

PROJECTS SUB (POLICY AND RESOURCES) COMMITTEE

Wednesday, 20 February 2019

Minutes of the meeting of the Projects Sub (Policy and Resources) Committee held at the Guildhall EC2 at 11.00 am

Present

Members:

Deputy Keith Bottomley (Chairman)
Deputy Jamie Ingham Clark (Deputy
Chairman)
Randall Anderson
Karina Dostalova

Marianne Fredericks
Deputy Catherine McGuinness
Andrew McMurtrie

Officers:

Peter Lisle	- Assistant Town Clerk & Director of Major Projects
Rohit Paul	- Town Clerk's Department
Sarah Baker	- Town Clerk's Department
Alistair MacLellan	- Town Clerk's Department
Chrissie Morgan	- Director of Human Resources
Kay Saxton-Lea	- Town Clerk's Department – Human Resources
Dianne Merrifield	- Chamberlain's Department
Chris Bell	- Chamberlain's Department – Procurement
Michael Harrington	- Chamberlain's Department – Procurement
Kevin Mulcahy	- Chamberlain's Department – Digital Services
Ola Obadara	- City Surveyor's Department
Paul Monaghan	- Department of the Built Environment
Simon Glynn	- Department of the Built Environment
Clarisse Tavin	- Department of the Built Environment
Gillian Howard	- Department of the Built Environment
Tom Noble	- Department of the Built Environment
Leah Coburn	- Department of the Built Environment
Paul Murtagh	- Department of Community and Children's Services
Colin Buttery	- Director of Open Spaces
Martin Rodman	- Superintendent of Parks and Gardens
Bob Warnock	- Superintendent of Hampstead Heath
Richard Gentry	- Open Spaces Department
Lucy-Anne Murphy	- Open Spaces Department
Madhur Gurjar	- Open Spaces Department

1. APOLOGIES

Apologies were received from Nick Bensted-Smith, Anne Fairweather, Chris Hayward, James Tumbridge and Philip Woodhouse.

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

There were no declarations.

3. **GATEWAY APPROVAL PROCESS**

RESOLVED, that the Gateway Approval Process be received.

The Chairman took the opportunity to note that the Town Clerk would be working to develop a standardised approach to project risk management that would be linked to the central City of London Corporation risk management process. The Town Clerk would liaise with the Deputy Chairman in developing the standardised project risk management approach, and the outcome of that work would be reported back to the Projects Sub-Committee and on to the Police and Resources Committee if appropriate.

4. **MINUTES**

RESOLVED, that the public minutes and non-public summary of the meeting held on 18 January 2019 be approved as a correct record.

5. **ACTIONS**

Members considered a report of the Town Clerk regarding outstanding actions from previous meetings and the following points were made.

1/2017/P – Great Arthur House

- The Town Clerk noted that a Gateway 6 Progress report was on the agenda and therefore this action could be closed.

1/2018/P – Mansion House External Cleaning

- The Town Clerk noted that a Gateway 5 report was expected at the May 2019 meeting.

3/2018/P – City of London Cemetery Repayment Schedule

- The Town Clerk noted that an updated repayment schedule had been circulated with the papers and therefore this action could be closed.

1/2019/P – Project Management Academy

- The Town Clerk noted a progress report was on the agenda and therefore this action could be closed.

2/2019/P – Project Gateway Process

- The Town Clerk noted that this action had been completed and could therefore be closed.

3/2019/P – Minor and Major Works Procurement Framework Reports

- The Town Clerk noted that these reports were on the agenda and this action could therefore be closed.

4/2019/P – City Procurement to provide Quarterly Framework Reports

- The Town Clerk noted that the first quarterly report would be submitted to Projects Sub-Committee in June 2019.

5/2019/P – Provision of Project Context in Reporting

- The Town Clerk noted that this action had been communicated to all project report authors and could therefore be closed.

6/2019/P – Delegated Authority for Gateway 5 Avondale Square Windows

- Members confirmed they were content for this delegated authority to continue until such time it was ready for submission to the Town Clerk for decision.

7/2019/P – Summer Works on City of London School for Girls Roof

- The Town Clerk noted that photographs had been provided to the project officer, who would continue to liaise with the Member in question regarding the issue of the roof's appearance. Members agreed that this action could be closed.

RESOLVED, that the report be received.

