



Finance and Risk Committee of the Barbican Centre Board

Date: MONDAY, 1 NOVEMBER 2021
Time: 1.45 pm
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members: Tijds Broeke (Chair)
Deputy Tom Sleight (Deputy Chair)
Randall Anderson
Russ Carr
Anne Fairweather
Robert Glick
Alderman David Graves
Deputy Wendy Hyde

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<https://youtu.be/w7YlOnrItis>

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John Barradell
Town Clerk

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**

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

3. **MINUTES**

To approve the public minutes and non-public summary of the last meeting held on 6 September 2021.

For Decision
(Pages 5 - 8)

4. **INTERNAL AUDIT UPDATE**

Report of the Head of Audit and Risk Management.

For Information
(Pages 9 - 18)

5. **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 11)

For Information
(Pages 19 - 24)

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

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

8. **EXCLUSION OF THE PUBLIC**

MOTION – That under Section 100A 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.

For Decision

Part 2 - Non-Public Agenda

9. **NON-PUBLIC MINUTES**

To approve the non-public minutes of the last meeting held on 6 September 2021.

For Decision
(Pages 25 - 28)

10. **BARBICAN BUDGET 2022/23 (TO FOLLOW)**

Report of the Joint Interim Managing Director.

For Decision

11. **PROJECTS UPDATE: NON-PUBLIC APPENDIX**
To be read in conjunction with item 5.
For Information
(Pages 29 - 32)
12. **CYBER SECURITY CURRENT POSTURE**
Report of the Joint Interim Managing Director.
For Information
(Pages 33 - 40)
13. **BARBICAN BUSINESS REVIEW - SEPTEMBER 2021 (PERIOD 6 - 21/22)**
Report of the Joint Interim Managing Director.
(N.B. – To be read in conjunction with the non-public appendices in the Appendices Pack)
For Information
(Pages 41 - 46)
14. **CONTROVERSIAL PROGRAMMING RISK REGISTER**
Report of the Director of Arts and Learning.
(N.B. – To be read in conjunction with the non-public appendices in the Appendices Pack)
For Information
(Pages 47 - 48)
15. **RISK UPDATE**
Report of the Director of Operations and Buildings.
(N.B. – To be read in conjunction with the non-public appendices in the Appendices Pack)
For Information
(Pages 49 - 56)
16. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
17. **ANY OTHER BUSINESS THE CHAIR CONSIDERS URGENT WHILST THE PUBLIC ARE EXCLUDED**

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FINANCE AND RISK COMMITTEE OF THE BARBICAN CENTRE BOARD Monday, 6 September 2021

Minutes of the virtual meeting - <https://youtu.be/UJ1FDHawGw0> - of the Finance and Risk Committee of the Barbican Centre Board held on Monday, 6 September 2021 at 1.45 pm

Present

Members:

Tijs Broeke (Chair)
Deputy Tom Sleigh (Deputy Chair)
Randall Anderson
Russ Carr
Anne Fairweather
Robert Glick
Alderman David Graves
Deputy Wendy Hyde

Officers:

Sandeep Dwesar	- Interim Managing Director, Barbican Centre
Will Gompertz	- Interim Managing Director, Barbican Centre
Jonathon Poyner	- Director of Operations and Buildings, Barbican Centre
Natasha Harris	- Director of Development, Barbican Centre
Bhakoo Udhay	- Interim Group Accountant, Barbican Centre
Sarah Wall	- Assistant Accountant, Barbican Centre
Matthew Lock	- Head of Audit & Risk Management, Chamberlain's Department
Charlotte Lythgoe	- Continuous Improvement Manager, Barbican Centre
Bukola Soyombo	- Chamberlain's Department
Leanne Murphy	- Town Clerk's Department

1. **APOLOGIES**

Apologies for lateness were received from Alderman David Graves.

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

There were no declarations.

3. **MINUTES**

The draft public minutes of the Finance and Risk Committee meeting held on 5 July 2021 were approved as a correct record.

4. **BARBICAN CENTRE ENVIRONMENTAL SUSTAINABILITY STRATEGY**

The Committee considered a report of the Director of Operations and Buildings regarding the Barbican Centre Environmental Sustainability Strategy.

