

PROJECTS SUB (POLICY AND RESOURCES) COMMITTEE

Wednesday, 21 October 2020

Minutes of the meeting of the Projects Sub (Policy and Resources) Committee held at on Microsoft Teams at 11.00 am

Present

Members:

Deputy Keith Bottomley (Chairman)	James de Sausmarez
Deputy Jamie Ingham Clark (Deputy Chairman)	Deputy Philip Woodhouse
Randall Anderson	Deputy Edward Lord
Andrew McMurtrie	John Petrie
Susan Pearson	

Officers:

Alistair MacLellan	- Town Clerk's Department
Rohit Paul	- Town Clerk's Department
Sarah Baker	- Town Clerk's Department
Antoinette Duhaney	- Town Clerk's Department
Dianne Merrifield	- Chamberlain's Department
Matt Mott	- Chamberlain's Department
Nicholas Richmond-Smith	- Chamberlain's Department
Aqib Hussein	- Chamberlain's Department
Amy Poole	- Remembrancer's Department
Sarah Phillips	- Remembrancer's Department
Ola Obadara	- City Surveyor's Department
Jonathan Cooper	- City Surveyor's Department
Pete Ochser	- City Surveyor's Department
Leah Coburn	- Department of the Built Environment
Melanie Charalambous	- Department of the Built Environment
Maria Curro	- Department of the Built Environment
Gillian Howard	- Department of the Built Environment
Ian Hughes	- Department of the Built Environment
Andrea Moravicova	- Department of the Built Environment
Tom Noble	- Department of the Built Environment
Emmanuel Ojugo	- Department of the Built Environment
Clarisse Tavin	- Department of the Built Environment
Kristian Turner	- Department of the Built Environment
George Wright	- Department of the Built Environment
Paul Murtagh	- Department of Community and Children's Services
Jason Hayes	- Department of Community and Children's Services
Wayne Garrigan	- The Mansion House and The Central Criminal Court
Pauline Weaver	- City of London Police

Sarah Williams - City of London Police

1. **APOLOGIES**

Apologies were received from Rehana Ameer (subject to confirmation of co-option) and Deputy Catherine McGuinness.

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

Susan Pearson declared a non-pecuniary interest in Item 17 (Concrete Testing and Repair to Golden Lane and Middlesex Street Estates) as, whilst she owned a flat within Golden Lane Estate, the report concerned the closure of the project and moreover she had no comments to make regarding the report in question.

3. **TERMS OF REFERENCE**

The Chairman took the opportunity to welcome Susan Pearson and, subject to ratification of his co-option, John Petrie to the Sub-Committee. The Chairman thanked outgoing Members Karina Dostalova and Ben Murphy for their contributions and also thanked Members who continued to serve, given continuity was an important factor in the effective scrutiny of City projects.

Members then considered the terms of reference of the Sub-Committee as set by the Policy and Resources Committee at its meeting on 15 September 2020 and the following points were made.

- The Chairman reminded Members that the core purpose of the Sub-Committee was to focus on effective project management – Members should focus on ‘who and how’ when scrutinising projects, not ‘what and why’, the latter approach being within the remit of service committees.
- Members agreed that when the Sub-Committee’s terms of reference were next considered by the Policy and Resources Committee in April 2021 a minimum frequency of meetings of monthly should be made explicit.

RESOLVED, that the terms of reference be received.

4. **APPOINTMENT OF CO-OPTED MEMBERS**

Members considered the co-option of four Members to the Sub-Committee as per its terms of reference and the following points were made.

- The Town Clerk noted that an indicative ballot had been conducted via Microsoft Forms outside of the meeting and the results were as follows:

Candidate	Votes
Peter Bennett	3
Rehana Ameer	5 – CO-OPTED
Karina Dostalova	1
Sheriff Chris Hayward	8 – CO-OPTED
Deputy Edward Lord OBE	6 – CO-OPTED
John Petrie	7 – CO-OPTED

- The Chairman invited both the identified co-opted Members and other new Members on the Sub-Committee to contact the Project Management Office for introductory briefing regarding the City's project procedure and the work of the Sub-Committee.