6. PROJECT MANAGEMENT ACADEMY UPDATE

Members considered an update report of the Director of Human Resources regarding the Project Management Academy and the following points were made.

- The Director of Human Resources noted that the academy would provide training and certification on areas including costed risk provision and performance management, and this approach would include digital services projects as well as building projects.
- In response to a request, the Town Clerk agreed to review the provision of Member training in project management and to report the issue of project management to the Member Development Group as appropriate.
- The Town Clerk noted that Members of the Projects Sub-Committee had a duty to communicate the new Project Management Academy and any member training opportunities to their colleagues on the Court of Common Council.

- The Chairman noted that he would write to the Chairs, Chairmen and Deputy Chairmen of Spending Committees to highlight the Academy and any training opportunities arising. The Chairman concluded by thanking those project managers who were engaging with the Human Resources Department on the development of the Academy.

RESOLVED, that the report be received.

7. GATEWAY 2 - QUEEN'S PARK SANDPIT REFURBISHMENT & PUBLIC TOILET REBUILD

Members considered a Gateway 2 Project Proposal (Regular) report of the Director of Open Spaces regarding Queen's Park Sandpit Refurbishment and Public Toilet Rebuild and the following points were made.

- In response to a question, the Superintendent of Hampstead Heath confirmed that all options would remain under consideration if the report was approved that day.
- A Member commented that, whilst it was important to proceed with an option that guaranteed value for money, Members should also be mindful of the benefit that an appropriate option could provide the local community in terms of health and wellbeing.
- A Member noted that safeguarding was a key element of the project design going forward.
- In response to a question, the City Surveyor confirmed that project costs would be available for scrutiny by Members at Gateway 3/4 and agreed to review the project and the costs provided to the Department of Open Spaces by the City Surveyor's Department to date.

RESOLVED, that Members

- Approve the project for progression to the next Gateway through initiating the project including £14,000 of resources funded through local risk and that the project and its costs be reviewed by the City Surveyor.

8. GATEWAY 3/4 - WEST HAM PARK PLAYGROUND REFURBISHMENT

Members considered a Gateway 3/4 Options Appraisal (Regular) report of the Director of Open Spaces regarding West Ham Park Playground Refurbishment and the following points were made.

- The Superintendent of Parks and Gardens noted that an increased cost estimate received from an external contractor since the report had been circulated to both the West Ham Park Committee and the Projects Sub-Committee had affected the project sums outlined within the report. Members should note that Option 3 now had a total estimated cost of £1,234,000 and the estimated shortfall to be requested for funding from the Resource Allocation Sub-Committee and Policy and Resources Committee would be £773,000.

- The Superintendent of Parks and Gardens continued, noting that in light of the increase in project costs, officers would be conducting a cost benefit analysis to establish whether the playground office transformation element of the project should proceed. Subject to approval from Members that day, a further project issues report would be submitted to Members in due course.
- The Superintendent of Parks and Gardens noted that the West Ham Park Committee had tasked officers with conveying to the Members of Projects Sub-Committee the importance of this project for the local community. He added that West Ham Park was situated in one of the UK's most deprived areas, with some of the highest levels of childhood obesity, and in his view, the delivery of the project would have an extremely positive impact on the local community.
- The Superintendent concluded by noting that ordinarily officers would seek external funding for project such as this in advance of submitting a project report to Members. In this instance however, different elements of the project qualified for funding from a variety of different sources which required Member approval of the project in principle before they would accept funding applications.
- A Member emphasised that this type of project was exactly the sort of project where the City of London Corporation could have a positive impact on local communities in London. A Member added that the City of London Corporation would be shortly be conducting a review of its overall project spending where projects such as this would be assessed against the City's Corporate Plan.
- A Member requested that officers be mindful that any play equipment should be for all ages and abilities as far as was possible.
- In response to a question, the Chamberlain confirmed that the shortfall request for project funding would be submitted against the 2018/19 City's Cash provision.

RESOLVED, that Members

- Agree that Play Option 3 (Enlarging the footprint of the playground) with Water Play Option A (installing new water play facility with hand operated water fountains) be progressed at a total estimated cost of £1,234,775 (noting risk against the project).
- Note that progression of the scheme was subject to the identification of external funding of up to £350,000 and a request to the Resource Allocation Sub-Committee and Policy and Resources Committee to meet the remaining shortfall estimated at £773,000 from the 2018/19 City's Cash provision for new schemes.

