



Resource Allocation Sub (Policy and Resources) Committee

Date: THURSDAY, 4 OCTOBER 2018
Time: 12.00noon
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL
Members: Deputy Catherine McGuinness (Chairman)
Jeremy Mayhew (Deputy Chairman)
Sir Mark Boleat
Deputy Keith Bottomley
Deputy Jamie Ingham Clark
Henry Colthurst
Simon Duckworth
Alderman Peter Estlin
Marianne Fredericks
Christopher Hayward
Deputy Edward Lord
Deputy Joyce Nash
Deputy Dr Giles Shilson
Deputy Tom Sleigh
Sir Michael Snyder
Deputy John Tomlinson
Alderman Sir David Wootton

Enquiries: Gregory Moore
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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

Part 1 - Public

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 5 July 2018.
For Decision
(Pages 1 - 6)
4. **PRIORITIES INVESTMENT POT (PIP) - BIDS FOR CONSIDERATION**
Joint Report of the Town Clerk and the Chamberlain.
For Decision
(Pages 7 - 12)
5. **FEASIBILITY STUDY TO EXPAND CITIGEN ENERGY NETWORK**
Report of the City Surveyor.
For Decision
(Pages 13 - 20)
6. **CONGESTION MITIGATION: PARKING, TRAFFIC & CYCLING ENFORCEMENT RESOURCES**
Report of the Director of the Built Environment.
For Decision
(Pages 21 - 28)
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

10. **NON-PUBLIC MINUTES**
To agree the non-public minutes of the Sub-Committee meeting held on 5 July 2018.
For Decision
(Pages 29 - 32)

11. **ADDITIONAL RESOURCES REQUEST - CITY SURVEYOR'S LOCAL RISK BUDGET**
Report of the City Surveyor.

For Decision
(Pages 33 - 38)
12. **OPEN SPACES LEARNING PROGRAMME LONG TERM FUNDING**
Report of the Director of Open Spaces.

For Decision
(Pages 39 - 66)
13. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
14. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

Part 3 - Confidential

15. **PROPOSED EXPANSION OF GLOBAL COMPETITIVENESS WORKSTREAMS**
Report of the Director of Economic Development.

For Decision
16. **TERMINATION OF EXECUTIVE SEARCH CONTRACT**
Report of the Director of Economic Development.

For Information
17. **MARKET FORCES SUPPLEMENTS**
Report of the City Surveyor.

For Decision

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RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Thursday, 5 July 2018

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources) Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Thursday, 5 July 2018 at 12.00 pm

Present

Members:

Deputy Catherine McGuinness (Chairman)
Deputy Keith Bottomley
Deputy Jamie Ingham Clark
Henry Colthurst
Simon Duckworth (*in the Chair for Item 4*)
Marianne Fredericks
Christopher Hayward
Deputy Edward Lord
Deputy Joyce Nash
Deputy Dr Giles Shilson
Sir Michael Snyder
Deputy John Tomlinson
Alderman Sir David Wootton

Officers:

John Barradell	- Town Clerk and Chief Executive
Peter Kane	- Chamberlain
Angela Roach	- Assistant Town Clerk & Director of Member Services
Peter Lisley	- Assistant Town Clerk & Culture Mile Director
Chrissie Morgan	- Director of Human Resources
Carolyn Dwyer	- Director of the Built Environment
Gregory Moore	- Town Clerk's Department
Emma Cunnington	- Town Clerk's Department
Dianne Merrifield	- Chamberlain's Department

1. APOLOGIES

Apologies were received from Sir Mark Boleat, Alderman Peter Estlin, Jeremy Mayhew, and Deputy Tom Sleigh.

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

Deputy Catherine McGuinness declared a potential pecuniary interest in respect of Item 4 by virtue of her ownership of a property at Bryer Court (Barbican Estate), advising that the Deputy Chairman of the Policy & Resources Committee would take the Chair for consideration of this item. Deputy Joyce Nash declared a similar interest as a resident of Defoe House.

3. **MINUTES**

- a) The public minutes of the meeting held on 3 May 2018 were approved.
- b) The public minutes of the meeting held on 17 May 2018 were approved.
- c) The public minutes of the meeting held on 19 June 2018 were approved, subject to it being noted that Deputy Dr Giles Shilson had been present.

4. **BEECH STREET: TRANSPORT AND PUBLIC REALM IMPROVEMENTS**

The Deputy Chairman took the Chair for consideration of this item.

The Sub-Committee considered a report of the Director of the Built Environment concerning transportation and public realm improvements in the Beech Street area.

Members were advised that Item 4 had been substantively withdrawn, following consideration by the Streets & Walkways Sub-Committee on 3 July 2018 where Members had rejected the proposals as outlined in the report.

The resolution of the Streets & Walkways Sub-Committee meeting held on 3 July 2018 was subsequently tabled, alongside revised recommendations limiting the proposals to funding relating to the structures investigation element of the project and requesting that a revised report be submitted to the next meeting which examined the options around commissioning either a limited Beech Street area traffic model or a Citywide traffic model. The Resource Allocation Sub-Committee was asked to endorse the approach recommended by the Streets & Walkways Sub-Committee.

RESOLVED: That approval be given to:-

- An increase in the estimated project budget of £98,402 to £218,927 to fund the structures investigations to Gateway 4 and the City-wide model investigation until the next update report in September.
- The allocation of £98,402 of Public Realm and Local Transport Improvement CIL funds to fund the structures investigation element of the project to Gateway 4. *(N.B. - this was the total for structures work as set out in Appendix 4 of the original report , i.e. £18,402 structures team staff costs + £80,000 structures consultant fees).*
- The delegation of authority for any adjustments between elements of the £218,927 required budget to the Director of the Built Environment, in conjunction with the Chamberlain, provided the total approved budget of £218,927 was not exceeded and the scope remained unchanged.

5. **CITY MENTAL HEALTH CENTRE**

This item was withdrawn.

