

PROJECTS SUB (POLICY AND RESOURCES) COMMITTEE

Wednesday, 24 April 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)	Marianne Fredericks
Deputy Jamie Ingham Clark (Deputy Chairman)	Christopher Hayward
Randall Anderson	Andrew McMurtrie
Karina Dostalova	Deputy Philip Woodhouse
Anne Fairweather	

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
Chandni Tanna	- Town Clerk's Department
Caroline Al-Beyerty	- Deputy Chamberlain
Chris Bell	- Chamberlain's Department – City Procurement
Michael Harrington	- Chamberlain's Department – City Procurement
Mark Lowman	- City Surveyor's Department
Zahur Khan	- City Transportation Director
Leah Coburn	- Department of the Built Environment
Gillian Howard	- Department of the Built Environment
Tom Noble	- Department of the Built Environment
Paul Murtagh	- Department of Community and Children's Services
Sarah Williams	- City of London Police

1. APOLOGIES

Apologies were received from Nick Bensted-Smith, Deputy Catherine McGuinness and James Tumbridge.

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

Andrew McMurtrie declared a non-pecuniary interest in Items 6 (Risk Review – Galleywall Primary School) and Item 18 (Risk Review – City of London Primary Academy Islington) by virtue of his role of Chairman of the Board of Trustees of the City of London Academies Trust.

The Chairman took the opportunity to discuss the recently announced Fundamental Review (FR) and the following points were made.

- The Chairman noted that the FR meant a temporary pause in the progression of new projects that required central funding, but that any projects currently in progress within the project gateway procedure would continue provided they were beyond Gateway 5, or their funding had already been agreed to the next gateway. Any projects that were not centrally funded and were instead funded by other sources such as s106, s278, or the Housing Revenue Account, would also continue to come before the Sub-Committee.
- In response to a comment, the Chairman agreed that corporate messaging used to describe the temporary pause should be as clear and concise as possible and that he would raise this point with the Chair of the Policy and Resources Committee, and at the next meeting of the Resource Allocation Sub (Policy and Resources) Committee.
- In response to a comment, the Chairman agreed that the temporary pause was not a blunt instrument that would affect all projects in a uniform way. Any projects that with potential extenuating circumstances requiring progression would be reviewed on a case-by-case basis but that care had to be taken not to undermine the purpose and objectives of the FR.
- The Deputy Chairman emphasised that the FR had been prompted, in part, by the forthcoming reduction in business rate receipts and the resulting need to ensure that project funding was in line with corporate priorities.
- The Assistant Town Clerk & Director of Major Projects noted that one planned outcome of the FR was a more sophisticated model of funding for major projects that included consideration by spending committees whether projects should proceed, even if project funding was guaranteed. Spending committees should also rigorously consider appropriate levels of spend on projects.
- A Member commented that project scrutiny would be aided by an appropriate level of detail in project reports.
- The Deputy Chamberlain noted that the City was moving to a position where capital spending was prioritised more effectively, with annual reviews of capital spending in the autumn each year.

3. **GATEWAY APPROVAL PROCESS**

Members considered a report of the Town Clerk regarding the Gateway Approval Process. In response to a comment, the Town Clerk agreed to liaise with a Member outside of the meeting regarding the potential for project approval thresholds to be considered in association with the Fundamental Review **(25/2019/P)**.

RESOLVED – that the Gateway Approval Process be received.

4. **MINUTES**

RESOLVED – That the public minutes and non-public summary of the meeting held on 22 March 2019 be approved as a correct record.

Matters Arising

Gateway 1/2/3/4/5 Provision of Staff Welfare Facilities at Chingford Golf Course, Epping Forest

A Member noted that Orion Harriers had agreed in principle to share welfare facilities with officers of the City of London Corporation. The Director of Open Spaces was currently reviewing, in liaison with City Procurement, how such an arrangement could be appropriately funded **(26/2019/P)**.

5. **PUBLIC ACTIONS**

Members considered a report of the Town Clerk regarding public actions arising from previous meetings. Members noted the written updates provided within the report, and the fact that the actions sheet going forward would be ordered according to whether a project was part of the Fundamental Review. The Town Clerk agreed to circulate an updated actions sheet outside of the meeting **(27/2019/P)**.

RESOLVED, that the report be received.

6. **RISK REVIEW: GALLEYWALL PRIMARY SCHOOL**

Members considered a risk review report of the City Surveyor regarding City of London Academy Southwark – Galleywall Primary School and the following points were made.

- The City Surveyor noted that the project had been classed as red due to a project funding shortfall – in the meantime, the Department for Education had agreed to meet the identified shortfall, including meeting £40k for £53k of identified project risk, with the remaining £13k under review. The School had proposed an additional spend of £79k, which the City Surveyor had made clear should be funded by the School and/or its parent organisation, the City of London Academies Trust. The overall project programme remained as had been agreed.

RESOLVED, that the report be received.

7. **GATEWAY 3 ISSUE - FINSBURY CIRCUS GARDEN REINSTATEMENT**

Members considered a Gateway 3 Issue report of the City Surveyor regarding Finsbury Circus Garden Reinstatement and the following points were made.

