style="list-style-type: none"> <li>• Expanding the education and learning programme and the project's on-line presence</li> <li>• Expanding the global reach of the project to include more internationally based artists</li> <li>• Supporting artists in the UK through commissioning artwork specifically for the project</li> </ul> <p>In 2018 the Royal Academy of Arts celebrates its 250<sup>th</sup> anniversary. The Royal Academy is interested in recognising this milestone by linking in some way artistically with <i>Sculpture in the City</i> in Year 8 of the project.</p>	Partner events	<ul style="list-style-type: none"> <li>• October – Call for submissions - Year 8</li> </ul>
Partner events			
<ul style="list-style-type: none"> <li>• October – Call for submissions - Year 8</li> </ul>			
<p><b>3. Next steps</b></p>	<p>See above.</p>		
<p><b>4. Budget</b></p>	<p><b><u>Year 1 to 6</u></b></p> <p>A committee report approved by Members in 2010 set out the delivery of enhancement within the Eastern City Cluster in four phases, for a total contribution of £7.4m, with £1.92m to be utilised in Phase One. The first phase included a provision for public art of £155,218 and this sum was spent on the delivery of Years 1-3 of <i>Sculpture in the City</i>.</p> <p>The original aspiration for <i>Sculpture in the City</i> to become self-funding was reviewed after Year 3. Due to the popularity of the scheme and the benefits it accrues to the City, Members approved the continuation of funding for <i>Sculpture in the City</i> into the future.</p> <p>The City's contribution for the funding of Year 4 of the project came from the interest accrued on the S106 obligation associated with the Pinnacle development at 22 Bishopsgate, allowing the project to be funded without compromising the core funding of the S106 obligation.</p> <p>For Years 5 and 6, the successors in title of the S106 associated with the Pinnacle development, 22 <i>Bishopsgate</i> (Lipton Rogers), joined the Partner Board. With their consent, core funding, plus any interest accrued from this S106 obligation formed the City's contribution to <i>Sculpture in the City</i>.</p> <p>Details of the financial contributions to date from the City and its external partners is provided Appendix 3.</p> <p><b><u>Year 7 budget (2017/18)</u></b></p> <p>In Year 7 it is expected that the cost of delivering the project will be greater than in Year 6. The increased cost of the project will be fully met, and limited by, by the financial contribution from external partners.</p> <p>The expected increase in cost relates to:</p> <ul style="list-style-type: none"> <li>• A limited expansion of the project area south towards Fenchurch Street, with</li> </ul>		

	<p>potentially 1-2 additional artworks</p> <ul style="list-style-type: none"> <li>• An improved on-line presence, including an interactive learning resource for students at Key Stage Three</li> <li>• Increased costs reflecting the continuous activity now required over a 12 month period to manage and deliver a project of this scale.</li> </ul> <p>Funding sources for Year 7 are as follows:</p> <ul style="list-style-type: none"> <li>• Income from confirmed external partners amounts to a total of £302,962 for Year 7. Confirmed financial contributions are from: <ul style="list-style-type: none"> <li>○ Hiscox</li> <li>○ Aviva</li> <li>○ Aon</li> <li>○ Willis</li> <li>○ Tower 42</li> <li>○ TH Real Estate</li> <li>○ British Land</li> <li>○ JSRE Ltd.</li> <li>○ Brookfield</li> <li>○ WR Berkeley</li> <li>○ 22 Bishopsgate</li> </ul> </li> <li>• The Partner Board is seeking to invite additional partners and increase the external funding to £392,962.</li> <li>• The City's contribution will be capped at £120k, funded from the S106 obligation associated with the Pinnacle development. For Years 7-9, 22 <i>Bishopsgate</i> (Lipton Rogers) has agreed to the use of £360k from this S106.</li> </ul> <p>Taking account of the increased external contributions from the project partners, this means that the City will fund 23.5% of the total capital value of the project; with external partners providing 76.5% of the project value (please refer to Appendix 3).</p>
<p><b>5. Procurement</b></p>	<p>The unique nature of the project requires a range of specialist external consultants and services. The consultants and contractors used to date have developed good working relationships with project partners, land owners, galleries and artists. However, it remains important to test the market to ensure best value for these services, and so the services will be procured going forward.</p> <p>Discussions regarding the appointment and/or procurement of the services required for Years 7-9 of the project have been held with City Procurement. A summary of the proposed appointment and procurement plan is as follows:</p> <p><b>Year 7</b></p> <ul style="list-style-type: none"> <li>• Appointment of specialist arts consultant Lacuna PR Ltd via a waiver. Lacuna PR Ltd act as Co-Director for the project and have commenced work on Year 7. Lacuna have been appointed in previous years for this role and have successfully built strong partnerships between project partners, galleries, artists and other stakeholders, which has been crucial to the success of the project.</li> <li>• Tender for a one year contract to install and de-install the artwork via the 'light touch' route (MTEC Warehousing delivered this service previously)</li> </ul> <p><b>Years 7-9</b></p> <ul style="list-style-type: none"> <li>• Tender for a three year contract to deliver the education and learning programme via the 'light touch' route under the category <i>Education Services</i> (Open-City London delivered this service previously)</li> <li>• Tender for a three year contract to deliver specialist project management services via the 'light touch' route (A Et Cetera delivered this service</li> </ul>