6. **RESOURCING DIVERSITY AND BUSINESS ENGAGEMENT**

Members considered a report of the Director of Human Resources seeking resource to establish the post of Diversity and Business Engagement Manager and support the City Corporation's wider equalities diversity and inclusion work.

In response to queries concerning the role of the Diversity and Business Engagement Manager, the Town Clerk clarified that dedicated resource was required to support the various staff networks and help equalities and inclusion activities become more deeply embedded across the organisation. Currently, staff were being required to divert time from their substantive posts to help manage these staff networks, which hampered their efficacy and was not sustainable in the longer term.

It was also confirmed that the proposal had the support of the Establishment Committee.

RESOLVED: That approval be given to:-

- a budget uplift of £66,000 for a Diversity and Business Engagement Manager (on a pro-rata basis for 2018/19);
- a budget uplift for associated Equality and Inclusion (E&I) budget of £20,000 to support and develop the staff networks and City of London Corporation E&I Initiatives both internally and in the City;
- a budget uplift for the annual membership to Stonewall Diversity Champions and event attendance of £4,000;
- a one-off budget uplift to fund £6,250 for a diversity entry at the Lord Mayor's Show; and
- a base budget increase of £74,250 to be funded from the Policy and Resources 2018/19 Committee's Contingency and a base budget increase of £90,000 per annum thereafter.

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

There were no questions.

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

There was one item:

Priorities Investment Pot (PIP) – Bids for Consideration

The Sub-Committee considered a joint report of the Town Clerk and Chamberlain setting out the various bids for funding from the Priorities Investment Pot.

RESOLVED: That approval be given to the recommended PIP bids, as follows:-

- Town Clerk's – Access to Sensitive Records at LMA – £44,500
- Economic Development – Standalone Website to Promote London - £145,000
- Open Spaces – 5 bids
 - 1) Kenley Revival Legacy Officer – £49,900

- 2) Future Car Parking at Burnham Beeches and City Commons – £130,000
- 3) Epping Forest’s Licences, Leases and Wayleaves backlog – £100,300
- 4) Fundraising and Income Generation Officer – £81,000
- 5) Learning Programme Year 3 Supplementary Funding – £87,000
- Built Environment – Plastic Free City – £198,500
- Guildhall School – Multimedia Business Unit – Video Projection Mapping - £150,000
- Markets & Consumer Protection - Brexit Preparations – £25,000

9. EXCLUSION OF THE PUBLIC

RESOLVED – That under Section 100A(4) 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.

<u>Item No.</u>	<u>Paragraph No.</u>
10a - 12	3
15	2 & 3
16	4

10. NON-PUBLIC MINUTES

- a) The non-public minutes of the meeting held on 3 May 2018 were approved.
- b) The non-public minutes of the meeting held on 19 June 2018 were approved.

11. PROJECT FUNDING UPDATE

The Sub-Committee considered and approved a report of the Chamberlain providing Members with an update on the allocation of central funding for projects and a round-up of the approved allocations from provisions for new schemes.

12. CITY OF LONDON CORPORATION & CITY OF LONDON POLICE IT STRATEGY – INITIAL FUNDING REQUEST

The Sub-Committee considered and approved a joint report of the Chamberlain and Commissioner of Police which sought funding for activity in relation to the delivery of a combined IT strategy for the City Corporation and City Police.

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 was one urgent item:

Fleet Street Site

The Sub-Committee considered and approved proposals relating to a major building project in the Fleet Street area.

15. TO AGREE THE CONFIDENTIAL MINUTES OF THE SPECIAL MEETING OF THE SUB-COMMITTEE HELD ON 17 MAY 2018.

The confidential minutes of the meeting held on 17 May 2018 were approved.

16. PROPOSED PAY DEAL 2018-20

The Sub-Committee considered and approved a report of the Director of Human Resources concerning the proposed pay deal for staff for 2018-20.

The meeting ended at 12.40 pm

Chairman

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Agenda Item 4

Committee(s):	Date(s):
Resource Allocation Sub-Committee	4 October 2018
Subject:	Public
Priorities Investment Pot (PIP) – Bids for Consideration	
Report of:	For Decision
Town Clerk and Chamberlain	
Report Author(s)	
Geoff Parnell, Head of Projects - Strategic Resources	

Summary

The Court of Common Council approved the creation of a Priorities Investment Pot (PIP) in March 2018 to be used to provide additional funding to support priority front line services to meet new pressures and growth where there is clear demand and alignment with corporate plan priorities.

In the first two round of the process, 34 bids were received and 17 bids totalling £1,607,300 were approved by RASC at its March and July 2018 meetings.

The third round has resulted in 9 new PIP bids, which have been reviewed by the Town Clerk and Chamberlain and placed in the following categories:

- Recommended – 7 bids totalling £616,080 over the next 3 financial years from 2018/19
- Not Recommended/Consider alternate funding route – 2 bids totalling £175,000

The high percentage of recommended bids reflects the increased understanding of the primary purpose of PIP funding and close collaboration in the preparation of bids. If the recommended bids are agreed this would mean that a total of £1.46m in 2018/19 would have been committed.

As per the governance processes for the PIP, the 7 recommended PIP bids are now presented to Members for approval.

Recommendations

Members are asked to: -

Approve the following recommended PIP bids, which would commit an additional £176k (£1.45m in total) in 2018/19, £253k for 2019/20 (£494k in total) and £187k for 2020/21 (£273k in total):-

- City Surveyor's – Supporting Openreach's (Wireless Contract) roll out of Fibre – £36,050 – (Appendix 1)
- Economic Development and Community and Children Services – Digital Skills Strategy and Officer - £65,000 (Appendix 2)
- Open Spaces – 2 bids
 - 1.) Facilitating 'Biodiversity net gain' in and around Burnham Beeches – £86,500 (Appendix 3)
 - 2.) Project Officer– 'Developing a Parking Strategy' for Epping Forest - Income Generation – £109,300 (Appendix 5)