- The City Surveyor noted that this project now fell within the remit of the Fundamental Review and therefore had been paused.
- The Deputy Chamberlain noted that Crossrail were responsible for providing £4.1m of project costs with a further £1.6m being met from Open Spaces Community Infrastructure Levy (CIL) monies. It was this latter amount that had brought the project within the Fundamental Review.

- A Member welcomed the pause in the project, noting that it gave the City of London time to consider whether the western arm of Finsbury Circus could be permanently closed to traffic and incorporated into the public realm of the wider Finsbury Circus Garden.
- A Member noted that the £4.1m figure from Crossrail was subject to confirmation and should be considered as a project risk. Only c £0.3m had been received to date. Continued closure of the garden would also pose a reputational risk for the City.
- A Member noted that the project accounted for the majority of available Open Spaces CIL monies in the Square Mile.
- Members were unanimous in being uncomfortable with the funding context of the project and felt that the report should be deferred until further detail could be provided to the Sub-Committee at its next meeting, specifically around project funding in light of comments made by Members, and the cost of the interim scheme for the garden alongside how long that scheme would be in place (27/2019/P).

RESOLVED, that the report be deferred.

8. GATEWAY 1/2/3/4 - CITY OF LONDON HOUSING ESTATES PLAY AND BALL GAMES AREAS REFURBISHMENT

Members considered a Gateway 1/2/3/4 report of the Director of Community and Children's Services regarding City of London Housing Estates Play and Ball Games Areas Refurbishment. In response to a question, the Director of Community and Children's Services confirmed that public consultation formed an important element of the project, and that the refurbished equipment would be subject to annual maintenance.

RESOLVED, that Members

- Approve a budget of £30,200 to reach the next Gateway namely £6,050 staff costs and £24,150 fees.
- Note the total estimated cost of the project at £271,700 (excluding risk).
- Approve Option 1 (Replacement Facilities)
- Note the project risk register at appendix 3.

9. GATEWAY 5 ISSUE - 150 BISHOPSGATE (HERON PLAZA HIGHWAY)

Members considered a Gateway 5 report of the Director of the Built Environment regarding 150 Bishopsgate (Heron Plaza Highway Works) and the following points were made.

- In response to a question the Director of the Built Environment noted that the project had been graded as a green risk in spite of being on hold

for seven years as the overall development had been on hold, which had meant the highway works had been deferred.

- The Chairman noted that the project cost was subject to increase, which would likely trigger a governance threshold requiring Member approval.

RESOLVED, that Members approve an increase to the approved project budget of £76,668 in order to review the project design and submit a revised Gateway 5 report to the Chief Officer or Projects Sub-Committee, as appropriate.

10. **GATEWAY 3 ISSUE - ALL CHANGE AT BANK**

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

- A Member noted that he hoped the project would be allowed to proceed by the Resource Allocation Sub (Policy and Resources) Committee and for On-Street Parking Reserve monies to be used accordingly.
- A Member noted that he would be requesting a breakdown of allocation of spend of the On-Street Parking Reserve at the forthcoming meeting of the Resource Allocation Sub (Policy and Resources) Committee.
- The Director of the Built Environment noted that a revised project timeline would be circulated to Members, subject to project approval by the Resource Allocation Sub (Policy and Resources) Committee **(28/2019/P)**.

RESOLVED, that Members

- Agree the intended project approach for the All Change at Bank Project
- Note the programme, milestones, costs and key risks as set out in the report and its appendices
- Agree a second Issues report being presented in November/December 2019 to approve a limited number of options to proceed to more detailed feasibility work.
- Approve the procurement approach outlined in paragraph 22 of the report and at appendix 5.
- Approve the requested budget increase from £1,179,000 to £1,810,761 (an increase of £631,761) to reach Gateway 4.

11. **GATEWAY 3 ISSUE - MUSEUM OF LONDON/ST PAUL'S GYRATORY**

The Town Clerk noted that this report had been withdrawn.

12. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
There were no questions.
13. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
There were no items of other business.
14. **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.
15. **NON-PUBLIC MINUTES**
RESOLVED, that the non-public minutes of the meeting held on 22 March 2019 be approved as a correct record.
16. **NON-PUBLIC ACTIONS**
Members considered a report of the Town Clerk regarding non-public actions.
17. **PORTFOLIO OVERVIEW**
Members considered a report of the Town Clerk providing a Portfolio Overview.
18. **RISK REVIEW: CITY OF LONDON PRIMARY ACADEMY ISLINGTON**
Members considered a risk review report of the City Surveyor regarding City of London Primary Academy Islington.
19. **GATEWAY 3/4 ISSUE - DIGITAL INTERVIEW RECORDING SOLUTION**
Members considered a Gateway 3/4 Issue report of the Commissioner regarding a Digital Interview Recording Solution.
20. **GATEWAY 3/4 ISSUE - WILLIAM BLAKE ESTATE AND DRON HOUSE DOOR ENTRY SYSTEM REPLACEMENT**
Members considered a Gateway 3/4 Issue report of the Director of Community and Children's Services regarding William Blake Estate and Dron House Door Entry System Replacement.
21. **CROSSRAIL UPDATE**
Members considered an update report of the Town Clerk regarding Crossrail.
22. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
There were no questions.
23. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
There were no items of other business.

The meeting closed at 12.35 pm

Chairman

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