	<p>previously)</p> <ul style="list-style-type: none"> <li>• Tender for a three year contract to deliver engineering consultancy services via the 'standard' route (Price and Myers delivered this service previously)</li> <li>• Appoint Sally Bowling on a three year contract to provide conservation and maintenance consultancy services. This appointment will be via an exemption as her involvement is a requirement of the artists and galleries engaged in the project every year.</li> <li>• Tender for a three year contract to deliver PR and marketing services via a 3 party quotation exercise (Brunswick Media delivered this service previously)</li> </ul> <p><b>Years 8-9</b></p> <ul style="list-style-type: none"> <li>• Tender for a two year contract to deliver specialist arts consultancy services and act as Co-Director for the project via the 'light touch' route under the category <i>Cultural Events and Organisation</i> services (Lacuna PR Ltd are currently delivering this service)</li> <li>• Tender for a two year contract to install and de-install the artwork via the 'light touch' route (MTEC Warehousing delivered this service previously)</li> </ul> <p>Any highways and electrical works being undertaken on the City's highways will continue to be undertaken by the City's term contractor, JB Riney.</p>
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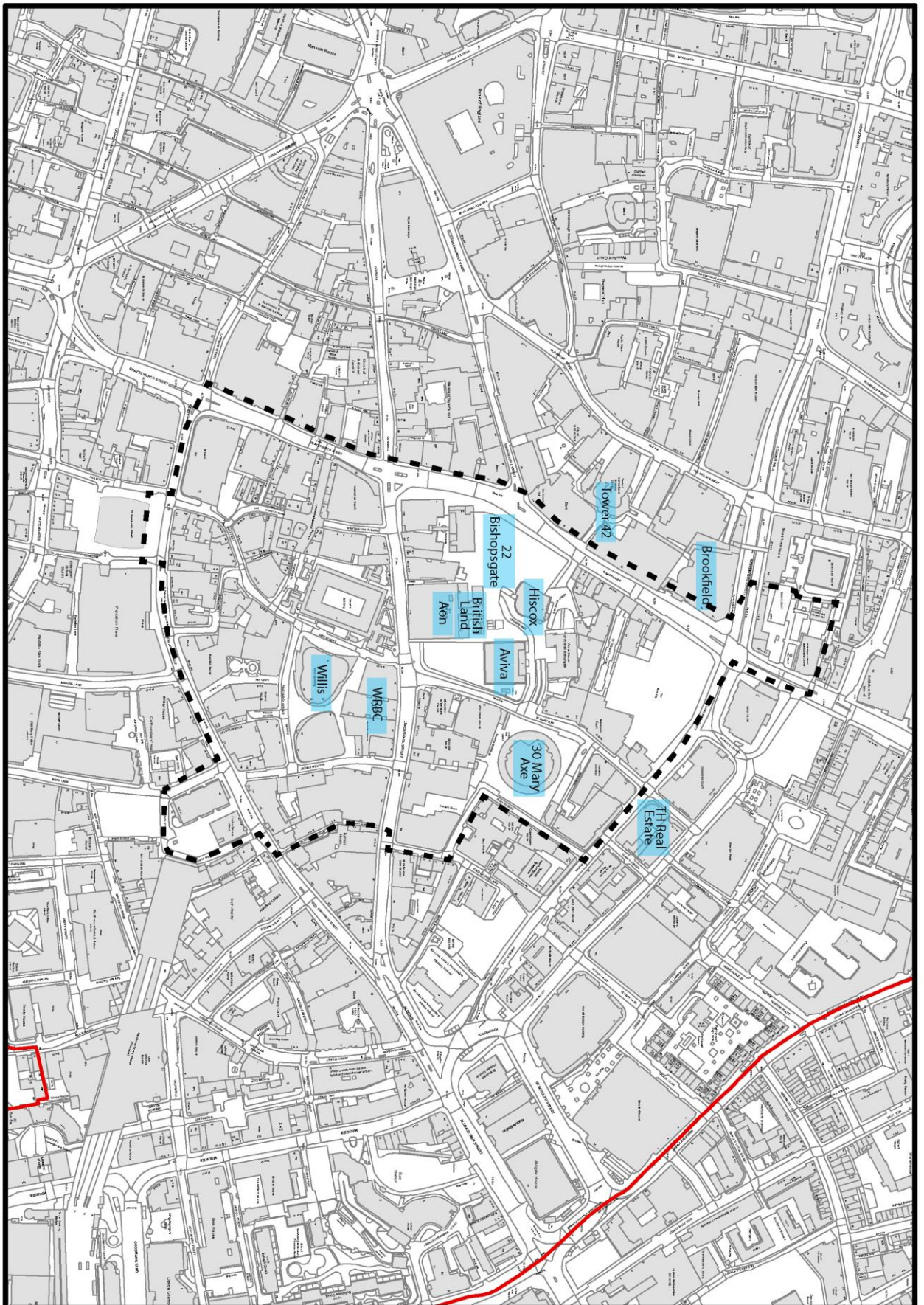
### Appendices