- Community and Children Services – 2 bids
 - 1.) Barbican Library Exhibition Equipment – £50,230 (Appendix 6)
 - 2.) Mental Health Centre - Expanded Bid – £161,000 (Appendix 7)
- Town Clerk's - Improving the Response to Anti-Social Behaviour – £108,000 (Appendix 8)

Note:-

- *The high-level list of all bids received – Table 1*

Background on the Priorities Investment Pot

1. The creation of a Priorities Investment Pot (PIP) for 2018/19 and future years was approved at the Court of Common Council on the 8 March 2018, to be formed from some of the 2% efficiencies gained through implementation of the Corporate Efficiency and Sustainability Plan. This pot will allow Members to allocate additional resources to front line services to fund new demand pressures and new or innovative services where there is clear demand and, importantly, support key corporate plan priorities for front line service users.
2. PIP allocations are focused on supporting front line services to fund priority areas of new activity aligned to the Corporate Plan or increased demand. The criteria for PIP bids is below:
 - A robust business case exists that explains the reason for the cost pressure, new demand pressures and new or innovative services;
 - The bid does not fund business as usual activity (which would be covered out of local risk); and
 - The proposal supports Corporate Plan priorities.
3. The process for accepting and reviewing PIP bids is better established after two rounds of accepting bids. The PIP Governance process (Appendix 14) has been communicated to all Chief Officers by the Chamberlain.

Priorities Investment Pot Bids - Received

4. A short template has been developed for bids, drawing on the key information identified in the opportunity outline where relevant. All Chief Officers are aware of the criteria, governance arrangements and schedule for receiving and considering PIP bids.
5. 9 PIP bids (see Table 1) have been received from a range of departments as of 31st of August 2018 in the third round of quarterly PIP bids for 2018/19. The Town Clerk and Chamberlain have reviewed all bids and placed them in the following categories:
 - Recommended – 7 bids totalling £616,080 over the next 3 financial years from 2018/19
 - Not Recommended/Consider alternate funding route – 2 bids totalling £175,000
6. Feedback will be provided, and alternative funding routes will be suggested by the Chamberlain's department to Chief Officers and their teams for those bids not recommended.

Table 1 - Priorities Investment Pot Bids received by the August 2018 deadline

Bid #	Department	PIP Bid Name	Summit Recommendation (Recommended, Need More Info, Not Recommended)	2018/19 Bid Amount	2019/20 Bid Amount	2020/21 Bid Amount	Total Bid Amount
35	CSD	Supporting Openreach's (Wireless Contract) roll out of Fibre to Residents and SME's in the Square Mile	Recommended	£36,050	£0	£0	£36,050
36	DCCS, EDO	Digital Skills Strategy and Officer	Recommended	£20,000	£45,000	£0	£65,000
37	OSD	Facilitating 'Biodiversity net gain' in and around Burnham Beeches	Recommended	£14,500	£57,500	£14,500	£86,500
38	OSD	Epping Forest Lodges refurbishment for rental	Not Recommended	£75,000	£50,000	£0	£125,000
39	OSD	Project Officer- 'Developing a Parking Strategy' for Epping Forest - Income Generation	Recommended with repayment	£15,900	£73,500	£19,900	£109,300
40	DCCS	Barbican Library Exhibition Equipment	Recommended	£50,230	£0	£0	£50,230
41	DCCS	Mental Health Centre - Expanded Bid	Recommended	£16,000	£17,000	£128,000	£161,000
42	TC	Improving the Response to Anti-Social Behaviour	Recommended	£23,000	£60,000	£25,000	£108,000
43	REM	Bridge House Estates Review - Research Resource	Not Recommended	£50,000	£0	£0	£50,000
Total of Amount of PIP Bids - 3rd Round				£250,680	£303,000	£187,400	£791,080
Total of Recommended PIP Bids				£175,680	£253,000	£187,400	£616,080
All PIP Bids Approved PIP as of July 2018 (17 bids)				£1,280,650	£240,850	£85,800	£1,607,300
Sub-total				£1,456,330	£493,850	£273,200	£2,223,380
Projected Annual PIP				£2,921,000	£2,862,580	£2,805,328	£8,588,908
Projected Variance				-£1,464,670	-£2,609,580	-£2,617,928	-£7,972,828

Priorities Investment Pot Bids – Recommended

7. Having reviewed all bids, the Town Clerk and Chamberlain recommend 7 for approval:

- City Surveyor's – Supporting Openreach's (Wireless Contract) roll out of Fibre – £36,050 – (Appendix 1)
- Economic Development and Community and Children Services – Digital Skills Strategy and Officer - £65,000 (Appendix 2)
- Open Spaces – 2 bids
 - 3.) Facilitating 'Biodiversity net gain' in and around Burnham Beeches – £86,500 (Appendix 3)
 - 4.) Project Officer- 'Developing a Parking Strategy' for Epping

Forest - Income Generation – £109,300 (Appendix 5)

- Community and Children Services – 2 bids
 - 2.) Barbican Library Exhibition Equipment – £50,230 (Appendix 6)
 - 2.) Mental Health Centre - Expanded Bid – £161,000 (Appendix 7)
- Town Clerk's - Improving the Response to Anti-Social Behaviour – £108,000 (Appendix 8)

8. Members should note that if these 10 recommended PIP bids are approved there would still be scope to consider further bids and those bids can cover funding for up to 3 years from 2018/19.

Priorities Investment Pot Bids – Not Recommended

9. Two bids were not recommended to be by the PIP Review Panel. The Epping Forest Lodges refurbishment for rental bid was not recommended as it is already receiving some funding to do refurbishments from the Cyclical Works Programme. The Bridge House Estates (BHE) Review Research Resource bid was not recommended as this bid should request funding from the BHE Strategic Review Fund.

Future Pipeline Priorities Investment Pot Bids

10. The schedule for when future PIP bids will be accepted from Chief Officers in 2018/19 can be seen below.

Submit PIP Bids By	Projected Summit Group	Projected Resource Allocation Sub-Committee
End of May 2018	June 2018	July 2018
End of August 2018	September 2018	October 2018
End of December 2018	February 2019	March 2019

11. A reminder will be sent to all Chief Officers a month in advance of the 31 December 2018 deadline for the fourth-round submission of PIP bids.

