



Resource Allocation Sub (Policy and Resources) Committee

Date: THURSDAY, 16 MARCH 2017

Time: 12.00 pm

Venue: COMMITTEE ROOM - 2ND FLOOR WEST WING, GUILDHALL

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

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Lunch will be served in the Guildhall Club at 1pm
NB: Part of this meeting could be the subject of 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 consider minutes as follows:-

- a) To agree the public minutes of the Sub-Committee meeting held on 19 January 2017.

For Decision
(Pages 1 - 4)

- b) To agree the public minutes of the joint meeting of the Resource Allocation and Efficiency and Performance Sub-Committees, with Committee Chairmen held on 19 January 2017.

For Decision
(Pages 5 - 8)

4. **PROJECT GOVERNANCE ARRANGEMENTS FOR EXTERNALLY FUNDED TRANSPORTATION & PUBLIC REALM PROJECTS**

Report of the Chamberlain.

NB: This report has also been considered by the Projects Sub-Committee

For Information
(Pages 9 - 20)

5. **ALLOCATION OF TRANSPORT FOR LONDON FUNDING**

Report of the Director of the Built Environment.

NB: This report will also be considered by the Planning and Transportation Committee.

For Decision
(Pages 21 - 30)

6. **CENTRAL GRANTS PROGRAMME 2017-18 FUNDING**

Report of the Chief Grants Officer.

NB: This report will also be considered by the Grand Committee later this day.

For Decision
(Pages 31 - 34)

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

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

9. **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

10. **NON-PUBLIC MINUTES**

To consider minutes as follows:-

- a) To agree the non-public minutes of the Sub-Committee meeting held on 19 January 2017.

For Decision
(Pages 35 - 36)

- b) To agree the non-public minutes of the joint meeting of the Resource Allocation and Efficiency and Performance Sub-Committees, with Committee Chairmen held on 19 January 2017.

For Decision
(Pages 37 - 40)

11. **PROJECT FUNDING UPDATE**

Report of the Chamberlain.

NB: This report will also be considered by the Grand Committee later this day.

For Decision
(Pages 41 - 48)

12. **NATIONAL LOTTERY FUNDING**

Report of the City Surveyor.

For Decision
(Pages 49 - 66)

13. **ONE SAFE CITY PROGRAMME FUNDING**

Joint report of the Town Clerk and the Commissioner of the City of London Police.

For Decision
(Pages 67 - 74)

14. **CROSS CUTTING SECURITY ENHANCEMENTS**

Report of the City Surveyor.

For Decision
(Pages 75 - 76)

15. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
16. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Thursday, 19 January 2017

Minutes of the meeting of the Resource Allocation Sub-Committee held at Committee Room
- 2nd Floor West Wing, Guildhall on Thursday, 19 January 2017 at 11.30 am

Present

Members:

Mark Boleat (Chairman)
Jeremy Mayhew (Deputy Chairman)
Alderman Charles Bowman
Henry Colthurst
Simon Duckworth
Stuart Fraser
Edward Lord
Deputy Catherine McGuinness
Deputy Joyce Nash
Deputy Tom Sleigh
Sir Michael Snyder
Deputy John Tomlinson

Officers:

John Barradell	-	Town Clerk and Chief Executive
Peter Kane	-	Chamberlain
Michael Cogher	-	Comptroller and City Solicitor
Paul Wilkinson	-	City Surveyor
Caroline Al-Beyerty	-	Deputy Chamberlain
John James	-	Chamberlain's Department
Dorian Price	-	City Surveyor's Department
Bob Roberts	-	Director of Communication
Peter Lisley	-	Assistant Town Clerk
Helen Isaac	-	City of London Police
Simon Cribbens	-	Community and Children's Services Department
Scott Nixon	-	Town Clerk's Department
Angela Roach	-	Principle Committee and Members Services Manager

1. APOLOGIES

Apologies were received from Rev.d Stephen Haines, Hugh Morris and Giles Shilson.

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 15 December 2016 were approved.

4. **PROJECT FUNDING UPDATE**

The Sub-Committee considered a report of the Chamberlain concerning the provision of funding to enable three projects, the Electronic Social Care Reporting and Case Management System replacement; Guildhall Stonework Repairs and repairs to the Dominant House Footbridge to progress to the next gateway of the projects approvals process.

RESOLVED – that it be recommended to the Grand Committee that, subject to any requisite approval by other committees, approval be given to the following:-

1. funding of up to £250k from the 2016/17 City Fund provision for new schemes to meet the cost of replacing the Electronic Social Care Reporting and Case Management System, the final amount being dependent on the project sum agreed by the Chief Officer following procurement;
2. funding of £130k from the 2016/17 City's Cash provision for new schemes to meet the cost of progressing the Guildhall Stonework Repairs project to the next gateway, subject to the requisite approval by the Projects Sub Committee; and
3. a sum of £33k from the On Street Parking Reserve to meet the cost of progressing a project to repair the Dominant House Footbridge to the next gateway, subject to the requisite approval by the Projects Sub Committee.

5. **POLICING THE BRIDGES**

The Sub-Committee considered a joint report of the Chamberlain and the Comptroller and City Solicitor, attaching a resolution of the Police Committee and a report of the Commissioner of the City of London Police concerning the provision of funding for policing the five City Bridges.

RESOLVED – that it be recommended to the Grand Committee that approval be given to the provision of funding totalling £214,000 from the Bridge House Estates (BHE) revenue budget to fund the cost of policing of the City Bridges on an annual basis, subject to:-

- the sum being kept under review; and
- the City Corporation as sole trustee of BHE remaining satisfied that such expenditure is in the best interests of BHE.

6. **APPRENTICESHIPS SCHEME EXPANSION**

The Sub-Committee considered a joint report of the Director of Community and Children's Services and the Director of Human Resources concerning the City Corporation's Apprenticeship Scheme and the funding of the posts for the Scheme's support staff.

It was noted that the Community and Children's Services Committee and the Establishment Committee supported the staffing structure of the unit as set out in the report.

The Chairman of the Finance Committee referred to the funding element of the Scheme and commented that it was not good practice to agree a project in the absence of an indication of cost which appeared to have happened in this case.

RESOLVED – that approval be given to a baseline budget increase of £250,000 to fund the cost of those posts that could not be met from the apprenticeship Levy.

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

There no questions.

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

There were no urgent items.

9. **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

10 - 13

3

Part 2 – Non-Public Agenda

10. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 15 December 2016 were approved.

11. **CYCLICAL WORKS PROGRAMME FUNDING FOR 2017/18**

The Sub-Committee considered and agreed a report of the Chamberlain concerning the funding of the Cyclical Works Programme for 2017/18.