RESOLVED, that Rehana Ameer, Sheriff Chris Hayward, Deputy Edward Lord and John Petrie be co-opted on to the Projects Sub (Policy and Resources) Committee for 2020/21.

5. **GATEWAY APPROVAL PROCESS**

RESOLVED, that the Gateway Approval Process be received.

6. **MINUTES**

RESOLVED, that the public minutes and non-public summary of the meeting held on 15 September 2020 be approved.

7. **PUBLIC ACTIONS**

Members considered a report of the Town Clerk regarding public actions and the following points were made.

17/2020/P – Gateline Data at City Stations

- The Director of the Built Environment noted that the City had access to O2 data that suggested there was 75% less footfall within the City. Since refreshed working from home guidance had been issued by the government, working numbers had fallen by 7%. City attendance was higher on Tuesdays, Wednesdays and Thursdays. TfL gateline data correlated O2 data with a 67% reduction in entrance/exit figures on London underground stations within the City. An update on the impact of Tier 2 restrictions on the City daytime population could be provided in due course.

18/2020/P – TfL Traffic Management of London Bridge

- A Member noted that he had been in touch with TfL who had confirmed intelligent signals were deployed to better manage traffic flow across Southwark Bridge on to Lower Thames Street, given the restrictions on London Bridge meant that cars were effectively redirected via Southwark Bridge into the City.

RESOLVED, that the report be received.

8. **RESOLUTION - PERFORMANCE BONDS**

RESOLVED, that the resolution of the Procurement Sub (Finance) Committee dated 9 September 2020 regarding Performance Bonds be received.

9. **GATEWAY 4 - BANK JUNCTION IMPROVEMENTS PROJECT: ALL CHANGE AT BANK**

Members considered a Gateway 4 report of the Director of the Built Environment regarding the Bank Junction Improvements Project: All Change at Bank and the following points were made.

- The Chairman noted that the report's recommendations had been approved by the Streets and Walkways Sub (Planning and Transportation) Committee.
- The Director of the Built Environment noted that the report outlined changes to the project that were necessary due to the impact of temporary public realm interventions that were in response to COVID, which had increased project risk ahead of Gateway 5. The impact of these changes would become clearer in the coming months. Overall officers believed that the recommended option provided a robust design that did not undermine the work done on the project to date.
- The Chairman noted the project had a clear interdependency with TfL as their strategic routes through Bank Junction had to be taken into account in project planning. He noted that Members would see this project again at Gateway 5, and in his view the request for costed risk provision was sensible.
- In response to a number of queries raised by a Member, the Director of the Built Environment noted that no further funding was scheduled to be received from TfL, and that officers had secured £4m of funding from the City's capital bid process. Secondly, Princes Street could not be closed to buses without impacting journey times. Therefore it was proposed to narrow Princes Street to a single lane in both directions at one section, controlled by traffic lights. This would allow the route to be used by buses whilst creating more space of public access at Bank Station. Lastly, the Director of the Built Environment was unaware of a letter to the Town Clerk and Lord Mayor from external parties expressing dissatisfaction with the scheme and therefore was unable to comment.
- The Chamberlain confirmed that the City has provided £4m for the project as part of the capital bid process rather than the full £18m that had been requested. A request for draw down on the £4m would be considered at the Resource Allocation Sub (Policy and Resources) Committee on 22 October 2020.
- In response to a question from a Member, the Director of the Built Environment noted that officers were seeking to complete the project in alignment with the London Underground Lines upgrade of Bank Station that was due for completion by the end of 2022. Temporary COVID interventions into the street scene were being monitored with a view to determining which were likely to be made permanent and which would be removed. Some of the interventions would affect the project's underlying traffic modelling and so this risk would need to be factored into the project.