Recommendations

12. It is recommended that Summit Group approve funding for the 7 bids totalling £616,080 over the next 3 financial years from 2018/19.

Geoff Parnell

Head of Project, Strategic Resources, Chamberlain's Department

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Appendices: Priorities Investment Pot Bids received by the August 2018 deadline (available upon request)

Appendix 1: Supporting Openreach's (Wireless Contract) roll out of Fibre to Residents and SME's in the Square Mile (City Surveyors)
Appendix 2: Digital Skills Strategy and Officer (Community and Children's Services and Economic Development)
Appendix 3: Facilitating 'Biodiversity net gain' in and around Burnham Beeches (Open Spaces)
Appendix 4: Epping Forest Lodges refurbishment for rental (Open Spaces)
Appendix 5: Project Officer– 'Developing a Parking Strategy' for Epping Forest - Income Generation (Open Spaces)
Appendix 6: Barbican Library Exhibition Equipment (Community and Children's Services)
Appendix 7: Mental Health Centre - Expanded Bid (Community and Children's Services)
Appendix 8: Improving the Response to Anti-Social Behaviour (Town Clerks)
Appendix 9: Bridge House Estates Review - Research Resource (Remembrancer)

All bids have been scrutinised by Summit Group. If you require more information about a bid, please contact Geoff Parnell Geoff.Parnell@cityoflondon.gov.uk

Appendix 10: Governance Process for PIP Bids

Below is the governance for PIP bids:

1. A Chief Officer should contact the Chamberlain's Department for guidance on whether the PIP is a potential funding route, prior to officially submitting a PIP bid. Considering the criteria for PIP bids, guidance might be given to explore an alternate funding route such as the Transformation Fund, Capital or a baseline adjustment. A business as usual cost pressure should be addressed as part of the normal annual budget process. If a bid is for a cross departmental transformation, then the transformation fund may be the more appropriate funding route.
2. A Chief Officer will submit a PIP bid to the Chamberlain for review.
3. The Town Clerk and Chamberlain will consider PIP bids and report the outcomes to Summit Group for endorsement. All bids will be reported at each stage.
4. If Summit Group endorse the recommended PIP bids, then all bids (recommended and not recommended) will be reported to Members at Resource Allocation Sub-Committee for approval.
5. If approved by Resource Allocation Sub-Committee, PIP funding will then be made available to the Chief Officer.
6. Spend and outcomes of PIP funding will be monitored by Chamberlain's.

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Committee(s): Corporate Asset Sub-Committee – For decision Resource Allocation Sub-Committee – For decision	Date(s): 5 September 2018 4 October 2018
Subject: Feasibility study to expand Citigen energy network	Public
Report of: The City Surveyor	For Decision
Report author: Andrew Crafter, Principal Engineer, City Surveyors Department	

Summary

This report seeks approval to undertake a feasibility study in accordance with a Government scheme targeted at Local Authorities to examine how the Citigen energy network might be expanded within the area to the south of Smithfield. The scheme provides technical advice for heat load mapping, feasibility, detailed project delivery models, and commercialisation.

The scheme is open to all Local Authorities and offers grant funding of up to 67% towards the cost of the study. The balance would be shared equally by the City Corporation and Citigen.

This scheme provides an excellent opportunity at a suitable time to develop plans to expand the Citigen energy network, led by the City. After many years with little or slow development, it would mark the first step forward in the strategic expansion of the CHP system, a position not envisaged since the system's inception in the early 1990s.

Recommendation(s)

Members of Corporate Asset Sub-Committee are invited to approve the proposal to undertake a feasibility study at a cost of up to £100,000 in accordance with the Government scheme described in this report to examine how the Citigen energy network might be expanded within the area to the south of Smithfield subject to a successful grant application for 67% of the cost and a 16.5% contribution from Citigen.

Members of Resource Allocation Sub-Committee are invited to note the contents of this report and approve the contribution of up to £16,500 (16.5% of the total cost, estimated at £100,000) to be allocated from the Community Infrastructure Levy towards the cost of the study.

Main Report

Background

1. The City of London Combined Heat and Power (CHP) system is operated by Citigen (London) Ltd from their energy centre at 47-53 Charterhouse St, EC1, and generates electricity, heat and cooling. Electricity generated is sold via the grid through the parent group, whilst hot and chilled water are circulated via an

underground district pipe network to a number of City and private properties for heating and air-conditioning purposes.

2. The City Corporation supports the development of the system and has a long-term cooperation agreement with Citigen running to 2021, which provides the framework for this support. Commercial negotiations are on-going to extend the agreement. The City's planning policies encourage the development of low-carbon heat networks in line with GLA, Government and international policies.
3. The existing district pipe network is ca. 2 kilometres in length, and runs from the energy centre to the Barbican, Guildhall and Museum of London, serving a total of 19 customers. Appendix 1 provides a map of the system. It has not expanded since the last section was installed in 1998, although a number of branches have been added since then to connect new customers, which is continuing.
4. Since 2013, the Government has been encouraging the development of heat networks for environmental reasons - in pursuit of its decarbonisation agenda. It has a target of increasing the proportion of heat supplied to buildings in the UK from heat networks from 2% to 18%, as most recently set out in its 'Clean Growth Strategy'.
5. To provide support (technical guidance and grant funding) to local authorities in England and Wales to progress the development stages of heat networks projects, the Government established The Heat Networks Delivery Unit (HNDU) within the Department of Energy and Climate Change in 2013 - now the Department of Business, Energy and Industrial Strategy (DBEIS). Since its inception in 2013, HNDU has awarded support to over 200 schemes across 140 local authorities in England and Wales, including over £17 million of grant funding.
6. Round 8 of the scheme opened in May 2018 and runs to 31 December 2018. Local authorities may apply for up to 67% of the estimated eligible external costs of the development studies, with the remaining 33% to be secured by the local authority in match funding. Details of the scheme can be viewed at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/707805/HNDU_Round_8_guidance.pdf. The scheme is only open to local authorities, although third parties may contribute to the match funding. A detailed description of each stage can be seen at Appendix 2.