The Chair enquired how the Committee could support this work and Members agreed that key performance indicators would assist in measuring progress

plus themed discussions at meetings to provide a deep dive when needed. Officers agreed to include milestone targets and KPIs to check progress against.

With regards to the Renewal Project, a Member asked if a metric concerning environmental sustainability would be included in the selection process for the architect. Member were advised that the brief included a series of themes including this and any supplier hoping to bid for the project needed to show how they would address each item.

A Member noted that there was no policy regarding home working for staff and saw this as part of the environment agenda. Officers confirmed the Centre was aligned with the City Corporation; however, they were more flexible due to the work of the Centre. It was confirmed that much less office staff were travelling in, with encouragement that staff only come in when needed, which was being trialled with the Marketing Team before rolling out a plan with all staff. Officers agreed to monitor carbon emissions for traveling in.

A Member noted that there were other partnerships opportunities within the City Corporation (other than Judith's Bicycle) that could be used. The Member also requested that future reporting address how the Centre was benchmarking in comparison to the whole City Corporation.

Members discussed the importance of EDI. Officers confirmed this was a big consideration and they were working with the Procurement Team on how best to move forward through diverse work list. looking at all stakeholder, what buying and how we use them.

The Deputy Chair noted an architectural competition would be launched the day after the meeting.

RESOLVED that the Committee approve the Barbican Centre's Environmental Sustainability Strategy 2021-2027.

5. **INTERNAL AUDIT PLANNING FOR 2022/23**

The Committee noted a report of the Head of Audit and Risk Management concerning Internal Audit Planning for 2022/23.

A Member noted that there had not been a review of data security since 2019/20 and felt this should be added to the list as a rapidly evolving area. Members also felt ticketing and Spectrix were worth revisiting.

A Member voiced concern over the semi-independence of institutions regarding IT security and digital services in comparison to the City Corporation's security systems. Officers confirmed there was a programme of security work across the whole of the Corporation which would be used to drive work and audits to benefit all institutions. Officers agreed to provide a list of the checks to give reassurance.

RECEIVED.

6. **INTERNAL AUDIT REVIEW OF ORGANISATIONAL CULTURE AND STAFF EXPERIENCE**

The Committee received a report of the Head of Audit and Risk Management regarding the Internal Audit Review of Organisational Culture and Staff Experience.

Members were advised that there had been discussions concerning how internal audit could support reviews in relation to Barbican Stories, noting it was difficult to be specific until the findings of the review were published. In the meantime, this would be added to the forward plan and come back as appropriate when there was more information.

RECEIVED.

7. **PROJECTS UPDATE REPORT**

The Committee received a report of the Director of Operations and Buildings presenting an update on the refurbishment and maintenance projects within the Cyclical Works Programme and additional projects funded from other sources.

The Barbican Centre currently had 49 live projects, of which six were capital projects. Since the inception of the Cyclical Works Programme, it had been required for projects to be completed within three years; however, a one-year cycle had been introduced for all projects from the start of the 2021/22 financial year. In response to a question from a Member, the Director of Operations and Buildings confirmed that it was intended to maintain the momentum of the existing programme of projects alongside work on any new capital projects.

RECEIVED.

8. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

9. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**

There was no other business.

10. **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.

11. **NON-PUBLIC MINUTES**

The draft non-public minutes of the Finance and Risk Committee meeting held on 5 July 2021 were approved as a correct record.

12. **COVID-19 SITUATION UPDATE**

The Committee considered a report of the Chief Operating and Financial Officer presenting an update on the impact of COVID-19 on the Barbican Centre.

13. **BARBICAN BUSINESS REVIEW - JULY 2021 (PERIOD 4 - 21/22)**
The Committee considered a report of the Chief Operating and Financial Officer setting out the Barbican Business Review for July 2021 (Period 4 – 21/22).
14. **CONTROVERSIAL PROGRAMMING RISK REGISTER**
The Committee received a report of the Director of Arts and Learning presenting the Controversial Programming Risk Register which identified potential risks arising from specific programmed events and activities and outlined any mitigating action taken.
15. **RISK UPDATE**
The Committee considered a report of the Director of Operations and Buildings outlining the risk management system in place at the Barbican Centre, presenting significant risks and how these would be mitigated.
16. **PROJECTS UPDATE: NON-PUBLIC APPENDIX**
The Committee received a non-public Projects Update appendix to be read in conjunction with item 7: Projects Update Report.
17. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
There was one question.
18. **ANY OTHER BUSINESS THE CHAIR CONSIDERS URGENT WHILST THE PUBLIC ARE EXCLUDED**
There were no urgent items.