- In response to a question the Director of the Built Environment confirmed that both Grocers' Hall and the NED would have access for deliveries. The Director of the Built Environment acknowledged that officers had not undertaken as much public consultation as they would have liked, due to COVID. A wider stakeholder engagement plan was being prepared between now and early 2021. Major premises such as Grocers' Hall and the NED would have the same access as they did at present.
- The Chairman concluded discussion by requesting that the Gateway 5 report include a section on risk arising from the impact of temporary COVID interventions into the street scene, and a section of what non-statutory engagement had been and would be undertaken.

RESOLVED, that Members,

- Agree that the project continues at the outlined pace to submit a Gateway 5 in September/October 2021 as per paragraphs 5-6 of the report.
- Approve that Design **Option 1** is taken forward to detailed design (the closure of Threadneedle Street and further restriction of Queen Victoria Street and Princes Street).
- Agree that further investigation into permitting general traffic on the 'open arms' during the current restricted hours is not carried forward for further investigation.
- Approve a budget of **£541,935** to reach the next gateway, giving a cumulative budget of **£1,923,410** after allowing for the underspend to date of **£201,983**.
- Approve that funding for this budget be partially met from unspent S106 deposits arising from the underspend to date, with the balance of **£339,953** to be drawn down from the central funding agreed in principle via the 2020/21 annual capital bid process, subject to the approval of the Resource Allocation Sub Committee.
- Note the total estimated cost of the project at **£5-5.6 million** (excluding risk)
- Approve a Costed Risk Provision of **£95,000** (to be drawn down via delegation to Chief Officer) subject to the Resource Allocation Sub Committee approval to draw this down from the capital funds if necessary.
- Agree that Gateway 4c Detailed Design is approved via Streets and Walkways Sub Committee and the Projects Sub Committee.

10. **GATEWAY 5 ISSUE - BEECH STREET TRANSPORTATION AND PUBLIC REALM PROJECT**

Members considered a Gateway 5 issue report of the Director of the Built Environment regarding the Beech Street Transportation and Public Realm Project and the following points were made.

- The Director of the Built Environment noted that the report had been approved by the Streets and Walkways Sub-Committee. The request for

an increased budget was due to an increase in staff costs for an unanticipated scale of engagement, the extension of the programme by six months due to COVID, and a legal challenge.

RESOLVED, that Members,

- Approve an increase in the project budget of £200,000 to cover the estimated additional staff costs (£160k) and the estimated additional fees (£40k).
- Approve the purchase of a spare enforcement camera (from the existing budget)
- Approve a revised Costed Risk Provision (CRP) up to a total of £260,000 (Appendix 2) to account for the currently identified risks
- Delegate authority to the Director of the Built Environment, in consultation with the Chamberlain to draw down the costed risk provision if risks become issues and make any adjustments between elements of the approved budget, provided the total approved budget is not exceeded.
- Subject to the final two bullet points set out below, approve £50k to create two gaps in Beech Street central reservation to allow vehicles accessing Lauderdale Place forecourt and Shakespeare House / Defoe House car park to travel eastbound and perform a right hand turn.
- Subject to the final two bullet points set out below, note the request for residents who have car parking spaces around Beech Street to be exempted from the ETO so that they may drive through Beech Street in any vehicle, and note Streets and Walkways' approval to request officers to undertake a feasibility study to explore the legal, statutory, operational framework and cost implications of such a permitting scheme, approving £20k for the purpose.
- Note that any decision to make the proposed modification/s is subject to a road safety audit, consultation with the Chief Officer of City Police and the applicable statutory notice arrangement.
- Delegate authority to the Director of the Built Environment to consider the safety audit/s; response of the Police and responses to the publication of the proposals, and subject to such consideration, to make the modification/s if deemed appropriate.

11. **GATEWAY 5 - CURSITOR STREET / BREAMS BUILDINGS PUBLIC REALM IMPROVEMENTS**

Members considered a Gateway 5 report of the Director of the Built Environment regarding Cursitor Street / Breams Buildings Public Realm Improvements and the following points were made.