<b>Appendix 1</b>	Map of project area for Year 7
<b>Appendix 2</b>	Budget - Years 6 and 7 (2016 and 2017)
<b>Appendix 3</b>	Financial contribution – Years 1 to 9

### Contact

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# Appendix 1 - Map of project area for Year 7



## Appendix 2 - Budget - Years 6 and 7 (2016-2017)

Sculpture in the City Budget	Year 6 Actual Cost	Total	Year 7 Estimated Cost	Total
Fees and Staff Costs	£	£	£	£
Arts consultancy and Co-Director role	66,608		87,000	
Conservation and maintenance of artwork	12,000		12,000	
PR and Marketing	20,000		25,000	
Website and photography	11,610		15,000	
Education and learning programme	56,123		75,000	
Printing	4,000		5,000	
Guided tours and Partner Board events	5,000		5,000	
Specialist project management	45,000		63,000	
Storage	3,600		5,000	
Engineering consultancy	0		5,000	
Staff Costs	15,000		55,000	
<b>Sub Total Fees and Staff Costs</b>		<b>238,941</b>		<b>352,000</b>
<b>Works</b>				
De-installation of artwork	77,197		60,000	
Installation of artwork	95,728		85,000	
Contingency	10,000		10,000	
<b>Sub Total Works</b>		<b>182,925</b>		<b>155,000</b>
<b>TOTAL COSTS</b>		<b>421,866</b>		<b>507,000</b>
<b>Income</b>				
External contributions	302,962		392,962	
City of London contribution	120,000		120,000	
<b>TOTAL INCOME</b>		<b>422,962</b>		<b>512,962</b>

### Appendix 3 - Financial contribution – Years 1 to 9

Annual project	External contributions (£)	Percentage of total project cost External contributions (%)	City contributions (£)	Percentage of total project cost City contributions (%)	TOTAL PROJECT VALUE
Year 1 (2011)	£24,500	28%	£63,269	72%	<b>£87,759</b>
Year 2 (2012)	£79,500	52.5%	£72,000	47.5%	<b>£151,500</b>
Year 3 (2013)	£170,000	76%	£54,000	24%	<b>£224,000</b>
Year 4 (2014)	£220,000	71%	£90,000	29%	<b>£310,000</b>
Year 5 (2015)	£240,000	73%	£90,000	27%	<b>£330,000</b>
Year 6 (2016)	£302,962	72%	£120,000	28%	<b>£422,962</b>
Year 7 (2017) <i>(projected income)</i>	£392,962	76.5%	£120,000	23.5%	£512,962
Year 8 (2018) <i>(projected income)</i>	£462,962	79.5%	£120,000	20.5%	£582,962
Year 9 (2019) <i>(projected income)</i>	£497,962	80.5%	£120,000	19.5%	£617,962