The meeting ended at 3.14 pm

Chairman

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Committee(s)	Dated:
Finance & Risk Committee of the Barbican Centre Board	01/11/2021
Subject: Internal Audit Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	N/A
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Head of Audit & Risk Management	For Information
Report author: Cirila Peall, Audit Manager	

Summary

This report has been prepared to provide Members with an update in respect of Internal Audit activity related to the Barbican Centre since the July 2021 meeting of this Committee. Audit Plan delivery for 2021-22 is in progress and formal Internal Audit follow-up of recommendations is ongoing to enable the provision of a revised assurance opinion for each previously completed audit.

As at mid-October 2021 there are no live red priority recommendations and eighteen live amber priority recommendations which arose from three audits.

The report also provides an indicative programme of work for 2022-23 for information and consideration.

Recommendation(s)

Members are asked to:

- Note the report
- Consider the appropriateness of delays in demonstration of high priority recommendations implementation

Main Report

Background

1. The Barbican Finance & Risk Committee receives updates in respect of delivery of Internal Audit work and the implementation of Audit recommendations.
2. Audit scope and control objective information is reported in respect of agreed terms of reference. A summary of outcomes is reported for finalised audit work i.e. where full management responses have been received and agreed.

3. In terms of high priority recommendations, this report provides Members with the latest implementation position, based on formal audit follow-up undertaken and, where appropriate, interim updates from Barbican management.

Current Position

Delivery of Internal Audit Work

4. The status of 2021-22 Plan delivery is outlined in Appendix 1, reflecting work in progress and the outcomes for completed work. Detailed outcomes are set out below but are summarised as:
 - The terms of reference for one audit have been finalised since the July meeting of this Committee and the associated audit fieldwork is nearing completion.
 - One audit is at planning stage and will be initiated this quarter.
 - One formal follow-up exercise has been completed.
 - One formal follow-up exercise is in progress.
 - Indicative timescales have been agreed with Management for the completion of the remaining two planned audits within the current year.

Retail: Online Shop & Branded Merchandise

5. The objective of this audit is to provide assurance over the internal control framework and process efficiency of the general operation of the online shop, as well as the mechanisms to ensure a profitable commercial operation. The audit is examining profitability of the online shop and the various branded product lines sold via all channels. Audit fieldwork is scheduled for completion by the end of October and report finalisation will take place in November 2021, to be reported at the January 2022 meeting of this Committee.

Security: First Follow Up

6. A formal follow-up exercise was carried out in respect of this 2020-21 Audit and confirmed implementation of all recommendations, resulting in a substantial assurance rating.

Audit:	Security				
Final Report Date:	January 2021	Issues Raised:	6	Original Assurance Rating:	Moderate
Follow-up Review	September 2021	Issues Resolved:	6	Revised Assurance Rating:	Substantial

Barbican & GSMD - Facilities Management & Maintenance: First Follow-Up

7. The follow-up in respect of the thirteen recommendations from this 2020-21 audit is in progress. A management update and associated information / documentation has been provided to Internal Audit in respect of the status of implementation and at the time of writing, evaluation is in progress. Barbican management have indicated their view that the position comprises recommendations implemented, recommendations progressed but not fully

implemented and recommendations not implemented. The follow-up outcome, including updated assurance opinion, will be reported to the January 2022 meeting of this Committee.

8. Twelve out of the thirteen live recommendations from this joint audit with GSMD relate to the Barbican Centre and are reflected in the attached live recommendations appendix; the remaining recommendation from the 2020-21 audit has been excluded as it relates solely to GSMD.

