



Finance Committee of the Barbican Centre Board

Date: MONDAY, 9 MARCH 2020
Time: 1.45 pm
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members: Deputy Dr Giles Shilson (Chairman)
Deputy Tom Sleigh (Deputy Chair)
Russ Carr
Alderman David Graves
Deputy Wendy Hyde
Emma Kane
Judith Pleasance

Enquiries: Leanne Murphy
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Lunch will be served in the Guildhall Club at 1pm
N.B. Part of this meeting could be the subject of audio or 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 approve the public minutes and summary of the meeting held on 13 January 2020.
For Decision
(Pages 1 - 2)
4. **OUTSTANDING ACTIONS**
Report of the Town Clerk.
For Information
(Pages 3 - 6)
5. **BARBICAN CENTRE PROJECTS UPDATE REPORT**
Report of the Director of Operations and Buildings.
(*N.B. – To be read in conjunction with the non-public appendix at Item 10*).
For Information
(Pages 7 - 16)
6. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
7. **ANY OTHER BUSINESS THE CHAIRMAN CONSIDERS URGENT**
8. **EXCLUSION OF THE PUBLIC**
MOTION – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.
For Decision
9. **NON-PUBLIC MINUTES**
To approve the non-public minutes of the meeting held on 13 January 2020.
For Decision
(Pages 17 - 20)
10. **NON-PUBLIC APPENDIX: BARBICAN CENTRE PROJECTS UPDATE REPORT**
To be read in conjunction with Item 5.
For Information
(Pages 21 - 24)
11. **UPDATE ON THE BARBICAN BUDGET 2020/21**
Report of the Chief Operating & Financial Officer.
For Information
(Pages 25 - 28)

12. **BARBICAN BUSINESS REVIEW - DECEMBER 2019 (PERIOD 9)**
Report of the Chief Operating & Financial Officer.

For Information
(Pages 29 - 50)

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

14. **ANY OTHER BUSINESS THE CHAIRMAN CONSIDERS URGENT WHILST THE PUBLIC ARE EXCLUDED**

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FINANCE COMMITTEE OF THE BARBICAN CENTRE BOARD

Monday, 13 January 2020

Minutes of the meeting of the Finance Committee of the Barbican Centre Board held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Monday, 13 January 2020 at 1.45 pm

Present

Members:

Deputy Tom Sleigh (Deputy Chairman)
Russ Carr

Deputy Wendy Hyde
Alderman David Graves

In Attendance

Officers:

Sir Nicholas Kenyon	- Managing Director, Barbican Centre
Sandeep Dwesar	- Chief Operating & Financial Officer, Barbican Centre
Jonathon Poyner	- Director of Operations & Buildings, Barbican Centre
Louise Jeffreys	- Artistic Director, Barbican Centre
Niki Cornwell	- Head of Finance and Business Administration, Barbican Centre
Leanne Murphy	- Town Clerk's Department

1. APOLOGIES

Apologies were received from Deputy Dr Giles Shilson, Emma Kane and Judith Pleasance.

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

There were no declarations.

3. MINUTES

The public minutes of the meeting held on the 4 November 2019 were approved as a correct record.

4. OUTSTANDING ACTIONS AND WORK PLAN

The Committee noted the various outstanding actions and the updates provided thereon.

With regards to action 2 concerning sock levels, Members were advised that an update on changes to the stock levels would be provided by Officers on an ongoing basis.

5. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

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

There were no urgent items.

7. **EXCLUSION OF THE PUBLIC**

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

Item No.

8-13

Exemption Paragraph(s)

3

8. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on the 4 November 2019 were approved as a correct record subject to some typographical edits on page two.

9. **BAD DEBTS ANNUAL UPDATE**

The Committee considered a report of the Managing Director providing Members with an annual update on bad debts for the Barbican Centre.

10. **BARBICAN BUSINESS REVIEW - SEPTEMBER 2019 (PERIOD 8)**

The Committee considered a report of the Chief Operating & Financial Officer setting out the Business Review for the September 2019 (Period 8) accounts.

11. **BARBICAN CENTRE CWP AND ADDITIONAL CAPITAL FUNDS FOR CITY FUND PROPERTIES UPDATE REPORT**

The Committee received a report of the Director of Operations and Buildings providing Members with an update on the Centre's maintenance and refurbishment projects that fall under the Cyclical Works Programme (CWP) and additional projects funded from other sources.

12. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

13. **ANY OTHER BUSINESS THE CHAIRMAN CONSIDERS URGENT WHILST THE PUBLIC ARE EXCLUDED**

There were two urgent items.

The meeting ended at 3.00 pm

Chairman

Contact Officer: Leanne Murphy
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Outstanding Actions List

Barbican Centre Board and Finance Committee

	Action	Notes	Officer/body responsible	Date added & meeting	To be completed/ progressed to next stage
1	Performance Review 2018-19	Members to receive an update on the Civic Strategy.	Director of Creative Learning / Artistic Director	Sept 2019 – <u>BCB for BCB</u>	To update at the March Board meeting
2	Retail Review	Members to receive information concerning stock levels.	Chief Operating & Financial Officer	Nov 2019 – <u>FC for FC</u>	To update at March FC meeting
3	Fundamental Review / Governance Review	External Members to be sent any Member briefings/updates concerning the Fundamental Review and Governance Review.	Town Clerk	Jan 2020 - <u>FC for FC and BCB</u>	Ongoing
4	CWP/Projects update	A discussion to take place with the Corporate Asset Sub Committee Chairman concerning process issues and delays to urgent works.	Chairman / WH	Jan 2020 - <u>FC for FC and BCB</u>	To update at March FC and Board meetings

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Barbican Centre Board Work Programme 2020

(changes since the last meeting in italics)

Standing Items

- | | | |
|--|--|---|
| Board <ul style="list-style-type: none"> • Outstanding Actions • Directors' Management Report | <ul style="list-style-type: none"> • Risk Update Finance <ul style="list-style-type: none"> • Business Review (Period Accounts) | <ul style="list-style-type: none"> • Cyclical Works Projects (CWP) & Projects Update |
|--|--|---|

9 March 2020	Finance Committee	<ul style="list-style-type: none"> • Business Review • Budget 2020/21 Update • CWP & Projects Update
25 March 2020	Barbican Centre Board	<ul style="list-style-type: none"> • Business Model – Long Term Financial Plan • Cinema Presentation • International Strategy Annual Update • High Level Business Plan • Annual Development Review • <i>Budget 2020/21 Update</i> • <i>Beyond Barbican & Level G Update</i>
20 May 2020	Barbican Centre Board	<ul style="list-style-type: none"> • <i>Election of Chairman/Deputy Chairman</i> • <i>Appointment of Sub-Committees</i> • <i>Development Review Update</i> • <i>Marketing & Communications Presentation</i> • <i>Exhibition Halls Update</i> • <i>Business Review (full version)</i> • <i>National Strategy Update</i>
6 July 2020	Finance Committee	<ul style="list-style-type: none"> • <i>CWP & Projects Update</i> • <i>Business Review</i> • <i>Catering update</i>
22 July 2020	Risk Committee	<ul style="list-style-type: none"> • <i>Internal Audit Report</i> • <i>Risk Update</i> • <i>Programming Risk Update</i>
	Nominations Committee	<ul style="list-style-type: none"> •
	Barbican Centre Board	<ul style="list-style-type: none"> • <i>Strategic Plan</i> • <i>Visual Arts Presentation</i> • <i>Creative Learning Presentation</i> • <i>Equality, Diversity & Inclusion Update</i> • <i>Strategic Alliance Update</i> • <i>Retail Update</i> •
7 September 2020	Finance Committee	<ul style="list-style-type: none"> • <i>CWP & Projects Update</i> • <i>Business Review</i>
16 September 2020	Barbican Centre Board	<ul style="list-style-type: none"> • <i>Performance Review</i> • <i>Digital Presentation</i> • <i>Commercial Update</i>
2 November 2020	Finance Committee	<ul style="list-style-type: none"> • <i>CWP & Projects Update</i> • <i>Annual Development Review</i> • <i>Commercial Update</i> • <i>Business Review</i> • <i>Barbican Budget 2021/22</i> • <i>Business Plan</i>

18 November 2020	Risk Committee	<ul style="list-style-type: none"> • <i>Internal Audit Report</i> • <i>Risk Update</i> • <i>Programming Risk Update</i>
	Nominations Committee	<ul style="list-style-type: none"> •
	Barbican Centre Board	<ul style="list-style-type: none"> • <i>Music and LSO Presentations</i> • <i>Barbican Budget 2021/22</i> • <i>Business Plan</i> • <i>Business Model - Long Term Financial Plan</i> • <i>BIE Update</i> • <i>Theatre Presentation</i>