12. **GUILDHALL WEST WING - PROVISION OF UPGRADED CLOAKROOM FACILITIES**

The Sub-Committee considered a report of the City Surveyor setting out proposals for the lavatories and cloakroom facilities in the basement area of the West Wing of Guildhall to be upgraded and the project's funding. It was noted that the matter had been considered by the Members Privileges Sub-Committee earlier that day and the Sub-Committee had requested that a further option be explored.

13. **PROJECT FUNDING UPDATE APPENDIX**

The non-public appendix to the project funding update report was noted.

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

There no questions.

15. **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 11.45am

Chairman

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JOINT MEETING OF THE RESOURCE ALLOCATION AND EFFICIENCY AND PERFORMANCE SUB-COMMITTEES WITH COMMITTEE CHAIRMEN

Thursday, 19 January 2017

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources) Committee held at Committee Room - 2nd Floor West Wing, Guildhall on Thursday, 19 January 2017 at 12.15 pm

Present

Members:

Mark Boleat (Chairman)
Jeremy Mayhew (Deputy Chairman)
Randall Anderson
Deputy Roger Chadwick
Henry Colthurst
Simon Duckworth
Stuart Fraser
Jamie Ingham Clark
Edward Lord
Deputy Catherine McGuinness
Deputy Joyce Nash
Ian Seaton
Deputy Tom Sleigh
Sir Michael Snyder
Deputy John Tomlinson

In Attendance

Doug Barrow
Deputy John Bennett
Peter Dunphy
Alderman Alison Gowman
Ann Holmes
Clare James
Vivienne Littlechild
Wendy Mead
Dhruv Pate
John Scott

Officers:

John Barradell	-	Town Clerk and Chief Executive
Peter Kane	-	Chamberlain
Caroline Al-Beyerty	-	Deputy Chamberlain
Michael Cogher	-	Comptroller and City Solicitor
Bob Roberts	-	Director of Communications
Peter Lisle	-	Assistant Town Clerk
John James	-	Chamberlain's Department
David Farnsworth	-	Chief Grants Officer

- Kate Smith - Head of Corporate Strategy and Performance
- Angela Roach - Principal Committee and Members Services Manager

1. **APOLOGIES**

Apologies were received from Alderman Peter Estlin, Rev.d Stephen Haines, Oliver Lodge, Virginia Rounding, Giles Shilson and Philip Woodhouse.

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

There were no declarations.

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

There were no questions.

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

There were no urgent items.

5. **EXCLUSION OF THE PUBLIC**

RESOLVED – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

Item Nos.	Paragraph(s) in Schedule 12A
6	3

Part 2 – Non-Public Agenda

6. **OVERALL FINANCIAL POSITION AND MEDIUM TERM FINANCIAL PLANNING**

The Sub-Committees considered a joint report of the Town Clerk and the Chamberlain concerning the City Corporation’s overall financial position.

7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEES**

There were no questions.

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

There were no urgent items.

The meeting ended at 12.55pm

Chairman

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Agenda Item 4

Committee: Projects Sub Committee – For information Resource Allocation Sub Committee – For Information	Date: 17 February 2017 16 March 2017
Subject: Project Governance Arrangements for Transportation and Public Realm Projects	Public
Report of: The Chamberlain and Director of the Built Environment	For Information
Report author: Julie Smith, Chamberlain’s Department	

Summary

The purpose of the report is to clarify how Members are given oversight and make funding allocation decisions from the various sources of external funding used to deliver infrastructure projects by the Transportation and Public Realm Division of the Department for the Built Environment (DBE). Members of Resource Allocation Sub (RASC) Committee requested the Chamberlain to submit a report clarifying the process for considering and utilising resources provided by developers via Section 278, Section 106 and Community Infrastructure Levy (CIL) agreements.

The Member approval route for agreement of the proposed funding strategy and allocation of funding sources is dependent on the extent to which there is a choice in how the funds can be used. A Briefing Note is attached to this report including a table providing details of the funding type, source, and definition of use and approval route to spend.

Where the funding type has a restricted purpose i.e. Section 278 or the Section 106 agreement terms restrict the use of the funds by purpose and location, the approval of Members of RASC is not required.

The governance arrangements and broad spending priorities for the CIL were agreed by Policy and Resources Committee on 21st November 2013. Also agreed were a number of spending pots and the establishment of an Officer Priorities Board chaired by the Town Clerk. Where a ‘pot’ has been allocated for a specific purpose i.e. 40% of receipts for Public Realm and local transportation improvements, 10% for Social and Community Enhancements and 5% for Open Spaces, approval of RASC is not required. Two further pots were also agreed; 25% unallocated and 15% Neighbourhood (where the City is a single neighbourhood). The approval of RASC is required for these two pots on the recommendation of Priorities Board.

Recommendation

Members are asked to note the report and governance arrangements outlined in the Briefing Note.

Main Report

Background

1. The Chairman of Project Sub Committee requested clarification of DBE's Transportation and Public Realm Division's process in relation to prioritisation of infrastructure projects and how Members are given oversight and make funding allocation decisions from the various sources of external funding.

Further to this request Members of RASC requested the Chamberlain submit a report clarifying the process for considering and utilising resources provided by developers via a Section 278, Section 106 and CIL agreements.

Current Position

2. A Briefing Note is attached to this report including a table providing details of the governance arrangements and approval route to spend for the variety of external funding sources. The Member approval route is dependent on the extent to which there is a choice in how the funds can be used.

Proposals

3. Members are asked to note the report and governance arrangements outlined in the Briefing Note and table for the various funding types and sources.

Corporate & Strategic Implications

4. The governance arrangements enable the City to prioritise and deliver high quality and value for money transportation and public realm infrastructure projects that meet the requirements of Developers and support the City's strategic aims to provide a world class City of choice where people choose to live, visit, do business and work, as demonstrated in the examples below:-

London Wall Place ~ £5M

A development focussed project; highways works are Section 278 funded and St. Alphage Gardens Section 106 funded. A Working Party of key stakeholders including Brookfield (the developer), Schroder's, Salters, Barbican Association, St. Giles Church, Roman House and Members defined the project objectives for highway and public realm improvements to integrate the development into the local street network. Further objectives were agreed to create a safe, legible and enhanced public realm for residents, workers and visitors. A design forum between the developer and CoL enabled CoL to lead on traffic and highway design which included traffic and pedestrian modelling. Traffic modelling determined London Wall eastbound could be reduced to one lane with no detrimental traffic impacts. Pedestrian modelling determined that the footway outside the development needed to be widened to accommodate increased pedestrian activity and that a new pedestrian crossing was required at London Wall / Wood Street junction. The developer also made a voluntary contribution to upgrade paving from mastic to york stone around the whole development.