Current Position

7. After 25 years of operation, the Citigen network is at the stage at which strategic expansion needs to be considered. The HNDU scheme provides the opportunity for a detailed study to be carried out in a structured manner with external support and guidance, with up to 67% of the cost being met by Government.
8. The City and Citigen have agreed that, if approved, a study could be undertaken under the scheme which focuses on development of the system

within the area south of Smithfield. The study would include both the heating and cooling networks. The reasons for selecting this area are:

- Completion of the full route as far as London Wall Car Park would link up with the existing network, forming a ring circuit (allowing heat and cooling supplies from both directions), increasing the capacity and resilience of the entire network, being key aims of both the City and Citigen;
 - It offers good prospects for new heating and cooling connections from existing properties along the route, underpinned by good 'anchor' loads. Its entire length lies within the City's boundary;
 - The route would allow the connection of Central Criminal Court, an aim previously supported by Corporation committees. Other than the Barbican Estate, the Courts are the last major Corporate property in the City still to be connected to the CHP system;
 - The route would also allow St Paul's Cathedral to be connected, which previously expressed interest; Paternoster Square and the BT Headquarters in Newgate Street would be further valuable customers if they could be secured, also Barts Hospital when their current CHP unit becomes due for renewal;
 - It would address the capacity constraint in the existing district cooling network;
 - It can make use of the City's existing pipe subways. There may be a case for extending some of these in conjunction with any new pipework installed;
 - The high-profile customer connections and backing of the City could make this a 'flagship' for the scheme and the energy industry, re-establishing Citigen's reputation as one of the UK's leading district energy schemes.
9. Citigen have no other known plans for the strategic expansion of the network and recognise the need for the City Corporation to be closely involved in the future expansion.
10. The City and Citigen met HNDU at DECC offices in 2016. Indications were that an application from the City would be well received.
11. It is estimated that the construction phase could take up to 10 years to complete at a cost of £15-20 million (for which further Government financial support would be available). It would be a complex project ideally carried out in phases.

Proposals

12. It is proposed, subject to Member approval, to submit an application to DBEIS HNDU for support under the HNDU scheme in accordance with the guidelines published to undertake a full study for the area identified.
13. It is estimated that such a study would take around six months and cost around £100,000. Citigen have confirmed in writing that they are fully supportive of an application being made to DBEIS on this basis and are willing to contribute to the cost.

14. It is proposed that the City's application would be for the full 67% of the total cost. Citigen have confirmed they are willing to share the cost of the balance, £33,000, equally with the City. It is proposed subject to Member approval that the City's share, £16,500, would be met from the Community Infrastructure Levy (CIL). This would also demonstrate to Citigen a commitment by the City to the system development with both financial support and staff resources.
15. CIL funding may be subject to a requirement that should the study conclude the expansion is unfeasible, CIL payments may be reimbursable. However, the likelihood of this is considered remote.
16. If approved, the study would be led and coordinated by the City Corporation. Citigen would provide information and assistance. External consultants acceptable to all parties would be engaged to carry out the main work.
17. HNDU state they will help identify potential issues and raise pertinent questions as the project progresses, provide guidance on tender specifications, review critical project documentation, help steer the local authority on the most effective project development path, provide telephone and email support and attend key project meetings. The outcome of the study will be a publically-available detailed report with appendices, the starting point for whichever party executes the project.

Corporate & Strategic Implications

18. The system supports the following Strategic Aims:
 - To provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes.
 - To provide valued services to London and the nation.
19. As a low-carbon energy source, the CHP system has a key role to play in future energy supplies for the City, supporting the London Plan and City's Local Plan and national policies, and has the potential for major expansion. The recently completed City of London Zero Emissions Study promotes the use of district heating/cooling networks using waste heat sources as an important element of the transition to a zero carbon City. If the City wishes to see its carbon emissions reduced in line with the recommendations of the Committee on Climate Change then systems such as Citigen will need to be replicated across London.

Implications

20. Advice from the Comptroller & City Solicitor has been received that any grant awarded under the scheme would not infringe State Aid rules and therefore there is no requirement to limit the amount sought in any application to meet such rules.

Conclusion

21. This Government scheme provides an excellent opportunity at a good time to develop plans to expand the existing Citigen energy network, led by the City. After many years with little or slow development, it will mark the first step forward in the strategic expansion of the CHP system.

Appendices

- Appendix 1 – Current map of the CHP System
- Appendix 2 - Stages of the HNDU scheme