Committee(s) Finance Committee of the Barbican Board – For information Barbican Board – For information	Date(s): 9 th March 2020 25 th March 2020
Subject: Barbican Centre Projects Update Report	Public
Report of: Jonathon Poyner – Director of Operations and Buildings	For Information
Report author: Cornell Farrell – Head of Engineering and Projects	
PUBLIC	

Summary

This paper is intended to provide members with a progress and financial status report on Barbican refurbishment and maintenance projects. The majority of current projects are funded through the Cyclical Works Programme (CWP) budget. The budget for the remaining projects are either Additional Funds for City Fund Properties, Non-Cap or the Corporate Security and Investment Project (Capital Reserves).

The Centre currently has 66 CWP projects approved. The funding for the latest 24 of these will become available from 1st April 2020.

There were eighteen projects requested in the 2017/18 CWP budget. All projects are scheduled for completion when funding ceases on 31 March 2020 with the exception of one which is unlikely to be completed due to manufacturing issues.

Progress on all the 2018/19 and 2019/20 CWP projects is satisfactory.

The City Surveyor has recently agreed to manage the outstanding fire safety projects to ensure completion in a timely manner.

The financial information on each project is given in a separate appendix for the non-public section due to commercially sensitive information

Recommendation(s)

Members are asked to note the contents of this report.

Main Report

Background

Each year, the budgets for refurbishment and maintenance projects at the Centre are funded from the Cyclical Works Programme (CWP). The CWP process replaced the former ring-fenced Capital Cap System, ensuring projects are funded and managed consistently and in the same way as other properties across the Corporation.

Current Position

CWP projects

CWP projects must be completed within three years from when the budget becomes available. The Centre has 66 approved CWP projects; 18 commenced in April 2017, 10 in April 2018 and a further 14 in April 2019. The Barbican had an additional 24 CWP projects approved in the latest bid, where funding will be available in April 2020. In total, 19 of these projects are complete*; the status of the remaining 47 CWP projects is detailed in the tables below.

*Project main works complete but snagging outstanding.

CWP PROJECTS APPROVED 2017/18			
(Completion required March 2020)			
Ref.	Project Title	Last Gateway	Comments
107	Public Spaces Carpet Replacement	2	Contract awarded. Manufacture of carpet has delayed programme. Latest sample to be produced and received by 21 st February 2020 for Directorate sign off. Dates for works to take place TBC.
108	Lorry Lift Refurbishment	5	Project complete. Outcome report to be drafted and final account to be verified by Chamberlains.
109	Curve Gallery Refurbishment Phase 2	5	The project was completed in September 2018. There are some snags which are scheduled to be resolved in February/March 2020.

110	Theatre Safety Curtain	5	Project complete. Outcome report to be drafted and final account to be verified by Chamberlains.
111	Art Gallery Environmental Controls**	5 5	Phase 1 – environmental monitoring – work is now complete. Phase 2 - environmental conditions – main works are complete. Final accounts to be agreed with consultant and main contractor.
112	Concert Hall Stage Timber Cladding	5	Project complete. Outcome report to be drafted and final account to be verified by Chamberlains.
113	AHU Replacement (1)	5	Project complete. Final account verified. Outcome report to be drafted.
114	AHU Replacement (2)	5	Project complete. Final account verified. Outcome report to be drafted.
115	Fan Replacement	5	Project complete. Final account verified. Outcome report to be drafted.
116	Conservatory Terrace Refurbishment	5	Project complete. Outcome report to be drafted and final account to be verified by Chamberlains.
117	Cinema 1 Refurbishment	2	Tenders awarded with Gateway 5 by 24/2/20. Works due to complete by 31/3/20.
118	Pump Replacement	5	Project complete. Final account verified. Outcome report to be drafted.
119	Concert Hall Control Booth Windows	N/A	Project is now complete. Outcome report to be drafted and final account to be verified by Chamberlains.
120	Green Room Refurbishment	5	Phase 1 - Works complete. Phase 2 – Works complete. Phase 3 – Final phase involves minor works to toilets. Works to take place in March 2020.
121	Art Gallery Disabled Lift**	5	Project is now complete.