Members have been part of the project governance and approvals process, both in their capacity as members of the Streets and Walkways, Open Spaces and Projects sub committees or as part of the project Working Party:

- The project began with a Gateway 1/2 Report in December 2013
- Due to the highway implications the City's project approvals procedures deemed this a "Complex" project
- In December 2014 the Alderman for Bassishaw chaired the Working Party for London Wall Place
- In March 2015 - Gateway 3 Option Appraisal Report approved
- Ward Members briefing sessions were held at the Barbican and Guildhall in December 2015
- In January 2016 - Gateway 4 Detailed Option Report approved with 3 options for London Wall to be investigated further
- In October 2016 – Gateway 5 Authority to Start work Report approved with Members of the Streets and Walkways Sub committee approving changing London Wall eastbound to one general traffic lane.

Shoe Lane Quarter ~ £8M

This is another example of a developer project which will result in highway, public realm and security enhancements in the Shoe Lane area focussed around 1 New Street Square (Land Securities/Deloitte) and the London Development Project. A Working Party defined in the Legal Agreement with the developer was formed of key developers and occupiers in the area. The key objective of the project being to deliver a transformation of local streets around the developments, for a very high quality public realm that meets the needs of the businesses and is of immense benefit to the public. A design forum between the developers and CoL was formed to integrate the security needs of the developers into the public realm. A voluntary S106 contribution from the London Development project is funding highway improvements around development. Public realm and security enhancements are funded via S278. A work shop took place to discuss several options with stakeholders for highway and public realm improvements to arrive at consensus on the preferred option which was presented to Ward Members before Committee approval.

Members have been part of the project governance and approvals process, at the Planning stage, through Streets and Walkways and Project Sub Committees and in their capacity as Ward Members:

- The project began with a Gateway 1/2 Report in February 2013
- In September 2013 Members approved the public realm and security enhancements proposals in a Gateway 3 Report, and in July 2014 approved the highway improvement options proposed by the Working Party
- Ward Members briefing sessions were held in January 2017
- Gateway 4 Detailed Option Report presented to Committee in February 2017

For all projects Members agreement is sought on what the success criteria should be, for example improved movement for pedestrians, increased green space, places to dwell/work agilely, reduced casualties, improved security etc. and at Gateway 7 report back on the success of meeting those criteria.

Members are also asked to note that given the increase in building value an enhanced public realm delivers, it is not unusual for developers/business to make voluntary contributions to see additional public realm enhancement, as in the examples above.

Conclusion

5. DBE consult with their Spending Committee(s) and Projects Sub on their proposed programme of projects on an annual basis. Detailed project reports are then put forward for approval in accordance with the Corporate Project procedures. Where there is a choice in how the City spends external funds the approval of RASC is also sought on the recommendation of Priorities Board. Projects funded by developers through S278, S106 and CIL agreements are still subject to the same rigorous value for money challenges as those funded by the City Corporation.

Appendices

- Appendix 1 – Briefing Note: Governance arrangements for project funding in relation to the Department of the Built Environment 18 Jan 2016

Background Papers

- City's Community Infrastructure Levy (CIL): Governance Arrangements and Broad Spending Priorities – Policy & Resources Committee 21 Nov 2013.
- Cousin Lane – Street Enhancements – Gateway 2 Project Proposal – Projects Sub Committee 25 Feb 2016
- Cousins Lane Street Enhancements – Section 278 Funding – Resource Allocation Sub Committee 17 Mar 2016

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Briefing Note: Governance arrangements for project funding in relation to the Department of the Built Environment (DBE) Transportation and Public Realm Division

1. Background

Following a request of the Projects Sub-committee to set out the Transportation and Public Realm Division's process in relation to infrastructure project prioritisation and how Members are given oversight and make funding allocation decisions from the various sources of external funding, this note has been produced in liaison with DBE and the Town Clerk's Project Office.

2. Approach to developing programmes & projects

DBE operates a programming approach by bringing together all potential projects into a costed and prioritised phased programme over three years. All programmes, projects and area strategies are approved and monitored by the Planning & Transportation Committee and the Streets & Walkways and Project Sub-Committees through an annual Transportation and Public Realm Projects Programme report and six monthly update. Where projects have a funding strategy in excess of £5m these are also approved by the Court of Common Council. The projects that sit within the programmes are prioritised by Members according to corporate and departmental priorities and evidence of need which is often determined through a comprehensive public consultation exercise or consequent to the needs of particular developments e.g. Bloomberg. Individual detailed project reports are approved by Members in accordance with the Corporate Project Procedures.

3. Types of funding and governance arrangements

Once projects have been identified, there are a variety of funding sources that may be appropriate to seek approval to spend on the project. DBE Officers consult with the Chamberlain's Head of Finance for advice on the most appropriate funding strategy, taking into consideration agreed priorities, timescales and potential to meet key strategic objectives.

The Member approval route for agreeing the funding strategy and allocating those funding sources is dependent on the extent to which there is a choice in how those funds can be used.

The Table appended to this paper at Appendix 'A' sets out the different funding sources and the approval route to allocate those funds to projects. Further approvals are dependent on the estimated financial value of the project, in accordance with the Corporate Project Procedure. Projects funded by developers through S278, S106 and CIL agreements are still subject to the same rigorous value for money challenges as those funded by the City Corporation.

Some examples of the types of projects and programmes that fall within the various funding sources are:-

- S278 project with a restricted purpose and used where there is a need to integrate a new development into the highway network, such as Cousin Lane;
- S106 project with a restricted purpose and location, such as Heron Tower where the original planning obligation restricts the funds to access improvements at Liverpool Street station. Planning obligations are used to mitigate the impact of unacceptable development in order to make it acceptable in planning terms.
- TFL Major Schemes funding for transportation and environmental enhancement projects with a focus on function, movement or road safety, such as Aldgate
- On Street Parking Reserve (OSPR) contribution to Bank on Safety Scheme and the recently completed Holborn Circus scheme. Any surplus on parking charges is transferred to the OSPR at the end of each financial year. Legislation restricts the use of the funds but can include highway or road improvements and environmental enhancements.
- DBE CIL pot contribution to the Eastern City Cluster and City Churchyards Project.

Projects identified within formally approved Committee programmes, such as area enhancement strategies or the Local Implementation Plan, for example, the Barbican Area Strategy and Cultural Hub, may have a mix of funding sources, such as restricted S106 (where the terms of the agreement allow), unrestricted S106's, CIL and OSPR. The combination of S106's and CIL is subject to the maximum pooling restrictions in the CIL Regulations. Where the funding strategy includes a choice in how one or more of the funding sources are spent the approval of Resource Allocation Sub (RASC) is required (on recommendation of Priorities Board).