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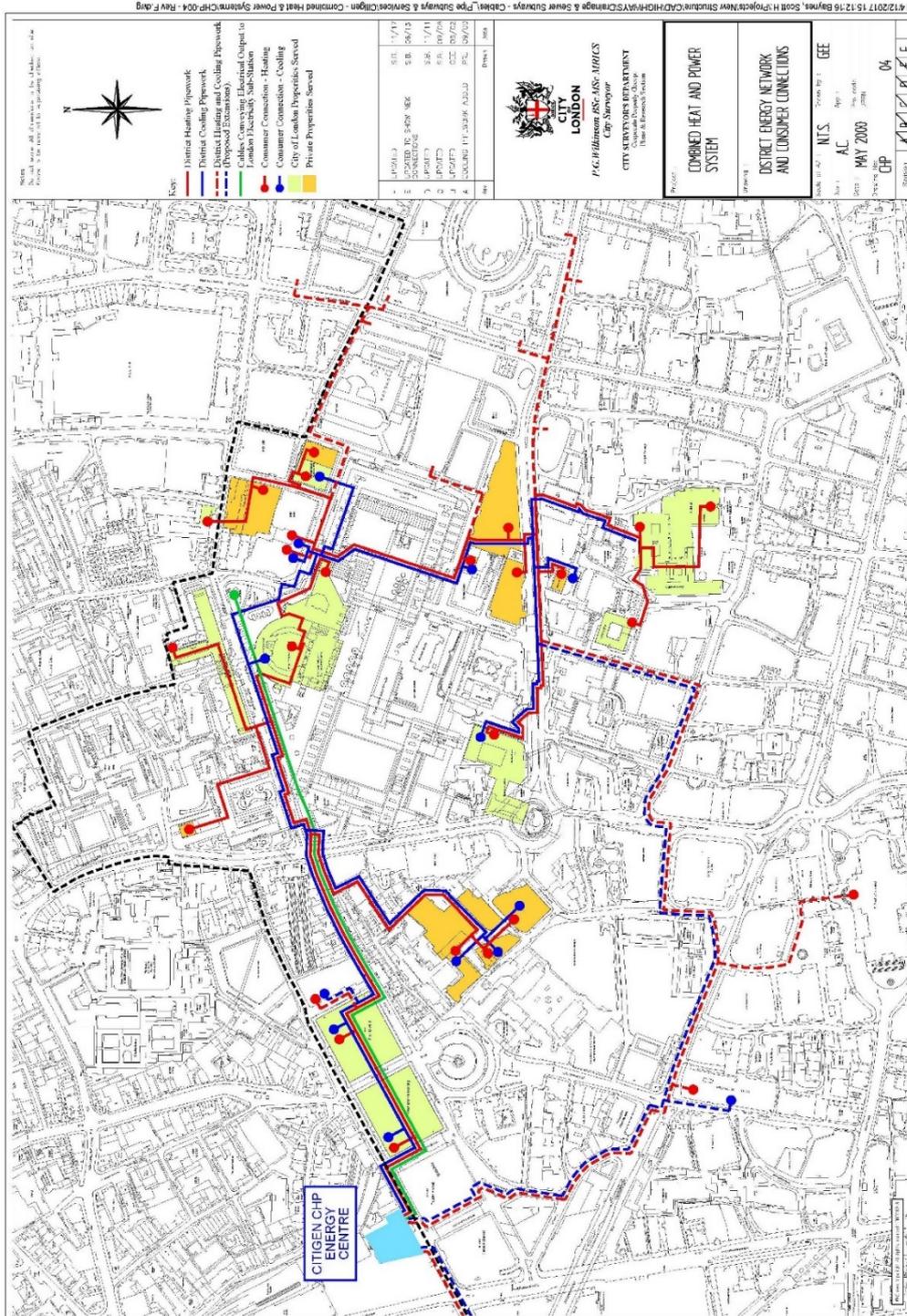
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Appendix 1 – Current map of the CHP System

The map below shows the location of the CHP system pipework. Dotted lines indicate future expansion options.

The blue and red dotted lines running from Charterhouse Street to London Wall to the south of the existing network, referred to as the 'Southern Loop', would form the subject of the proposed study. The length of this is about 1 kilometre.



Appendix 2 – Stages of the HNDU scheme

Heat Networks Delivery Unit (HNDU) Round 8

Stage	Detail
1. Heat mapping	Area-wide exploration, identification and prioritisation of heat network project opportunities.
2. Energy master planning	Area-wide exploration, identification and prioritisation of heat network project opportunities.
3. Feasibility study	Technical feasibility and options appraisal; scheme definition and concept design; detailed techno-economic modelling; development of financial model; initial scheme-specific business model/commercial structures options identification & evaluation; delivery programme.
4. Detailed project development	Development of business/commercial model and financing options; development of outline business case (typically green book compliant depending on scheme size); development of detailed financial model; development of procurement strategy; further scheme design including development of proposed network route, network sizes, and customer connections, development of proposed energy centre solution and location; costing reviews to improve cost certainty; initial scoping and development of commercial agreements; soft market testing.
5. Commercialisation	Reasonable legal costs such as in relation to developing customer commercial agreements, heat supply contracts, necessary land purchase, land access arrangements, etc.; further development of tariff structure for customer contracts; further development of financial model and business case and associated commercial advice costs where necessary. Potential for preparatory works depending on scheme needs, assessed on a case-by-case basis.

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Agenda Item 6

Committee(s): Resource Allocation Sub Committee – For decision Planning & Transportation Committee – For decision Police Committee – For information	Date(s): 4 October 2018 8 October 2018 1 November 2018
Subject: Congestion Mitigation: Parking, Traffic & Cycling Enforcement Resources	Public
Report of: Director of the Built Environment	For Decision
Report Author: Ian Hughes, Assistant Director (Highways)	

Summary

Tackling congestion and its causes & reducing road danger remain high corporate and political priorities.

To that end, this report recommends retaining the additional daytime parking enforcement resources that were agreed and recruited in 2017 to focus on congestion issues. These resources have since been effectively deployed by the City's Parking Enforcement contractor (Indigo) and have more than covered their additional cost.

It is also proposed to supplement these resources with further Indigo officers in the evening and reinvest in new technology to enhance the parking enforcement service as a whole. Funding for these changes would again be allocated from the On-Street Parking Account (OSPA) and would be covered by the parking income that results from additional Penalty Charge Notices.

This report also recommends funding from the OSPA be set aside to allow the introduction of three new City Corporation Traffic & Congestion Officers, whose role would be specifically aimed at identifying and resolving congestion hotspots on the ground. Through a new City Police accreditation system, they would also have the authority to stop & direct traffic, as well as deal with minor police enforcement duties such as cycling on the footway or cycling through red lights.

Taken together, these measures would help address the overall causes of congestion and reduce road danger, thereby improving the effectiveness and safety of the City's road network.

Recommendation(s)

Members of the **Resource Allocation Sub Committee** are recommended to:

- Approve continued funding of £203k pa from the OSPA for additional Civil Enforcement Officers to focus on parking-related congestion across the City for the remainder of Indigo's contract (February 2021);
- Allocate funding of £54k pa from the OSPA to enhance the parking enforcement service through additional Indigo evening resources (also until February 2021);

- Allocate funding of £165k pa from the OSPA for three City Corporation Traffic & Congestion Officers for an initial two-year period.