# Agenda Item 7

<b>Committee(s)</b>	<b>Dated:</b>
Resource Allocation Sub Committee	15/12/2016
<b>Subject:</b> The City Bridge Trust: Proposed Revenue Budgets – 2016/17 and 2017/18	<b>Public</b>
<b>Report of:</b> The Chamberlain The Town Clerk	<b>For Decision</b>
<b>Report author:</b> Karen Atkinson, Chamberlain's Department	

## Summary

This report provides the annual submission of the revenue budgets overseen by the City Bridge Trust Committee. In particular it seeks approval for the proposed budgets for 2016/17 and 2017/18, for subsequent submission to the Finance Committee. The budgets prepared seek an uplift of £49,000 and £193,000 respectively for each year in comparison to the resources initially allocated, as summarised in the table below.

An earlier version of this report was approved by the City Bridge Trust Committee, in the knowledge that amendments would be made to reflect decisions made at their November meeting. The Chairman has had sight of these amendments.

<b>Table 1</b> Summary Revenue Budget for the City Bridge Trust Committee	Latest Budget 2016/17 £'000	Original Budget 2017/18 £'000	Movement  £'000
Expenditure	22,985	22,579	(406)
Income	(107)	(108)	(1)
Support Services and Capital Charges	158	171	13
<b>Total Net Expenditure</b>	<b>23,036</b>	<b>22,642</b>	<b>(394)</b>

The latest proposed budget for 2016/17 includes an additional £49,000 expenditure, bringing the total net position to £23.036m. The additional spend covers costs related to strategic initiatives approved at the November CBT Committee, which cross over two financial years. Further detail of these is given in paragraph 8 iv).

The budgeted net expenditure for 2017/18 is estimated to be £22.642m, a decrease of £394,000 compared with the latest budget for 2016/17. The main reason for this net decrease is that 2016/17 included an increase for the underspend of £1.552m carried forward from 2015/16, which is offset by an additional £1.0m added to the 2017/18 grants budget from the surplus income of Bridge House Estates.

City Bridge Trust's vision is for a fairer London. Its overarching aim is to maximise its use of all the resources at its disposal, including opportunities offered by the City of London Corporation, for the benefit of disadvantaged Londoners. During the forthcoming year priorities include undertaking the 5 year Strategic review, promoting and implementing the Trust's Investing in Londoners programmes; the continued development of the Trust's work to encourage more philanthropy; and the continued development of the City Corporation's Social Investment strategy.

## **Recommendations**

The Committee is requested to:

- a) approve the revised 2016/17 revenue budget (which includes an additional £49,000 over the local risk resource base, to support Strategic Initiatives recently approved by members of the City Bridge Trust Committee) for submission to Finance Committee;
- b) approve the provisional 2017/18 revenue budget (which includes an additional £193,000 over the local risk resource base) for submission to the Finance Committee;
- c) approve a proposal for an uplift to the 2017/18 budget of £193,000 noted within this paper. Members are requested to note that these figures are derived from an initial review of operational expenditure which took place following the appointment of the Head of Charity & Social Investment Finance, alongside inclusion of support costs for recently approved Strategic Initiatives; and
- d) authorise the Chamberlain to revise these budgets to allow for any necessary realignment of funds resulting from corporate projects.

## **Main Report**

### **Background**

1. A cy près scheme agreed by the Charity Commission in 1995 enables Bridge House Estates to distribute the Estate's surplus income for charitable purposes across Greater London. The amount available for grants from the surplus income is determined each year by the Policy and Resources Committee.
2. This report sets out City Bridge Trust's business planning priorities and the proposed revenue budget for 2017/18 for approval and submission to the Finance Committee.