4. Role of Spending Committee

The Planning and Transportation Committee (P & T) and the Streets and Walkways Sub-Committee (S&W Sub) are, (as per their 'terms of reference'), the spending Committees responsible for the prioritisation and initial funding allocation of the Division's projects, approving and monitoring schemes that affect the function and appearance of the City's highways and walkways, including those associated with S106s and s278s where the value is above £250,000. Where the value of a project is up to £250,000 and the risk is low to medium, the approval process may follow the 'Light' route of the Corporate Project procedures. However, P & T is usually consulted through the annual programme report and six monthly update.

5. Role of Projects Sub Committee

In addition to the approvals outlined in the table, programmes of projects and individual major project reports are scrutinised by the Projects Sub Committee which is responsible for their overall management and value for money, before they can progress to the next gateway in accordance with the Corporate Project Procedure. Where the project follows the 'Light' route of the Corporate Project procedures, 'authority to start work' (Gateway 5) may be delegated to the Chief Officer for approval.

6. Role of Priorities Board

This is an officer board established following a report approved by Policy and Resources Committee (P&R) on 21st November 2013 on the governance arrangements and broad spending priorities for the City's Community Infrastructure Levy (CIL). Also part of the approval was the creation of CIL pots; 40% of receipts for Public Realm and local transportation improvements, 10% for Social & Community Enhancements, 5% for Open Spaces, 25% unallocated and 15% Neighbourhood (where the City is a single neighbourhood). The board is chaired by the Town Clerk and makes recommendations to Resource Allocation Sub on infrastructure and other project spending priorities. Its main area of focus is the effective use of the CIL but also considers bids for funding from the On Street Parking Reserve, S106 deposits with an unrestricted use, City's Cash and City's Fund annual allocations for new capital projects. The board's meetings take place in the week before the deadline for reporting to RASC. Information is presented to the board in a quadrant separating the available potential funding sources by the restrictions on purpose and location. An example from the November board is shown in Appendix B to this note (the types of funding categories used by the board are cross referenced in Appendix A). The intention is to utilise restricted funds (by location or purpose) wherever possible for priority projects first, leaving the more flexible funding sources for other strategically important projects. Strategic oversight and the funding recommendation of projects by senior officers are currently subject to alignment with the recently established Chief Officer People, Place, Prosperity and Strategic Resources Group.

7. Role of Resource Allocation Sub (RASC)

The RASC determines resource allocation in accordance with the City Corporation's strategies and will recommend to the Policy and Resources Committee whether to add a project to the capital programme, hold it in reserve, commission further work or drop it. If a project is added to the programme the RASC will advise the Policy and Resources Committee as to how the expenditure should be phased. Reporting at this stage is prepared by the Chamberlain's Capital Team.

8. Conclusion

DBE consult with their Spending Committee(s) and Projects Sub on their proposed programme of projects on an annual basis. Detailed project reports are then put forward for approval in accordance with the corporate project procedures. Where there is a choice in how the City spends external funds the approval of RASC is also sought on the recommendation of Priorities Board.

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APPENDIX A

Table summarising funding and governance arrangements for Transportation and Public Realm Projects

(All individual project reports are scrutinised by Projects Sub Committee in addition to the approvals listed below)

Funding Type¹ (Including link to Priorities Board (PB) method of categorising funding sources by flexibility of use - see Appendix B)	Source	Definition of use	Approval route to spend
S278 (Restricted Use - PB Type 1)	Externally funded by Developer	These have a restricted purpose and are used where there is a need to integrate a new development into the highway network	Spending Committee only ²
S106 (restricted use PB Type 1)	Externally funded by Developer (usually as a requirement of the planning permission but can be voluntary payments)	Restricted purpose and location as per the terms of the S106 Agreement	Spending Committee only ²
S106 (unrestricted use – PB Type 2)	Externally funded by Developer	Unrestricted purpose and location in respect of enhancing public space and transportation improvements.	Spending Committee and Resource Allocation Sub on recommendation of Priorities Board
CIL allocated funds (DBE limited Pot – PB Type 3)	Externally funded by developer	40% of CIL receipts allocated to DBE by Policy & Resources Committee 21st November 2013	Spending Committee on recommendation of Priorities Board
CIL unallocated funds (Most flexible funding –PB Type 4)	Externally funded by developer	25% of CIL receipts unallocated	Spending Committee and Resource Allocation Sub on recommendation of Priorities Board
Local Improvement Plan (LIP – purpose restricted, location unrestricted – PB Type 3)	Externally funded by Transport for London (TfL)	Annual bid to fund local transport and public realm improvement projects in support of the Mayor of London’s Transport Strategy.	Spending Committee for approval in principle and Resource Allocation Sub on recommendation of Priorities Board
TfL Major Schemes (PB - Type 1)	Externally funded contribution by TfL for specific schemes	Bid to TfL for contribution to already approved large schemes e.g. Aldgate and Bank	Spending Committee only
TfL general (PB Type 3)	Externally funded contribution by TfL	Additional funds made available by TfL from slippage in their programme throughout the year requiring an immediate response from the City. 1) Funding substitution for projects previously agreed by members e.g. from OSPR 2) Project identified as part of an	1)Retrospective approval from Spending Committee 2)Spending Committee, and Resource Allocation

		area strategy but not yet agreed by Members.	Sub under urgency. on recommendation of Priorities Board
On Street Parking Reserve (OSPR) (PB -Type 3)	Internal City funds from parking related income.	Legislation restricts the use of the funds to a number of transport and highway/environmental uses. this includes: <ul style="list-style-type: none"> • Maintaining off street car parks • Highway or road improvement • Environmental improvements • Implementing the Mayor's Transport Strategy. 	Spending Committee Resource Allocation Sub on recommendation of Priorities Board

Notes

¹ The Priorities Board funding category is shown here in brackets (see Appendix B)

Type 1 – Limited scope for allocation – constrained by purpose and location.

Type 2 – Greater scope for allocation – unconstrained purpose.

Type 3 – Greater scope for allocation - unconstrained location.

Type 4 – Greatest scope for allocation - unconstrained purpose and location.

² Projects with a value of up to £250,000 and the risk is low to medium may follow the 'Light' route of the corporate project procedures. The Spending Committee is usually consulted by inclusion of the project in the departmental business plan or through the annual programme report and six monthly update.