- Approve a budget of £50,500 for fees and staff costs to reach the next gateway, funded via a further allocation of £10,775 from local risk, along with the reallocation of unspent funds of £39,725 from Gateway 2 to enable the project to reach the next gateway.
- Note the new project budget of £65,775.

9. **GATEWAY 6 - MICROSOFT LICENCING AND CLOUD PRODUCTIVITY SUITE (OFFICE 365)**

Members considered a Gateway 6 Outcome report (Regular) of the Chamberlain regarding Microsoft Licensing and Cloud Productivity Suite (Office 365) and the following points were made.

- The Chamberlain noted that the project was one of the strands of the wider digital services transformation programme and had been successfully delivered. The project was shortlisted for a Local Government Chronicle award, the result of which was due on 14 March 2019.
- In response to a question, the Chamberlain confirmed that she was in receipt of the final accounts and these would be verified shortly.
- A Member welcomed the delivery of the project and noted that a similar project was due for the City of London Police.

RESOLVED, that Members note the lessons learned and approve that the project be closed.

10. **GATEWAY 3 ISSUE - BANK JUNCTION IMPROVEMENTS PROJECT: ALL CHANGE AT BANK**

Members considered a Gateway 3 Issue report (Complex) of the Director of the Built Environment regarding Bank Junction Improvements: All Change at Bank and the following points were made.

- The Director of the Built Environment noted that the project would be explicitly linked with the central Corporate Plan. Officers had, at the request of Members, retained Option 1.
- The Chairman noted that the variation of expected costs within the report was primarily due to the cost of the various options for materials.
- In response to a request, the Town Clerk agreed going forward to provide written confirmation of spending committee approvals and/or formal resolutions arising from spending committees as appropriate.

RESOLVED, that Members,

- Approve the Bank Junction Improvements Project (All Change at Bank) be formally restarted.

- Approve that the project objectives as outlined within the report continue to be relevantly aligned with the wording of the Corporate Plan.
- Note change to governance arrangements of the existing Project Board to a stakeholder working group, and the creation of a new internal Project Board.
- Approve that officers proceed with feasibility design of Strategic Option 2 (semi pedestrian priority with some vehicle movement) to Gateway 4 – the next phase of work to investigate different options for highways alignment, design of public realm and vehicle mix.
- Note the options for procurement routes to include option of any applicable framework contract

11. GATEWAY 4/5 - GREENING CHEAPSIDE: ST. PAUL'S TUBE STATION AREA IMPROVEMENTS (PHASE 1) SUNKEN GARDEN COMPETITION (PHASE 1B)

Members considered a Gateway 4/5 report (Regular) of the Director of the Built Environment regarding Greening Cheapside: St Paul's Tube Station Area Improvements (Phase 1) and Sunken Garden Competition (Phase 1B) and the following points were made.

- A Member welcomed the project but expressed concern over its long-term progression due to the fact Phase 2 would depend on Open Spaces funding.
- In response to a request from a Member, the Director agreed to clarify to what extent the Diocese of London was involved as a project stakeholder.

RESOLVED, that Members

- Approve the proposed design and the total budget of Phase 1 and total City funding contribution to Phase 1B at an estimated cost of £380,154 funded from sources outlined within the report at Appendix 7, Table 3 (including any related interest or indexation);
- Note that the £20,000 allocated to Phase 1B will only be utilised subject to the external funding for the implementation of Phase 1B of the project being secured; and
- Approve delegation of budget adjustments between staff costs, works and fees, and between Phase 1 and Phase 1B to the Chief Officer in consultation with the Chamberlain.

12. GATEWAY 2 - BERNARD MORGAN HOUSE PUBLIC REALM

Members considered a Gateway 2 report (Regular) of the Director of the Built Environment regarding Bernard Morgan House Public Realm. In response to a

question, the Director of the Built Environment confirmed that residents would be appropriately consulted on the project.

RESOLVED, that Members

- Authorise offices to enter into a s278 agreement with the developer;
- Approve the release of £35,000 in order to proceed with the evaluation process, with a Gateway 3/4 report submitted in due course under the Regular reporting route.

13. GATEWAY 6 - TOWER BRIDGE RE-DECKING AND APPROACH VIADUCT WATERPROOFING PROJECT

Members considered a Gateway 6 Outcome report (Complex) of the Director of the Built Environment regarding Tower Bridge Re-Decking and Approach Viaduct Waterproofing and the following points were made.