### **Business Planning Priorities**

3. The City Bridge Trust's priorities include:
  - The promotion and implementation of the Trust's Investing in Londoners grant programmes, ensuring that the annual grants budget is allocated in full and that the City Bridge Trust Committee receives timely, accurate and high quality reports.

- The 5 year strategic review, currently underway, which aims to develop Trust's next funding strategy from 2018-2023. This is due to be finalised and agreed in July 2017.
- The further development of work to encourage more philanthropy in the City and beyond (taking account of a recent external review of this area).
- The continued development and implementation of the City Corporation's Social Investment Strategy, with particular focus on its £20m available for investing in activities that generate a social as well as a financial return. As at October 2016, the Fund has committed over £11.1m of which £8.2m (74%) has been drawn down by the investees.

### **Proposed Revenue Budget for 2017/18**

4. The proposed Revenue Budget for 2017/18 is analysed between:
  - Local Risk budgets – these are the budgets deemed to be largely within the Chief Officer's control.
  - Central Risk budgets – these are budgets comprising specific items where a Chief Officer manages the underlying service, but where the eventual financial outturn can be strongly influenced by external factors outside of his/her control or are budgets of a corporate nature (e.g. interest on balances, rent incomes from investment properties and in the case of City Bridge Trust, the grants budget).
  - Support Services and Capital Charges – these cover budgets for services provided by one activity to another. The control of these costs is exercised at the point where the expenditure or income first arises as local or central risk.
5. The provisional 2017/18 budgets have been prepared in accordance with guidelines agreed by the Policy & Resources and Finance Committees, which include:
  - an allowance of 1% towards any potential pay and price rises.
6. The budgets are set out in Table 2. Income and favourable variances are presented in brackets. Only significant variances (generally those greater than £100,000) have been commented on in the following paragraphs.

**Table 2**  
**Revenue Budget for the City Bridge Trust Committee**

Analysis of Service Expenditure	Local or Central Risk	Actual 2015-16 £'000	Latest Approved Budget 2016-17 £'000	Original Budget 2017-18 £'000	Movement 2016-17 to 2017-18 £'000	Para-graph Ref
<b>EXPENDITURE</b>						
Employees	L	806	968	1,180	212	7(i)
Transport Related Expenses	L	3	6	6	0	
Supplies & Services (note i)	L	338	501	393	(108)	7(ii), (iii), (iv)
Grants & services	C	18,342	21,510	21,000	(510)	7(v)
<b>Total Expenditure</b>		<b>19,489</b>	<b>22,985</b>	<b>22,579</b>	<b>(406)</b>	
<b>INCOME</b>						
Wembley National Stadium Trust		(74)	(107)	(108)	(1)	
Contribution from UBS		(235)	-	-	-	
<b>TOTAL NET EXPENDITURE BEFORE SUPPORT SERVICES AND CAPITAL CHARGES</b>		<b>19,180</b>	<b>22,878</b>	<b>22,471</b>	<b>(407)</b>	
Support Services & Capital Charges		145	158	171	13	
<b>TOTAL NET EXPENDITURE</b>		<b>19,325</b>	<b>23,036</b>	<b>22,642</b>	<b>(394)</b>	

Notes

- (i) Supplies and Services – Equipment, furniture, materials, printing, stationery and professional fees.