Project Funding Bids		Purpose: Unconstrained						
Location: Constrained	Purpose: Constrained			Purpose: Unconstrained				
	Description	Intended sources	Timing	Funds £m	Description	Intended sources	Timing	Funds £m
Unconstrained	Type 1: Limited scope for Board allocation			Type 2: Greater scope for Board allocation regarding purpose				
	Type 1 Total funds sought			0.00	Type 2 Total funds sought			0.00
	Type 1 Total funds available			20.53	Type 2 Total funds available			0.82
	Type 1 Balance/(Shortfall)			20.53	Type 2 Balance/(Shortfall)			0.82
	Type 3: Greater scope for Board allocation regarding location			Type 4: Greatest scope for Board allocation regarding purpose and location				
	Description	Intended sources	Timing	Funds £m	Description	Intended sources	Timing	Funds £m
	Eastern City Cluster ¹	CIL	2018/19	0.25	Barbican Estate Baggage Stores	City Fund	2016/17	0.610
	Dominant House Footbridge Repairs	OSPR	TBC	1.08	Barbican Centre New Retail Unit	City Fund	2016/17	0.066
	Bank Junction Experimental Safety Scheme	OSPR	2016/17	0.67	Barbican Centre Frobrisher Crescent	City Fund	2016/17	0.052
					Electronic Social Care & Case Mgt System	City Fund	2016/17	0.250
Type 3 Total funds sought			2.00	Type 4 Total funds sought			0.978	
Type 3 Total funds available			6.74	Type 4 Total funds available			0.000	
Type 3 Balance/(Shortfall)			4.74	Type 4 Balance/(Shortfall)			0.00	
Total City Fund bids				Total City Cash Bids			0.00	
Total City Cash Bids				Total City Cash Bids			0.00	

¹ Request to utilise the Public Realm & Local Transport CIL pot.

Location: Constrained	Funding Sources and Availability Purpose: Unconstrained						Type 2: Greater scope for Board allocation regarding purpose		
	Type 1: Limited scope for Board allocation			Type 2 Total			Type 4: Greatest scope for Board allocation regarding purpose and location		
Source	Description	Total funds (£m)	Committed (£m)	Available (£m)	Source	Description	Total funds (£m)	Committed (£m)	Available (£m)
Transport for London	Grant allocation FY2016/17 - various schemes	2.08	2.08	0.00	Section 106	LCE and Transport heads of term	21.55	20.73	0.82
Section 106	LCE and Transport heads of term	53.48	32.95	20.53					
Section 278	Highway works for specific works	24.56	24.56	0.00					
Community Infrastructure Levy	Admin pot - 5%	0.24	0.24	0.00					
Type 1 Total		80.36	59.83	20.53	Type 2 Total		21.55	20.73	0.82
Location: Unconstrained	Type 3: Greater scope for Board allocation regarding location						Type 4: Greatest scope for Board allocation regarding purpose and location		
Source	Description	Total funds (£m)	Committed (£m)	Available (£m)	Source	Description	Total funds (£m)	Committed (£m)	Available (£m)
Transport for London	Grant allocation FY2016/17 - Corridors, Neighbours and Supporting Measures	1.04	1.04	0.00	Community Infrastructure Levy	Unallocated pot sum per annum - 25%	1.19	0.00	1.19
Transport for London	Flexible funding annual grant FY2016/17	0.10	0.10	0.00	Community Infrastructure Levy	Neighbourhood pot sum per annum (if City is a single neighbourhood) - 15%	0.71	0.09	0.63
Section 106	Affordable Housing ¹	75.27	75.27	0.00	City Fund	Capital programme	2.00	0.04	1.96
Section 106	Training and Skills ¹	4.70	4.70	0.00	City Cash	Capital programme	3.00	0.04	2.96
On Street Parking Reserve	Forecast estimate to 2019/20 ²	46.91	42.11	4.80					
Community Infrastructure Levy	Public realm & local transport improvements sum per annum (All to P&T) - 40%	1.91	0.43	1.48					
Community Infrastructure Levy	Social and community enhancements sum per annum (all to C&CS) - 10%	0.48	0.25	0.23					
Community Infrastructure Levy	Open spaces sum per annum (all to OS) - 5%	0.24	0.00	0.24					
Type 3 Total		130.65	123.90	6.74	Type 4 Total		6.91	0.16	6.75

Notes - Funding Sources and Availability

¹ It is assumed that the whole Affordable Housing and Training & Skills contributions are committed.

² Committed figure includes schemes on the reserve list totalling £18.351m.

³ Committed spends on CIL to date include Bloomberg £0.43m (Public Realm), Golden Lane £0.25m (Social & Community) and Churchyards Enhancement Programme £0.09m (Neighbourhood). Total committed £0.77m.

Agenda Item 5

Committee(s)	Dated:
Resource Allocation Sub-Committee Planning and Transportation Committee	16th March 2017 21st March 2017
Subject: Allocation of the 2017/18 Transport for London Local Implementation Plan funding and reallocation of part of the 2016/17 funding	Public
Report of: Director of the Built Environment	For Decision
Report author: Iain Simmons, Assistant Director – City Transportation	

Summary

This report advises members that Transport for London has confirmed a grant allocation to the City of £1.34 million for 2017/18 to be used to support programmes in the City of London's Local Implementation Plan.

The City has some discretion over the use of £1,056,000 of this funding although it is a requirement that it must be used to support delivery of the Mayor of London's Transport Strategy under the programme headings specified in TfL's allocation letter. Members are asked to approve the funding allocation to certain transportation and public realm projects and programmes within these requirements.

Members are also asked to approve reallocation of £74,000 of 2016/17 TfL grant between projects and to approve the transfer of £49,000 of 2016/17 TfL grant to freight and consolidation centres work. These measures will ensure the 2016/17 TfL grant is fully utilised.

Finally, members are asked to give the Director of the Built Environment delegated authority to approve reallocations of up to £50,000 within a financial year (subject to TfL approval) in consultation with the Chamberlain, Chairman and Deputy Chairman of the Planning & Transportation Committee and provided that the total grant funding is not exceeded.

Recommendation(s)

Members are asked to approve:

- the allocation of the TfL grant 2017/18 to the programmes and projects set out in Table 2
- the reallocation of £74,000 of TfL grant 2016/17 between the projects shown in paragraph 13
- the transfer of £49,000 of TfL grant 2016/17 to freight and consolidation centres work
- delegated authority being given to the Director of the Built Environment to approve reallocations of up to £50,000 within a financial year (subject to TfL approval) in consultation with the Chamberlain, Chairman and Deputy Chairman of the Planning & Transportation Committee.