Live High Priority Recommendations

9. As at mid-October 2021 there are no live red priority recommendations and eighteen live amber priority recommendations, spanning three audits, as summarised at **Appendix 2**. It should be noted that:
 - Implementation evidence is required in order to close down one recommendation (currently assessed as partially implemented) which predates the currently follow-up process i.e. it is an outlier from a 2019-20 audit and due to the time elapsed since the original audit fieldwork, a revised assurance opinion will not be provided.
 - Twelve recommendations were the subject of recent follow-up enquiries and status information / evidence was received during the writing of this report. Barbican Management have indicated that there has been slippage in implementation of some recommendations and revised target timescales have been proposed for demonstration of full implementation. Internal Audit evaluation of information received is in progress.
 - Five recommendations are scheduled for follow-up in January 2022, in line with the latest target implementation date of December 2021.
10. Internal Audit continues to reiterate the importance of setting realistic timescales for demonstrating recommendations implementation and for ensuring that local progress monitoring is undertaken in respect of the resolution of issues identified through audits; implementation evidence should be readily available once target dates are reached and there should be prompt communication to Internal Audit of any issues in this respect.
11. Management continue to be reminded that any implementation actions which are extended beyond the revised target date may will likely be subject to challenge by the Audit and Risk Management Committee, whose expectation is that there should only be one extension to implementation timescales unless the circumstances are exceptional.

2022-23 Audit Planning

12. Building on the discussion at the previous meeting of the Finance & Risk Committee, setting out the approach to Internal Audit planning, a schedule of potential Audit work has been prepared. This schedule will be used as the basis of discussion with Senior Leadership, with Audit coverage prioritised according to risk and the demand for assurance. Additional areas may be identified as part of this process.

13. The schedule is set out in the table below, Members will note that there are two categories; shortlisted items, which are considered higher priority and, longlisted items, from which we may form the balance of the 2022-23 Internal Audit Plan. The Audit Plan will comprise four or five Audit reviews, depending on the scale and depth.

Potential Audit Reviews for 2022-23

Shortlist Items:

- Organisational Culture and Staff Experience
- Cyber Security (joint Audit covering Guildhall School)

Longlist Items:

- Health and Safety – rolling programme, specific theme to be determined
- Finance – Use of Control Accounts
- International Enterprise and Gallery Tours
- Contract Performance/Management
- Creative Learning
- Theatre Tax Credits

Corporate & Strategic Implications

14. The overall Internal Audit Plan is designed to provide assurance as to the adequacy of the City of London Corporation's systems of internal control and governance. This programme of activity is aligned with the Corporate Plan, Corporate Risk Register and Departmental Top Risks. The Barbican, as an institutional department of the Corporation, has a sub-section of the Plan and a programme of Internal Audit work that includes audit assignments and regular follow-up activity in respect of recommendations implementation.

Conclusion

15. Members are asked to note the details of delivery of the 2021/22 Audit Plan and the live high priority recommendations position as at mid-October 2021. Follow-up activity is undertaken promptly in line with target recommendation timescales and revised assurance opinions are informed by a review of implementation evidence. The outcome of recent follow-up activity has been an improvement in the assurance opinion related to one audit and late receipt of information has delayed conclusion of a separate follow-up. Scope exists to strengthen the internal management processes for tracking recommendations implementation and ensuring that evidence is provided to Internal Audit in line with target dates.

Appendices

- Appendix 1: 2021-22 Barbican Audit Plan Progress
- Appendix 2: Live High Priority Recommendations

Cirla Peall

Audit Manager, Chamberlain's Department
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Internal Audit Plan Delivery 2021-22

Project	Current Stage	Assurance Rating	Recommendations Raised			
			Total Red	Total Amber	Total Green	Total
Audits & Spot Checks						
<u>Retail: Online Shop & Branded Merchandise</u> To provide assurance over the internal control framework and process efficiency of the general operation of the online shop, as well as the mechanisms to ensure a profitable commercial operation, and examining profitability of the online shop and the various branded product lines (sold via all channels).	Fieldwork	-	-	-	-	-
<u>Fire Safety – part of rolling programme of Health & Safety assurance work</u> Compliance with legislation and industry standards, fire safety risk management, training and incident management.	Planning for Q3 initiation	-	-	-	-	-
<u>Spektrix (Ticketing System): Revisited</u> Building on the 2020-21 audit, which looked at initial systems implementation, to examine the system in full operation.	Not Initiated	-	-	-	-	-
<u>Ticketing: Reissue, resale and refunds – spot check</u> To focus on the impact of the pandemic in relation to tickets for events; the processes for dealing with all categories of transaction, looking at completeness and accuracy.	Not Initiated	-	-	-	-	-
TOTAL RECOMMENDATIONS RAISED			0	0	0	0