			Outcome report to be drafted and final account to be verified by Chamberlains.
122	Catering Block Internal Redecorations	5	Project is now complete. Outcome report to be drafted and final account to be verified by Chamberlains.
123	BEMS Controls (Art Gallery)**	5	Project is now complete. Outcome report to be drafted and final account to be verified by Chamberlains.
124	Art Gallery Lighting Track**	5	Project is now complete. Outcome report to be drafted and final account to be verified by Chamberlains.
124A	Art Gallery 2019	5	This project combines various CWP works listed in this report. These works are now complete except for some minor snagging. Outcome report to be drafted and final account to be agreed.

CWP PROJECTS APPROVED 2018/19

(Completion required March 2021)

Ref.	Project Title	Last Gateway	Comments
126	Replace Stage Risers – Concert Hall	5	Project is now complete. Outcome report to be drafted and final account to be verified by Chamberlains.
127	Reverse Engineering Exercise	1/2	Some works completed following Art Gallery Environmental Controls project.
128	Main Art Gallery Flooring**	5	Project is now complete. Outcome report to be drafted and final account to be verified by Chamberlains.
129	Main Art Gallery Walls Resurface**	5	Project is now complete. Outcome report to be drafted and final account to be verified by Chamberlains.
130	Sand & Seal Concert Hall Woodblock Flooring	0	Project at initiation stage
131	Electrical DB Replacements	0	Project at initiation stage

132	Redecorate Foyer Walls	0	Project at initiation stage
133	Redecorate Concert Hall Walls	0	Project at initiation stage
134	Replace Doors to BK Restaurant.	0	Planning application to be submitted. Consultant has been appointed and discussions have commenced with Planning Officers. Planning application progressing.
135	Theatre Fume & Dust Extract	5	Project complete. Final account verified. Outcome report to be drafted.
** Projects combined to form 'Art Gallery 2019'.			

CWP PROJECTS APPROVED 2019/20 (Completion required March 2022)			
Ref.	Project Title	Last Gateway	Comments
145	AHU's Phased Maintenance	n/a	Project not started.
146	Staircase 8 Refurbishment	n/a	Project not started.
147	Auditoria 1&2 Seating	n/a	Project not started.
148	Garden Room Flooring	n/a	Consultation with Facilities and Business Events to identify most appropriate replacement flooring.
149	Exhibition Halls BMS System Replacement	n/a	Project has been placed on hold following the agreed Capital funding for Exhibition Halls Safety Works.
150	Sound Recording Studio Refurbishment	n/a	The full scope of this project is still to be fully determined. Any works will be programmed for 2020 Concert Hall 'dark period'.
151	Heating Feasibility Study for Level 0&1 Restaurants	n/a	Consultant appointed. Feasibility Report produced. Consultant to ascertain whether planning permission is required.
152	Kitchen Ventilation Feasibility Study for Restaurants	n/a	Consultant appointed. Feasibility Report produced. Consultant to ascertain whether planning permission is required.
153	Level 4 Heating Replacement	n/a	Consultant appointed. Feasibility Report produced. Consultant to ascertain whether planning permission is required.

154	Cinemas 2&3 Internal Decorations & Minor Works	n/a	Scope to be agreed. Consultation with stakeholders has commenced.
155	Electrical Distribution Boards	n/a	Project not started.
156	Sunken Bars Refurbishment	n/a	Project not started.
157	Toilets Refurbishment	n/a	Project not started.
158	Cinemas 2&3 External Decorations	n/a	Scope to be agreed. Consultation with stakeholders has commenced.

CWP PROJECTS APPROVED 2020/21 (Completion required March 2023)			
Ref.	Project Title	Last Gateway	Comments
159	Frobisher Crescent Level 4 Environmental Controls	n/a	Funding available from 1 st April 2020.
160	Lakes De-silting	n/a	Funding available from 1 st April 2020.
161	Concert Hall Refurbishment choir room, crew rooms and orchestra managers office	n/a	Funding available from 1 st April 2020.
162	Theatre Lighting, wiring and controls	n/a	Funding available from 1 st April 2020.
163	Concert Hall Lighting, wiring and controls replacement	n/a	Funding available from 1 st April 2020.
164	Lift refurbishment - 1st phase	n/a	Funding available from 1 st April 2020.
165	Diverter solid pumps	n/a	Funding available from 1 st April 2020.
166	Public spaces replacement lighting, wiring and controls - 1st phase	n/a	Funding available from 1 st April 2020.
167	Phased programme - replace valves &	n/a	Funding available from 1 st April 2020.