Main Report

Background

1. Under Section 159 of the Greater London Authority Act 1999, Transport for London is empowered to give grants for the provision of safe, efficient and economically viable transportation facilities and (or) services to, from or within Greater London.
2. TfL has confirmed its grant allocation to the City for 2017/18 for these purposes in pursuit of the Mayor's Transport Strategy and this report seeks approval for its use on specific programmes and projects
3. Approval is also sought for the reallocation of part of the TfL grant 2016/17 between projects previously approved.

2017/18 TfL Grant

4. In December 2016, Transport for London confirmed a grant allocation to the City of £1.34 million for 2017/18. The funding is to be used to support programmes in the City of London's Local Implementation Plan, as set out in Table 1 below which are designed to support delivery of the mayor of London's Transport Strategy

Table 1: Transport for London Grants in the 2017/18 Financial Year	
LIP Programme	Amount
Major schemes - Bank	£200,000
Principal road maintenance	£84,000
Corridors and neighbourhoods	£ 956,000
Local Transport Fund	£100,000
Total	£1,340,000

5. The £200,000 allocated to 'Major schemes – Bank' is to be used on the Bank junction safety scheme.
6. The optimal use of the £84,000 'Principal road maintenance grant' is determined by engineering staff within the Transportation and Public Realm Division of the Department of Built Environment. This will be based on needs and opportunities within this year's approved resurfacing work programme.
7. The City has some discretion over the use of the £956,000 allocated to 'Corridors and Neighbourhoods' and the £100,000 allocated to the 'Local Transport Fund'. This report seeks your Committee's approval to use the £1,056,000 combined funding under these headings for specified programmes and projects.

2017/18 Proposals

8. Table 2 sets out proposals for the use of the £1,056,000 allocated by TfL to the Corridors and Neighbourhoods programme and the Local Transport Fund.
9. The Corridors and Neighbourhoods proposals are grouped under four headings: Road Danger Reduction; Streets as Places; Air Quality; and Traffic Management.
10. The 2016/17 allocations are shown for comparison.
11. A summary description of each proposal is included in Appendix 1.

Table 2: Proposed allocation of the Corridors and Neighbourhoods grant and the Local Transport Fund grant 2017/18		
	<i>Allocation 2016/17</i>	Proposed Allocation 2017/18
Corridors and Neighbourhoods		
Road Danger Reduction		
Road safety education, training and publicity		£120,000
New Change, Cannon Street and Cheapside		£75,000
Holborn Viaduct / Snow Hill		£70,000
Newgate Street/Warwick Lane		£60,000
Further detailed RDR investigations & delivery		£55,000
sub total	<i>£485,000</i>	£380,000
Streets as Places		
Mansion House Station environs		£30,000
Bank By-Pass Walking Routes Phase 2		£150,000
Eastern City Cluster Area Strategy		£ 60,000
sub total	<i>£291,000</i>	£240,000
Air Quality		
Low Emissions Neighbourhood contribution		£100,000
sub total	<i>£100,000</i>	£100,000
Traffic Management		

Freight & Congestion		£46,000
Way-Finding Review		£30,000
Congestion Review		£40,000
Puddle Dock to Blackfriars Pier		£120,000
sub total	£51,000	£236,000
Corridors and Neighbourhoods total:	£927,000	£956,000
Local Transport Fund		
Pedestrian model		£60,000
Eastern City Cluster Transport Study		£40,000
Local Transport Fund total:	£129,000	£100,000
GRAND TOTAL:	£1,056,000	£1,056,000

2016/17 Reallocation

12. The allocation of the 2016/17 TfL grant of £1,056,000 was reported to your Committee on 25th October 2016. Since then, a projected underspend of £74,000 on two projects has been identified and it is proposed that this is reallocated to two other projects which can utilise the funding in the 2016/17 financial year.

13. The projected underspend of £74,000 to be reallocated is made up from the following projects in the Corridors and Neighbourhoods programme:

£50,000 from the Newgate St/Warwick Lane scheme
£24,000 from the Puddledock improvement scheme
£74,000

It is proposed that this is reallocated to the following projects in the same Corridors and Neighbourhoods programme:

£32,000 to Wayfinding
£42,000 to Bank Junction Interim Safety Scheme
£74,000

14. The report to Committee in October 2016 also included a proposed transfer of £49,000 from the 'Puddle Dock improvement scheme' to 'freight/consolidation centres'. Members are requested to give their formal approval to this reallocation.

15. The reallocation of funds between projects during a financial year is often necessary when unforeseen implementation issues arise and when new priorities arise.

16. In order to avoid having to seek Committee approval for every such reallocation, officers propose that the Director of the Built Environment be given delegated

authority to approve reallocations between projects in Table 2 up to £50,000 within a financial year.

Corporate & Strategic Implications

17. The use of Transport for London grants on the projects set out in Table 2 will serve to support the *City of London Corporate Plan 2015-19*, the *Department of Built Environment Business Plan for 2016-19* and the *Transportation and Public Realm Divisional Business Plan*
18. In particular, the use of the funding will align with the City of London Key Policy Priority 3 (KPP3): “Engaging with London and national government on key issues of concern to our communities such as transport, housing and public health” and the specific issues identified under KPP3 of “Working with the Mayor of London – Transport (investment in the network, ‘keeping London moving’, cycle safety); ... Environment (waste issues; air quality);...”
19. The use of the funding on the identified projects will accord with the DBE Business Plan Key Aims: C “highly accessible central location with efficient travel on City streets upon arrival; F “healthy, safe and resilient environment for workers, visitors and residents;” and will contribute to achieving the following objectives of the Transport and Public Realm Division Business Plan:
 - “Reduce traffic accidents on City Streets
 - Reduce the impact of goods vehicles on the City’s streets.
 - Enhance the City streets and spaces to meet the needs of the business City and reinforce a sense of place and local distinctiveness
 - Adapt the City streets in anticipation of the increase in cycling and walking projected for an ever densely developed City.”

Implications

20. The use of Transport for London grants for the 2017/18 financial year will aid in reducing the City’s financial outgoings by making appropriate use of a readily available external funding source.
21. The Chamberlain has been consulted in the preparation of this report and his comments are included.

Conclusion

22. Transport for London has confirmed Local Implementation Plan funding to the City of £1,340,000 for 2017/18 as shown in Table 1.
23. It is proposed that £1,056,000 of this funding is allocated to programmes and projects as shown in Table 2.
24. Approval is also sought to reallocate £74,000 of the 2016/17 TfL grant from two projects with projected underspends to two other projects which can utilise the

funding in the financial year 2016/17. Approval is also sought for the transfer of £49,000 of 2016/17 funding to 'freight and consolidation centres' work.