Project	Current Stage	Assurance Rating	Recommendations Outstanding			
			Total Red	Total Amber	Total Green	Total
Audit Follow-Ups						
<u>Security: Follow-Up of 2020-21 Audit – first follow-up</u> Follow-up of the audit finalised in January 2021 and which had a moderate assurance opinion. Sufficient evidence was received to demonstrate implementation of all six recommendations, resulting in a substantial assurance opinion as at September 2021.	Complete	Substantial	0	0	0	0
<u>Barbican & GSMD Facilities Management & Maintenance: Follow-Up of 2020-21 Audit – first follow-up</u> Follow-up of the audit finalised in March 2021 and which had a moderate assurance opinion. Status updates and implementation evidence were received during the writing of this Update Report and evaluation of this information is in progress. Barbican Management have indicated that there has been some slippage in implementation.	In Progress (Delayed)	-	-	-	-	-
<u>Spektrix: Follow-Up of 2020-21 Audit – first follow-up</u> Follow-up of the audit finalised in June 2021 and which had a moderate assurance opinion.	Due January 2022	-	-	-	-	-
RECOMMENDATIONS OUTSTANDING AT FOLLOW-UP			0	0	0	0

Schedule of Barbican Centre Live High Priority Recommendations as at mid-October 2021

Recommendation Area	Priority	Original Target Date	Revised Target Date	Status & Comments
IT Projects – January 2020				
<p><u>1. IT Projects (MK 3150)</u> In rolling out the use of Project Initiation Forms for non-strategic IT projects:</p> <ul style="list-style-type: none"> • Consideration should be given to the development of guidance to aid PIF completion, including identification of mandatory content. • Project documentation should contain a clear line of sight between project objectives and the related strategic goals, facilitating evaluation of delivery. 	Amber	31/01/2020	31/01/2021	<p><u>Internal Audit Comment:</u> Partially Implemented and overdue against revised target date.</p> <p>Implementation evidence required in order to assess as fully implemented.</p>
Barbican & GSMD – Facilities Management & Maintenance – March 2021				
<p><u>2. Facilities Management & Maintenance (MK 3650)</u> The Head of Engineering Projects should determine appropriate productivity targets and wider performance measures for the Engineering Team and implement a framework for monitoring performance accordingly, in order to drive the necessary improvements in performance.</p>	Amber	30/09/2021		<p><u>Internal Audit Comment:</u> Formal follow-up is underway.</p> <p>At the time of writing, Barbican Management have provided status updates which reflect a combination of recommendations implemented, recommendations progressed but not fully implemented and recommendations not implemented. Evaluation of this information, implementation evidence and proposed revised target dates for demonstration of full implementation is in progress.</p>
<p><u>3. Facilities Management & Maintenance (MK 3652)</u> The Head of Engineering and Projects should ensure that the accuracy and completeness of Programmed Maintenance tasks within the Micad and Agility systems are periodically verified.</p>	Amber	31/05/2021		
<p><u>4. Facilities Management & Maintenance (MK 3653)</u> The Head of Engineering and Projects should ensure that Skanska's performance in completing Programmed Maintenance tasks is regularly monitored, to ensure Skanska are delivering in accordance with contractual requirements.</p>	Amber	15/07/2021		