7. Overall there is a decrease of £394,000 between the latest 2016/17 budget and the 2017/18 proposed budget. The budget movements are a result of:
- i) The Employees budget has increased by £212,000 from £968,000 to £1.180m. This is led by a number of vacancies in the department in 2016/17 which were covered by consultants, which it is anticipated will be filled by 2017/18, and an uplift to the salary of two senior members of staff which reflects the appropriate expertise levels required alongside oversight responsibilities across grant-making within the Corporation of London;
  - ii) The Supplies and Services budget has decreased by £108,000, from £501,000 to £393,000. This is largely due to: a reduction in fees and services as a number of consultants have been used in 2016/17 to cover vacant posts (as noted above), a reduction in printing costs due to the decision to cease the printing of the annual review, with a lower cost alternative being sought; and budgets carried forward from 2015/16 being removed. However the above savings are tempered following a review of activities specifically supporting the grant programmes undertaken by the City Bridge Trust as stated below;
  - iii) The amount proposed for Supplies and Services is £191,000 above the original book budget due to a reassessment of the requirements of the service alongside inclusion of costs to support recently approved Strategic Initiatives. Key elements of this include: the need for management costs for the Social Investment fund (comprising investment analyst, administrative support and operational costs); software administration costs for GIFTS, the team's grants management system, whereby costs are driven by the volume of activity taking place; an uplift in membership fees to key sector bodies, whereby fee levels are based upon the value of grant-making; and the need to uplift various general office expenses to reflect the increased staffing agreed from 2016/17.
  - iv) Of the above £191,000 stated above, £50,000 is included to cover the costs required to support several new Strategic Initiatives approved by members at the November City Bridge Trust Committee. These include:
    - a. The Way Ahead – supporting the infrastructure of London's Civil Society. Resources are required to manage and monitor this new programme, alongside the development of future proposals to fund a pan London strategic fund;
    - b. Philanthropy and Giving – whereby City Bridge Trust resource is recommended to support the delivery of the action plan resulting from an external review of encouraging philanthropy; and
    - c. Stepping Stones – with members approving a fourth round of this social investment readiness grants programme, appropriate resource is necessary for programme administration and evaluation.

The table below sets out the split of the above proposed increases to the Supplies and Services budget line in Table 2 above:

Table 3 Analysis of Supplies & Services	Book budget	Proposed budget	Variance
	2017 - 18	2017 - 18	
	£	£	£
Equipment, furniture, materials	5,000	4,000	1,000
Printing, stationery, general office	16,000	22,000	(6,000)
Fees & Services	112,000	249,000	(137,000)
Communications & Computing	39,000	58,000	(19,000)
Expenses	16,000	32,000	(16,000)
Grants & subscriptions	14,000	28,000	(14,000)
<b>Total</b>	<b>202,000</b>	<b>393,000</b>	<b>(191,000)</b>

- v) The Grants & Strategic Initiatives budget has decreased by £510,000, from £21.510m to £21.0m, as set out in the following table:

Table 4 Grants/Strategic Initiatives Budget Analysis	Latest Budget 2016-17 £'000	Original Budget 2017-18 £'000
Standard grants programme	15,000	15,000
Strategic grant towards the Princes Trust to continue for a period of 10 years.	1,000	1,000
Additional allocation from the surplus income of Bridge House Estates (£3.0m allocated to 2015/16, £4.0m allocated to 2016/17 and £5.0m allocated to 2017/18) to result in an average grants budget of £20.0m per year through to 2018.	4,000	5,000
Carry forward from 2015/16	1,510	-
<b>TOTAL GRANTS/STRATEGIC INITIATIVES BUDGET</b>	<b>21,510</b>	<b>21,000</b>

8. Analysis of the movement in manpower and related staff costs is shown in Table 5 below.

<b>Table 5 Manpower Statement</b>	<b>Latest Budget 2016-17</b>		<b>Original Budget 2017-18</b>	
	<b>Manpower Full-time equivalent</b>	<b>Estimated cost £000</b>	<b>Manpower Full-time equivalent</b>	<b>Estimated cost £000</b>
Administrative Staff – City Bridge Trust (note i)	15.1	866	18.1	1,079
Administrative Staff – Wembley National Stadium Trust (note ii)	1.3	85	1.3	86
Training and Recruitment Advertising		17		15
<b>TOTAL EMPLOYEE COSTS</b>	<b>16.4</b>	<b>968</b>	<b>19.4</b>	<b>1,180</b>

Notes

- i) The increase in manpower of 3.0 FTE is the effect of part-year vacancies in 2016-17, which it is anticipated will be filled by 2017-18.
- ii) Funding is provided by the Wembley National Stadium Trust through its contract payment to City Bridge Trust (see Income in Table 2).

**Potential Further Budget Developments**

9. The provisional nature of the revenue budgets particularly recognises that further revisions may arise from the necessary realignment of funds resulting from corporate projects including;
- on-going corporate efficiency projects; and
  - central and departmental support service apportionments.

**Revenue Budget 2016/17**

10. The forecast outturn for the current year 2016/17 is an increase of £49,000 to £23.036m, in comparison to the latest approved budget of £22.987m. As stated earlier, this increase reflects costs required to undertake strategic initiatives approved by members at the November CBT Committee.

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