Members of the **Planning & Transportation Committee** are recommended to:

- Approve the supplementary parking enforcement measures outlined in this report;
- Approve the introduction of three City Corporation Traffic & Congestion Officers for an initial two-year period to be focused on congestion and road safety issues.

Main Report

Background

1. Concerns regarding traffic congestion remain a high corporate priority, and have led to a number of measures being introduced to address congestion & its causes. This includes the area of parking enforcement, where the Resource Allocation Sub Committee agreed an additional £203k in 2017 to allow the City's contractor (Indigo) to increase the number of Civil Enforcement Officers by seven.
2. This increase in resource (implemented via an adjustment to DBE's local risk budget from the On-Street Parking Account) allowed Indigo to focus on vehicles causing serious congestion in hot spot areas without compromising their existing parking enforcement coverage.
3. This was felt particularly important given the decision by Government in 2015 to narrow the ability of local authorities to use CCTV to enforce various waiting & loading contraventions. This reduced Indigo's effectiveness and required more on-foot resources to compensate, with the visible deterrent of a CEO offsetting the disincentive effect of receiving a PCN in the post.

Current Position

4. In the first 12 months of deployment to April 2018, these extra resources were specifically deployed to congestion hotspots where vehicles parking in contravention were thought to be a major contributory factor. These CEOs were mainly deployed in the central part of the City, and although PCN-issue rates are an imperfect way of measuring compliance, these additional CEOs have together issued more than 40 PCNs per day without detracting from the numbers issued by the existing CEO establishment level.
5. If anything, the rate of PCNs being issued by these new congestion-focused CEOs is slightly higher than normal, suggesting that where the restrictions allow, vehicles that park in contravention are being rigorously enforced to help reduce the causes of congestion. The anticipated income from these PCNs (c. £800k) is also clearly sufficient to offset their salary cost (£203k).

6. However, issuing PCNs is often an imperfect way to deter illegal parking because the cost of a PCN can often be transferred through the supply chain, leaving the individual driver without an incentive to park legally. With that in mind, we have asked the CEOs to focus on 'moving on' vehicles as much as enforcing the restrictions, with the result that these CEOs have also moved on one vehicle for every two PCNs issued.
7. Given these outcomes, it's therefore suggested that these additional resources continue, and the income generated should be used to support further measures to tackle congestion and road safety through the use of new technology and new legislative powers.

Options

Indigo's Civil Enforcement Officers

8. The additional CEOs were only recruited with specific funding set aside for 2017/18, but it was noted to Resource Allocation Sub Committee that their effectiveness & on-going need would be reviewed, taking into account the additional parking income they generated to offset the cost.
9. At this point in time, the political priority to address congestion and its causes remains high. Financially these additional CEOs have more than generated sufficient income from Penalty Charge Notices to cover their costs, and it is clear they have made a positive contribution to addressing congestion in the City, particularly in light of the Government's restrictions on the use of CCTV.
10. Therefore, with a contract extension to February 2021 recently agreed, it would seem appropriate to extend the duration of Indigo's additional deployment until that time. This would create certainty for Indigo in terms of managing their resources, turnover & training for the next 2½ years, and meet a political & operational necessity that remains likely to last throughout this period.

Parking Enforcement Service Enhancements

11. In addition to the current service, Indigo were asked what other measures might be available to reduce congestion, improve compliance and increase the efficiency of their resource deployment.
12. As a result, Indigo have proposed three specific initiatives, namely:
 - Additional Evening Enforcement
At the moment, Indigo typically have a limited early evening shift deployed between 7pm and 11pm, but recent data has shown that traffic flows are starting to increase over this period, potentially due to retiming of deliveries & the growing night time economy. As a result, it is recommended that Indigo increase their staffing resource over this period by an additional two CEOs.
 - Automatic Number Plate Reading technology
Indigo have proposed introducing an ANPR 'spotter' vehicle to help detect vehicles parked in contravention, speeding up some enforcement aspects

over a wider area that in turn will help tackle congestion through increased compliance.

- Improving business intelligence.
Indigo have proposed introducing a new data analytics system to provide heat maps, customised dashboards and predictive analysis to monitor on-street activity and focus deployment on congestion hotspot areas.

Traffic & Congestion Officers

13. DBE currently has just one officer within the Highways team dedicated to monitoring congestion in the Square Mile. They largely use the CCTV network to identify congestion hotspots & their causes, and they look to find ways to resolve them. That can often include:
 - Liaison with Transport for London for:
 - traffic signal failures & timing adjustments;
 - bus breakdowns and service-related issues;
 - Red Route problems;
 - Liaison with TfL's Road Traffic Enforcement Officers
 - Acting as a 'spotter' for Indigo's rapid response team to investigate parked vehicles causing congestion;
 - Recommending changes to the activities of utilities, building sites and City contractors to reduce their respective impact;
 - Assessing the viability & performance of diversion routes for major road closures on behalf of the Traffic Management team;
 - Reporting the impact of accidents, breakdowns & collisions to senior officers;
 - Issuing alerts on social media to publicise issues in real time;
 - Compiling data on regular hotspots to inform more strategic assessment;
 - Assessing the reliability of different types of public information Traffic 'Apps' given that some are considerably more reliable than others.
14. This single office-based post is almost wholly reliant on the location & availability of the City's CCTV cameras, and whilst they have become a valuable resource, their effectiveness has also been limited by a lack of cover during annual leave and the limited potential for assessing & resolving problems on the ground.
15. It is therefore proposed to expand this function to a team of four, firstly to provide more coverage across more hours of the day, but just as importantly to provide a dedicated on-street presence focused on congestion management in parallel to CCTV monitoring.