25. Approval is also sought to give the Director of the Built Environment delegated authority to approve reallocations of up to £50,000 within a financial year (subject to TfL approval) in consultation with the Chamberlain, Chairman and Deputy Chairman of the Planning & Transportation Committee.

Appendices

- Appendix 1: Brief descriptions of proposed schemes scopes and benefits

Background Papers

- Report to Planning & Transportation Committee 25th October 2016: *Allocation of the 2016/17 Transport for London Grants.*

Iain Simmons

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Appendix 1: Brief descriptions of proposed schemes scopes and benefits.

Road Danger Reduction

Road safety, education, training, publicity (£120,000)

A programme of educational, training and publicity activities aimed at improving road safety through influencing behaviour and increasing awareness of risks.

New Change, Cannon Street and Cheapside (£75,000)

These streets and junctions have a high level of injury collisions. This funding will be used to investigate potential solutions to improve road safety including obtaining data and traffic modelling. It is anticipated that simpler measures will be delivered in 2017/18 but more complex solutions will be developed for delivering in the following years.

Holborn Viaduct/Snow Hill (£70,000)

This junction is the 9th most dangerous junction on the City's road network. Investigations in 2016/17 have identified some potential mitigation measures. The funding would therefore be used to develop these measures, seek approvals and implement in 2017/18.

Newgate St/Warwick Lane (£60,000)

This junction is the 2nd most dangerous junction on the City's road network and in February 2016, the Streets & Walkways and Projects Sub-Committees approved a Gateway 4/5 report for proposals to be implemented. Delivery in 2017/18 is therefore subject to members agreeing this funding request.

Further detailed RDR investigations and delivery (£55,000)

This funding will be used to investigate further collision "hot spots" and to identify potential engineering interventions to take forward in 2018/19. It may also be used to deliver low cost, low impact measures in 2017/18.

Freight and congestion (£46,000)

Studies, research, surveys and stakeholder engagement activities aimed at developing targeted approaches to reducing congestion on the City's streets, including through reducing freight and servicing vehicles.

Streets as Places

Mansion House Station environs (£30,000)

Proposals would focus on improvements to accessibility and walking routes in the vicinity of the station, including Garlick Hill and Little Trinity Lane.

A Gateway 1/2 report to initiate the project is planned to be submitted in summer 2017.

Bank By-Pass walking routes Phase 2 (£150,000)

The Bank By-Pass Walking Routes project consists of street enhancements in Birchin Lane, Finch Lane, Nicholas lane and Abchurch Lane. It is a high priority of the Bank Area Enhancement Strategy which was adopted in 2013.

These north-south lanes are currently used as convenient walking routes away from the busy streets and junctions. Works to improve the quality of these streets are being undertaken in response to a significant increase in pedestrian numbers anticipated in the area upon completion of major transport upgrades, such as the new Bank station entrance on Cannon Street and nearby Crossrail. The project will increase the quality of these walking routes through enhancing access for pedestrians, including wheelchair and pushchairs users as well as enhancing the character and appearance of the streets.

Birchin Lane was the first phase which was completed in 2015. Finch Lane and Nicholas Lane North form the second phase which is proposed to be part-funded by the TfL allocation with the remainder of the funds from S106 receipts. The project has already received Gateway 4 approval and the Gateway 5 (authority to start work) report for Phase 2 would be submitted in spring 2017

Eastern City Cluster Area Strategy (£60,000)

Officers are currently preparing a strategy for the Eastern Cluster area. The aim is to ensure that the streets and public realm can accommodate future growth and provide an attractive and well-functioning urban environment that is fitting for its high profile status.

The preparation of the strategy will be carried out in two stages. The first stage involves a targeted consultation in order to understand the issues and challenges and develop a vision and objectives for the area. The second stage will include developing proposals to address those issues and challenges together with a detailed public consultation exercise. The proposed funding allocation would be required to progress Stage two and further details will be included in an update report on the strategy development that will be submitted to Committees in spring 2017.

Air quality

Low Emissions Neighbourhood (£100,000)

The grant will contribute to the funding of electric vehicle charging points, a micro-consolidation facility and the Beech street tunnel emissions reduction programme.

Traffic Management

Way finding review (£30,000)

Members agreed a Gateway 2 report in 2016/17. The funding will therefore be used to conclude the options appraisal and to bring the Gateway 3 report to Committee in 2017/18.

Congestion review (£40,000)

In November 2016, Members agreed a number of work streams to try to tackle congestion in the City. These included a review of loading restrictions and zebra crossings to improve traffic flows. It is also worth extending the assessment to include other measures which could also improve traffic flows such as yellow box junctions. This funding will therefore be used to assess the feasibility and delivery of any changes or to identify what further actions will need to be taken in order to deliver any change.

Puddle Dock to Blackfriars Pier (£120,000)

As part of the Thames Tideway project, the Blackfriars Pier has been relocated near Puddle Dock. This means that there will be a need to provide a pedestrian route from the new pier to the City via Puddle Dock. As part of this TfL are currently seeking permission to deliver a pedestrian crossing over their highway (Upper Thames Street) to facilitate this new route.

Members have already approved a Gateway 2 report for this project. The funding will therefore be used to complete the detailed assessments including traffic modelling, detailed design and utility enquiries to inform the Gateway 4/5 report. It is also, anticipated that, some advance works such as utility diversions, procurement of traffic signals, etc may also be carried out during 2017/18 but further details will be set out in the next Gateway report.

Local Transport Fund

Pedestrian model (£60,000)

Further development of a model for testing the impact of development scenarios and highway interventions on pedestrian movement.

Eastern City Transport Study (£40,000)

As part of the development of the second stage of the Eastern City Cluster area strategy (see above), transport studies will be required to enable the development of options. Further details will be included in the planned update report in spring 2017.

Committee Resource Allocation Sub-Committee Policy and Resources Committee	Dated: 16 th March 2017
Subject Central Grants Programme (CGP) Resourcing and Management Fee 2017/2018	Public
Report of: Chief Grants Officer	For Decision
Report author: Scott Nixon, Head of Projects, City Bridge Trust	

Summary

In October 2016, the Policy and Resources Committee received a report and endorsed an approach which allowed City Bridge Trust (CBT) to second staff in to manage the CGP until 31st March 2017; and agreed an interim resource of up to £41,000 to support the Central Grants Unit (CGU) during this time (equivalent to 10% of the CGP's total budget allocation).

As this was a pilot project, it was agreed that a follow up report would be submitted to this Committee in March 2017 to approve the staffing and resources for 2017/2018 and the management fee for the CGP. This was to allow time for one pilot grant-round to take place per funding theme and therefore for a more accurate assessment of resource requirements to be captured and presented to this Committee.