- The Director of the Built Environment outlined the key lessons learned from the project, namely the benefits of working closely with City Procurement from the outset of the project; the benefits of early engagement with external stakeholders including TfL and the Port of London Authority; being able to respond quickly to compensation events; the need to consider enforcement measures on future projects of this kind; and finally the need to plan several years ahead on Tower Bridge projects given the complexity of the structure and associated sites.
- The Chairman welcomed the outcome report, noting that the project had been delivered £500,000 under budget, and had won the British Construction Industry Award 2017 for Civil Engineering Project of the Year (up to £10m).
- In response to a request, the Town Clerk agreed to submit the project to the Project Management Academy as a case study.

RESOLVED, that Members note the lessons learned and approve that the project be closed.

14. REVIEW OF RECENT HOUSING PROCUREMENT ISSUES AND PROPOSED MITIGATIONS TO IMPROVE COMPETITIVE TENDERING IN FUTURE

Members considered a report of the Chamberlain regarding a review of recent housing procurement issues and proposed mitigations to improve competitive tendering in future.

RESOLVED, that the report be received.

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

Wanstead Flats – Parklife Bid

- In response to a question from a Member, the Director of Open Spaces provided an update on a bid to Parklife for funding for improvement works to pitches and facilities at Wanstead Flats. He noted that the bid was one of seven bids for seven sites across London that had been submitted in conjunction with the Football Foundation. The project was currently at Gateway 2 and a further gateway report would be submitted to Members once officers had reviewed a consultant's report that had been received recently. In outline, the project would involve around £5m of spend on the circa 40 pitches and three changing rooms at Wanstead. The Director agreed to update Members outside of the meeting on an expected submission date for the next Gateway report to committee.
- A Member noted that officers should be mindful of the commercial opportunity of a clubhouse facility.

16. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

Review of Strategic Project Spending

- The Chairman noted that forthcoming revenue and capital spending challenges had been discussed at Finance Committee on 19 February 2019, and that given the scale of the challenge it had been decided to hold a reassessment of strategic revenue and capital spend. In a Projects Sub-Committee context, this had implications on the fact that the Sub-Committee oversaw a portfolio of £380m of unfunded capital projects, which had stood at £300m only two months previously. Members required a greater appreciation of their spending decisions and therefore the Chairman looked forward to the reassessment ensuring a more mature strategic allocation of revenue and capital spending across the organisation.

17. 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 item(s) 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.

18. NON-PUBLIC MINUTES

RESOLVED, that the non-public minutes of the meeting held on 18 January 2019 be approved as a correct record.

19. NON-PUBLIC ACTIONS

Members considered a report of the Town Clerk regarding non-public outstanding actions.

20. **PORTFOLIO OVERVIEW**

Members considered a Portfolio Overview report of the Town Clerk.

21. **GATEWAY 6 ISSUE - GREAT ARTHUR HOUSE RE-CLADDING PROJECT**

Members considered a Gateway 6 Progress report (Complex) of the City Surveyor regarding the Great Arthur House Re-Cladding project.

22. **GATEWAY 2 - GUILDHALL COMPLEX MASTERPLAN**

Members considered a Gateway 2 Project Proposal report (Complex) of the City Surveyor regarding the Guildhall Complex Masterplan.

23. **CITY OF LONDON PRIMARY ACADEMY ISLINGTON (COLPAI) COMPLIANT WAIVER EXTENSION OF RIGHTS OF LIGHT CONSULTANT**

Members considered a joint report of the City Surveyor and the Chamberlain regarding City of London Primary Academy Islington: Compliant Waiver Extension of Rights of Light Consultant.

24. **MAJOR CONSTRUCTION WORKS FRAMEWORKS - STAGE 2 AWARD REPORT**

Members considered a joint report of the Chamberlain and the City Surveyor regarding Major Construction Works Frameworks – Stage 2 Award.

25. **MINOR WORKS FRAMEWORKS - STAGE 2 AWARD REPORT**

Members considered a joint report of the Chamberlain and the City Surveyor regarding Minor Works Frameworks – Stage 2 Award.

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

There were no questions.

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

There was no other business.

The meeting closed at 12.45 pm

Chairman

Contact Officer: Alistair MacLellan / alistair.maclellan@cityoflondon.gov.uk