Recommendation Area	Priority	Original Target Date	Revised Target Date	Status & Comments
<p><u>5. Facilities Management & Maintenance (MK3656)</u> The Head of Engineering and Projects should implement a framework for monitoring the quality of Programmed Maintenance, completed by both Skanska and the Engineering Team.</p>	Amber	15/07/2021		
<p><u>6. Facilities Management & Maintenance (MK 3657)</u> The Head of Engineering and Projects should ensure that the completeness of the Asbestos Register is subject to regular verification.</p>	Amber	31/07/2021		
<p><u>7. Facilities Management & Maintenance (MK 3660)</u> The Head of Engineering and Projects should ensure that all water management tasks are set out within the Programmed Maintenance Schedules.</p>	Amber	31/05/2021		
<p><u>8. Facilities Management & Maintenance (MK 3661)</u> The Head of Engineering and Projects should implement an appropriate action plan to ensure that all outstanding all Gas Safety, Electrical Safety and Water Management tasks are completed.</p>	Amber	15/07/2021		
<p><u>9. Facilities Management & Maintenance (MK 3662)</u> The Head of Engineering and Projects should ensure that Skanska's performance in completing reactive maintenance tasks on a timely basis is regularly monitored to ensure conformance to contractual requirements.</p>	Amber	15/07/2021		
<p><u>10. Facilities Management & Maintenance (MK 3664)</u> The Head of Engineering and Projects should implement a framework for monitoring the quality of Reactive Maintenance, completed by both Skanska and the Engineering Team.</p>	Amber	15/07/2021		
<p><u>11. Facilities Management & Maintenance (MK 3665)</u> The Head of Engineering and Projects should ensure that the skills analysis exercise is completed in an appropriate timeframe.</p>	Amber	30/09/2021		

Recommendation Area	Priority	Original Target Date	Revised Target Date	Status & Comments
<u>12. Facilities Management & Maintenance (MK 3666)</u> The Head of Engineering and projects should enhance monitoring arrangements to ensure that quoted works are subject to approval prior to works being initiated.	Amber	31/05/2021		
<u>13. Facilities Management & Maintenance (MK 3667)</u> The Head of Engineering and Projects should implement arrangements for verifying the accuracy of reactive maintenance tasks recorded as 'completed' in Micad.	Amber	31/05/2021		
<u>Audit of Spektrix – June 2021</u>				
<u>14. Ticketing System (MK 3741)</u> a) Administration accounts should be limited and controlled and existing accounts should be regularly reviewed to ensure they are still required or removed where they are superfluous to requirements. b) A regular exercise should be undertaken to review and remove any unnecessary accounts with a record maintained to demonstrate the practice performed for on-going assurance of proper management of administration accounts.	Amber	31/07/2021	N/A	<u>Internal Audit Comment:</u> Formal follow-up exercise to be carried out in January 2022, at which point the latest recommendation will be due. Interim Management updates have recently been provided and indicate that implementation is progressing in line with target timescales.
<u>15. Ticketing System (MK 3747)</u> Controls should be strengthened to reduce the risk of unauthorised system access, either through Single Sign-On (SSO) or increased Spektrix password controls.	Amber	31/12/2021	N/A	
<u>16. Ticketing System (MK 3770)</u> The Head of Systems and Data should undertake an exercise with key users to review the deliverables in the tender document to establish the latest position, determine what has been delivered and what is still needed to be implemented to support delivery of departmental and corporate objectives.	Amber	30/09/2021	N/A	

Recommendation Area	Priority	Original Target Date	Revised Target Date	Status & Comments
<u>17. Ticketing System (MK 3771)</u> Barbican management should request formal reports on performance against SLA targets and undertake regular service performance review meetings to ensure that: targets are being met, issues are identified at the earliest opportunity, and appropriate action is taken on a timely basis.	Amber	30/09/2021	N/A	
<u>18. Ticketing System (MK 3774)</u> System and / or management controls over refunds should be applied as soon as practicable to minimise the risk of fraud and error. Where refund restrictions have been lifted, there should be regular review of available management information.	Amber	30/09/2021	N/A	

Agenda Item 5

Committee(s)	Date:
Finance and Risk Committee of The Barbican Centre Board – For information	1 November 2021
Barbican Centre Board – For information	17 November 2021
Subject: Barbican Centre Projects Update Report	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1, 5, 12
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Jonathon Poyner – Director of Operations and Buildings	For Information
Report author: Cornell Farrell – Head of Engineering and Projects	

Summary

1. This paper provides a progress and financial summary on the 45 live Barbican refurbishment and maintenance projects of which, 6 are capital projects.
2. The City Surveyor is delivering 4 capital projects on behalf of the Centre acting as the intelligent client.
3. The financial information on each project is given in a separate non-public appendix containing commercially sensitive information. There are no serious concerns raised in this report.
4. However, the recent change of process whereby projects must be completed within one financial year creates considerable risk to the delivery of projects at the Barbican Centre.