	pneumatic actuator and controls		
168	Public toilets refurbishment (include equality access)	n/a	Funding available from 1 st April 2020.
169	Theatre Toilets/changing rooms refurbishment	n/a	Funding available from 1 st April 2020.
170	Cinemas 2/3 Refurbishment Cinemas seats	n/a	Funding available from 1 st April 2020.
171	Commercial - refrigeration plant	n/a	Funding available from 1 st April 2020.
172	Dock floor repairs	n/a	Funding available from 1 st April 2020.
173	Sculpture Court Repairs to damaged sculpture court tiling	n/a	Funding available from 1 st April 2020.
174	Theatre Fly Tower Roof Replacement	n/a	Funding available from 1 st April 2020.
175	Barbican Kitchen – Repair to Floor Damage and Redecorate	n/a	Funding available from 1 st April 2020.
176	Frobisher Crescent (4,5 & 6) Replace Metal Doors and Floor Springs	n/a	Funding available from 1 st April 2020.
177	Replace Shutters in Level 1 Bars	n/a	Funding available from 1 st April 2020.
178	Goods Lift Replacement (Service Art Gallery)	n/a	Funding available from 1 st April 2020.
179	Level 2 - Replace non fire-retardant wall covering	n/a	Funding available from 1 st April 2020.
180	Lakeside – Refurbishment of External Furniture	n/a	Funding available from 1 st April 2020.
181	Conservatory – Heat Exchanger Isolation Valves	n/a	Funding available from 1 st April 2020.
182	Curve Gallery Humidifier	n/a	Funding available from 1 st April 2020.

The table below sets out the current position of the Centre's 9 Additional Capital Fund for City Fund Properties projects:

Additional Funds for City Fund Properties				
Ref.	Project Title		Gateway Stage	Comments
136	Emergency Systems	Lighting	2	City Surveyor is now managing project, following handover in February
137	Fire Stopping/Compartmentation		2	City Surveyor is now managing project, following handover in February
138	Upgrade/ Replacement of Fire Doors		2	City Surveyor is now managing project, following handover in February
139	Fire Safety Plant Interfaces		0	City Surveyor is now managing project, following handover in February
140	Fire Safety Signage		2	City Surveyor is now managing project, following handover in February
141	Sprinkler Systems		2	City Surveyor is now managing project, following handover in February
142	Fire Alarm Systems		0	City Surveyor is now managing project, following handover in February
143	Fire Precaution Works (part of Art Gallery 2019)		5	This project was integrated into the Art Gallery 2019 and is now complete (see project no 124A above).
144	Electrical Infrastructure		0	City Surveyor is now managing project, following handover in February

Current position (Non-CAP, Security and Investment projects)

A summary of the Centre's Non-Cap, Security and Investment projects are set out in the table below:

Project Title	Gateway Stage	Comments
Concert Hall Seating	5	Project is now complete. Outcome report to be drafted and final account to be verified by Chamberlains.
*Anti-Shatter Film	5	Project is now complete.

		City Surveyor to draft and submit outcome report and final account.
*CCTV	5	Survey and design works are now complete. Works are on site and expected to be complete by May 2020.
*Access Control	5	Survey and design works are now complete. Works are on site and expected to be complete by May 2020.
*Hostile Vehicle Mitigation	5 3-4	Silk Street Entrance bollards – Works complete. Remaining works - design in progress. Start on site date not yet confirmed.
Level 4 Frobisher (Investment)	7	Outcome report approved. Final account to be agreed.
New Retail Unit (Investment)	5	Final account signed. Outcome report drafted, awaiting stakeholder feedback on success of project

** These projects are managed by the City Surveyor.*

Options

This report provides a general update on the Centre's programme of projects. There are no options for members to consider.

Proposals

There are no proposals. Members are asked to note the information provided in this report.

Corporate & Strategic Implications

Projects delivered at the Centre consist of major repairs to building fabric and plant or major improvement schemes. These projects contribute to the City's aim to 'shape outstanding environments' by ensuring 'our spaces are secure, resilient and well maintained'.

Implications

Any project implications are specified in the comments section in the above tables.

Conclusion

The Centre currently has 66 live CWP projects. In total, 19 of these projects are complete; the status of the remaining 47 CWP projects is detailed in the above report.

The status of Barbican Projects funded from the Additional Fund for City Fund Properties (i.e. fire projects) is also detailed in the above report along with any Investment, Non-CAP and Security projects.

Appendices

- Appendix 1 – **Project financial information (Non-Public)**

Background Papers

Barbican Centre Project update reports from September 2017 – January 2020.

Cornell Farrell

Head of Engineering and Projects

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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