16. These new officers would be appropriately trained and authorised to immediately suspend particular types of activity on-street (if necessary & safe to do so), assist with incident management like emergency road closures, and help identify & resolve congestion hotspots & issues.
17. It is also intended that these new officers would have Community Safety Accreditation Scheme (CSAS) authorisation to stop & direct traffic if required. The concept of CSAS accreditation was established by the Police Reform Act 2002 which enables the Commissioner of Police to accredit organisations to provide traffic management, community safety and security functions more normally associated with the police.
18. CSAS authorisation requires enhanced training standards, accountability procedures and vetting (see Appendix 1), but it has been successfully operated by the Metropolitan Police & many other police forces for some time. The City Police have recently proposed its adoption within the Square Mile, so that CSAS authorisation could be available to the City Corporation early in the new year.
19. It is proposed that these new Traffic & Congestion Officers would be granted limited but targeted powers appropriate to their role in order to meet local needs and priorities. Although CSAS is a police authorisation process, it is not intended for the police to control the activity of those using these powers, allowing the City Corporation to direct these officers to address some of the causes & consequences of congestion.
20. CSAS authorisation can also include other minor police enforcement duties with a traffic management & community safety aspect, such as cycling on the footway, cycling through red lights and managing traffic for major special events & parades. Such powers could allow these City Corporation officers to focus on road danger issues that are typically a lower priority for the City Police but are still a significant road safety issue to the City Corporation. It could also allow accredited stewarding companies to fully manage events, including the Lord Mayor's Show, thereby freeing up police resources to focus on the higher priority aspects of policing the Square Mile.

Proposals

21. It is therefore proposed to:
 - Continue funding for Indigo's additional daytime enforcement resources to the end of their contract in February 2021;
 - Enhance the services provided by Indigo through additional evening enforcement resources, ANPR technology and data analytics (also to February 2021);
 - Introduce three new City Corporation Traffic & Congestion Officers with CSAS powers to focus on tackling congestion and road safety issues. It is proposed to establish these posts for two years, at which point their effectiveness, on-going funding and outcome delivery would be reviewed before continuing their deployment.

22. The following table details the respective annual cost of these four measures.

Proposed OSPA Allocations	£k
Continued daytime Indigo Civil Enforcement Officers (7no.)	203
Additional evening Indigo Civil Enforcement Officers (2no.)	54
Indigo Parking Enforcement Service Enhancements	Nil
Additional City Corporation Traffic & Congestion Officers (3no.)	165
Total	422

23. Although the proposed evening Indigo resources and the City's Traffic & Congestion officers can both accrue additional income (through issuing PCNs and Fixed Penalty Notices respectively), funding to cover all these measures can be met by the PCN income (c £800k pa) from Indigo's continued daytime resources. The cost of Indigo's other proposed service enhancements will be absorbed through complementary savings secured through their contract extension negotiations.

Corporate & Strategic Implications

24. Reducing the impact of traffic congestion on the City's road network remains a high corporate and political priority that these continued & additional resources for Indigo will help deliver. Their presence will improve compliance with the City's parking regulations that support road safety and traffic flow priorities.

25. Their deployment will also result in sufficient income to cover both their own cost and the cost of introducing Traffic & Congestion officers, thereby having no detrimental impact on the On-Street Parking Account.

26. The introduction of Traffic & Congestion officers with CSAS authority will provide focused resources to address a number of road danger issues that also remain a high corporate and political priority. Providing them through the City Corporation should also release City Police resources for them to focus on matters of higher policing priority.

Conclusion

27. Taken together, these various measures are intended to help address the overall causes of congestion and reduce road danger, thereby improving the effectiveness and safety of the City's road network. In particular, the introduction of CSAS authorisation by the City Police provides a significant opportunity to extend the City's public engagement role and help address a number of on-going road safety concerns.

Appendices

- **Appendix 1 – CSAS Powers: Additional information**

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Appendix 1 - Community Safety Accreditation Scheme: Additional Information

- Section 40 of the Police Reform Act 2002 allows Chief Officers in England & Wales (only) to accredit organisations in the geographical area covered by the force.
- Only six police forces are currently not accrediting organisations in this way, including the City of London Police.
- The National Police Chiefs Council (NPCC) coordinates the function but governance in London is through the Mayor of London.
- Police Crime Prevention Initiative (Police CPI Ltd) has a membership of Chief Constables and oversees the scheme rules, set standards and undertakes assessments.
- The Met Police are the national lead on the scheme and are currently working towards one national database of CSAS officers.
- Any employed person over 18 years who is not a police officer can be given powers.
- CSAS accredited organisations must have a formal complaints procedure, be “fit & proper”, have appropriate insurance, be financially viable, have a staff code of conduct and training & recruitment policy.
- The authorisation process requires the applicant organisation to apply to the City of London Police who assess the application and submit a report to the Police CPI Ltd.
- Individual CSAS officers must go through level 2 vetting, ideally at time of recruitment or before appointment as not everyone passes the vetting process (searches also include family members).
- Accreditation is usually for 1 year initially and then 3 years. Fees apply for private companies £1,400+VAT and then annual fee of £900, but these are usually waived by the Police for local authorities.
- Training curriculum is approved by NPCC and is usually a week-long course covering legislation, communications skill, conflict management, PACE, use of powers and statement writing. There are around ten companies who are currently qualified to provide this training.
- For CSAS officers directly employed by the local authority, a senior officer must approve their appointment and a record must be kept of every time their powers are used.
- There are around 40 specific powers that could be authorised under CSAS, but the most commonly used ones are typically:

- the ability to demand name and address (although if a person refuses the police will need to be called);
 - issuing of Fixed Penalty Notices for cycling offences;
 - stopping and directing of traffic (including traffic holds);
 - various Anti-Social Behaviour issues.
- CSAS officers are issued with a type of warrant card, including photographic ID.
- Although there is no statutory obligation to publicise the fact that CSAS has been adopted, it is recommended that a robust and comprehensive communication strategy is in place first.
- To ensure consistency across the whole of the City Corporation (as CSAS powers may be adopted by other departments for other uses), a dedicated person is likely to be appointed to oversee the scheme.
- The City Police will be entering into an agreement with the Met Police to use their resources for overseeing the scheme from a policing perspective.
- The final recommendation to adopt CSAS is expected to be made to the City Police Commissioner in October, so the various powers are likely to be available for adoption early in 2019.

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