Recommendation(s)

- Members are asked to note the contents of this report.

Main Report

Background

1. The Operations and Buildings Directorate's strategy to maintain, improve and enhance the facilities, continues through the progression of building and refurbishment projects funded by the Cyclical Works Programme (CWP) or the Corporation's (City Fund) Capital reserves.
2. Historically, CWP projects had to be completed within three years from when the funding started. For the 2021/22 financial year projects must be completed within that single financial year.

Current Position

CWP projects

3. The Centre has 39 approved live CWP projects; There are 2 projects remaining from the 2018 year of approval, 6 from 2019, and 21 from 2020.
4. Funding for 10 new CWP projects became available in April 2021.
5. A financial summary of CWP projects is given in the table below:

Financial year approved	Original no of CWP Projects	Original CWP Combined Projects Value £000s	No of Live (Outstanding) CWP Projects	Combined Live CWP Projects Value £000s
2017/18	19	2,421	0	0
2018/19	10	1,065	2	245
2019/20	14	1,255	6	655
2020/21	24	3,745	21	3,435
2021/22	10	972	10	972

6. The project status summary is given for CWP projects below:

Financial year	No of Live (Outstanding) CWP projects	Project status (RAG)		
		RED	AMBER	GREEN
2017/18	0	0	0	0
2018/19	2	0	1	1
2019/20	6	0	0	6
2020/21	21	0	0	21
2021/22	10	0	0	10

7. Red status projects

Not applicable

8. Amber status projects

Distribution Boards (2018) has been raised to an amber since the last report on the basis the works have not started and must be completed by March 2022.

9. The project status summary is given for the Capital projects below:

Financial year	No of Live (Outstanding) Capital projects	Project status (RAG)		
		RED	AMBER	GREEN
2017/18	0	0	0	0
2018/19	2	1	0	1
2019/20	0	0	0	0
2020/21	3	0	1	2
2021/22	1	0	0	1

10. Red status projects

The fire safety projects have been in progress for 3 years; now managed by the City Surveyor, they are due for completion March 2023

11. Amber status projects

The Art Gallery Chiller was ideally to be replaced during the winter of 2020/21. The works must coincide with both the winter and the Gallery schedule, so the project was delayed when it became clear we were not going to be able to deliver in the first window. This project is now on hold whilst the possibility of acquiring alternative external funding is investigated

Proposals

12. The Barbican Centre to continue to deliver CWP and capital funded projects for the on-going upkeep and improvement of the Centre using project management resource from with the Barbican or City Surveyor Department as appropriate.

Options

13. No alternative options are suggested in this report.

Strategic Implications

14. This work contributes to the City's aim to 'shape outstanding environments' by ensuring 'our spaces are secure, resilient and well maintained'.

15. Financial implications

The Barbican Project Management Team aim to deliver Value for Money (VFM) as part of a key output for all projects. Savings from CWP projects are returned to the Centre to help fund other essential projects across the Corporation.

16. Resource implications

An on-going recruitment drive is in place to increase the PM resource to manage the current workload.

17. Legal implications

Legal implications are specific to each project. There are no current issues to be raised to the Board.

18. Risk implications

Every project carries some degree of risk that could impact on the project delivery. Rising prices, increased lead-in times, are the current external generic risks to project delivery, whilst the internal risk are still low staff numbers and access restrictions.

19. Equalities implications

Equality, Diversity, and Inclusion is a key strategy for the Barbican Centre and ergo. Any the Project Management team. These are now integral considerations in recruitment and PM activity.

20. Climate implications

The Barbican Centre has high energy use, and the trend has been upwards over the last year. All MEP (mechanical, electrical, plumbing) projects are an opportunity to replace kit with more efficient equivalents and to improve the strategy to reduce our carbon footprint.

21. Security implications

There are no notable security implications within the current projects programme for the consideration of the Board.

Conclusion

22. The Centre currently has 45 live projects. The RAG status of these projects is detailed in this report. The financial data on each project is listed in appendix 1.

Appendices

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

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