During the four month period (October 2016 to January 2017) a time recording system has been implemented by the CGU so that each individual grant programme can be recharged for the actual time and resource spent by CBT Officers.

Members are asked to agree that the CGU can recharge up to £60,000 to manage the CGU over a 12 month period (1 April 2017 - 31 March 2018). This figure takes into account the fact that six grant rounds will be delivered in 2017/2018 (as opposed to four in the six month pilot) and that additional grant monitoring and evaluation costs will be incurred during 2017/2018. The management fee to be charged to each of the four grant-giving committees will be kept within a 10% to 15% of their grants budget allocation.

All four grant giving committees (Culture, Heritage and Libraries, Community and Children's Services, Education Board and Open Spaces and City Gardens) agreed that the Policy and Resources Committee could approve the proportionate management fee to be charged by the CGP for their respective funding theme.

Recommendations

- a) To agree to continue to second staff from CBT to manage the CGP, for a one year period (April 2017 – March 2018).
- b) To agree that the CGU can recharge up to £60,000 to manage the CGU over this 12 month period.
- c) To note that an evaluation report of the CGU pilot will be submitted to this Committee in December 2017 to agree the 2018/2019 delivery approach.

Main Report

Background

1. In March 2016, the Resource Allocation Sub-Committee and the Policy and Resources Committee received a report outlining the work that had been undertaken to date to implement the recommendations of the Effectiveness of Grants Service Based Review (SBR). The aim of the review was to increase the strategic impact of grant-making, ensure that the grants are managed more efficiently and effectively, improve the consistency and quality of the customer experience and so bring consequential reputational benefits. The report recommended a consolidated CGP be implemented (while maintaining principal funding streams separately e.g. CBT activities and this Committee's Policy Initiatives Fund).
2. In order to manage the CGP effectively a new CGU was proposed to manage all grant applications, monitoring and evaluation processes and Committee reporting procedures.
3. It was agreed that the CGU would be co-located within CBT in order to facilitate consistency of approach and harmonise service standards. The Chief Grants Officer, whose responsibility includes the grant-making activities of CBT, maintains an overview of the CGU, with relevant input from the Head of Charity and Social Investment Finance within the Chamberlain's Department.
4. In October 2016, Members of this Committee received a report and endorsed an approach which allowed CBT to second staff in to manage the CGP until 31st March 2017; and agreed an interim resource of up to £41,000 to support the CGU during this time (equivalent to 10% of the CGP's total budget allocation).
5. It was agreed that a full report would be submitted to this Committee in March 2017 to approve the staffing and resources for 2017/2018 and the management fee for the CGP. This was to allow a decision on resourcing to be based on a more accurate assessment of resource requirements with some grant rounds having been delivered.

Current Position & CGP Management Fee proposal 2017/2018

6. At the time of this report, only two of the four grant rounds will have taken place for the 2016/2017 programme. The remaining two grant-giving Committees will have convened to award funds by the end of March 2017.
7. Between October 2016 and January 2017 (4 months of the agreed pilot), based on the CBT officer time recording system /overheads incurred, £18,000 of the agreed maximum of £41,000 will be recharged by the CGU to the CGP. Therefore, based on current forecasts, it is expected that approximately £32,000 would be charged for the first 6 month pilot.
8. The number of grant rounds to take place in 2017/2018 has been provisionally agreed by each grant-giving committee, as laid out below:

Funding theme	Number of grant rounds*
Inspiring London through Culture	2
Stronger Communities	1
Enjoying Open Spaces and the Natural Environment	1
Education and Employment	2

*Note: If all the funds available within this financial year are not distributed in the agreed number of grant rounds, an additional grant round may be implemented at the request of the grant-giving committee.

9. The funding available for 2017/2018 will be less than that in 2016/17 (which benefited from a significant carry forward of funding from previous years). Therefore, the CGU will ensure that as high a proportion of the available funds as possible is distributed as grants in 2017/18 without compromising the agreed due diligence processes and procedures of the CGU.
10. Additional time will be required by the Senior Grants Officer in 2017/2018 to monitor and evaluate grants awarded in the previous financial year.
11. The gross budget for the CGP, prior to the deduction of CGU management fee, in 2017/2018 is shown below.

Grant Themes - Sum available including carry forward.	2017/18
Stronger Communities	63,931*
Inspiring London through Culture	84,931
Open Spaces	42,331*
Stronger Communities - Combined Relief of Poverty (1073660)	7,696
Education and Employment - City Educational Trust Fund (290840)	191,991
Education and Employment - Combined Education Charity (290129)	45,666
Total grants budgets including carry forward	436,547

* The Stronger Communities and Enjoying Green Spaces and the Natural Environment figures provided are based on maximum amounts that could be awarded based on the applications received to-date. These figures will be updated after the grant-giving committees have assessed the applications.

12. It is assumed that the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub-Committee will approve the carry forward of any City's Cash underspend from 2016/2017.
13. To support these grant rounds, it is proposed that the Senior Grants Officer continue to be seconded in from CBT until 31st March 2018. The expertise and management time of the Chief Grants Officer and Head of Charity and Social Investment Finance will also be drawn upon.
14. During this period the time recording system will continue to be implemented by the CGU so that each individual grant programme can be recharged for the actual time and resource spent by CBT officers. CBT will backfill their grants team to ensure there is no adverse impact on its own resources and delivery of CBT's activities in furtherance of Bridge House Estates' (1035628) charitable purposes and policy objectives.
15. Members are asked to agree that the CGU can recharge up to £60,000 to manage the CGU over a 12 month period (1 April 2017 - 31 March 2018). This figure takes into

account the fact that six grant rounds will be delivered in 2017/2018 (as opposed to four in the six month pilot) and that additional grant monitoring and evaluation costs will be incurred during 2017/2018.

16. Based on experience to-date, the management fee to be charged to each of the four grant-giving committees should be kept within a 10% to 15% of their grants budget allocation.
17. Should the time spent by the CGU exceed the approved cap, a proposal to increase the management fee will be submitted to the Chairman and Deputy Chairman of the Policy and Resources Committee to approve by delegated authority (and, if agreed, will be deducted from the CGP budget allocation for financial year 2017/2018); and, in the case of each of the charities affected, that decision will be taken having regard to the efficient and effective administration of those charities and that the City Corporation has an obligation as the trustee in each case to act in the best interests of the charity.
18. Similarly, should the time and resource requirements of the CGU decrease over time, the level of staffing, resource and the associated management fee will be reduced accordingly by the Chief Grants Officer.

Background Papers

- Policy and Resources Committee, March 2016, 'Implementation of Grants Review'

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