- The Director of the Built Environment noted that since the previous Gateway it had become clear that Breams Buildings required less intervention than anticipated, and Cursitor Street required more intervention than anticipated. Therefore it was proposed to move funds between the two projects within the same overall financial envelope.
- The Chairman noted that the Chancery Lane Association was engaged with the projects.

RESOLVED, that Members,

- Approve the proposed reconfiguration of current funding allocation for Cursitor Street (£240,934) and Breams Buildings (£239,832) a total of £480,766. (Section 106 agreements require that the interest be used for the same purpose as the principal sum).
- Approve that the existing funding allocation for Cursitor Street and Breams Buildings be reconfigured as follows: Cursitor Street (£371,647) and Breams Buildings (£109,119), a total allocation of £480,766. (Section 106 agreements require that the interest be used for the same purpose as the principal sum).
- Agree authorisation to increase the current approved budget of £10,000 for Cursitor Street by £6,048 to cover the overspend as per Appendix 4, Table 1.
- Agree authorisation to adjust the current approved budget of £40,000 for Breams Buildings to reflect the spend as per Appendix 4, Table 2.
- Approve Authority to start work on Cursitor Street (Phase 1) at a total of £355,599, as detailed the funding strategy in Appendix 4.
- Approve Authority to start work on Breams Buildings (Phase 2) at a total of £80,262, as detailed the funding strategy in Appendix 4.

12. **GATEWAY 5 - ST BARTHOLOMEW'S HOSPITAL ENVIRONMENTAL ENHANCEMENTS**

Members considered a Gateway 5 report of the Director of the Built Environment regarding St Bartholomew's Hospital Environmental Enhancements.

RESOLVED, that Members,

- Agree authorisation to increase the current approved budget of £30,000 by £3,235 to complete the design evaluation and cover the overspend as per Appendix 3, Table 1.
- Agree authorisation to initiate the delivery of public realm works in the area in 2 phases, funded through St Barts and the London NHS Trust

s106 agreement at a total cost of £532,161 (inclusive of indexation and interest accrued).

- Approve the revised total project budget increase from £400K-£550K to £565,396 and updated budget as per Appendix 3, Table 2.

13. **GATEWAY 4 ISSUE - GLOBE VIEW WALKWAY - OPENING UP AND ENHANCING THE RIVERSIDE WALK**

Members considered a Gateway 4 Issue report of the Director of the Built Environment regarding Globe View Walkway – Opening up and enhancing the Riverside Walk and the following points were made.

- The Director of the Built Environment confirmed that TfL had withdrawn its funding for the project in May 2020 in order to focus on its COVID response across Greater London. Officers had therefore identified alternative funding sources, primarily s106 monies.

RESOLVED, that Members,

- Approve option one (continue with design development and utilise additional s106 funds) for the allocation of £94,000 funds from the Bath House S106 obligation (public transport improvements) to reach the next Gateway.

14. **GATEWAY 2 - 1-2 BROADGATE SECTION 278 HIGHWAY WORKS**

Members considered a Gateway 2 report of the Director of the Built Environment regarding 1-2 Broadgate s278 highway works, noting that the project was entirely developer funded.

RESOLVED, that Members,

- Approve a budget of £50,000 for design and evaluation to reach the next Gateway;
- Note the total cost of the project is estimated to be between £750,000-£900,000 (excluding risk).

15. **GATEWAY 3/4 - CREED COURT S278**

Members considered a Gateway 3/4 report of the Director of the Built Environment regarding Creed Court s278 and the following points were made.

- The Director of the Built Environment noted that a number of options had been explored with the developer, but the recommended option was considered to be the only viable one to put forward to Members.

RESOLVED, that Members,

- Authorise officers to utilise £100,000 invoiced to the developer to progress the project to Gateway 5 (see section 3 table 1 below), in

advance of the full S.278 payment. The amount will be deducted from the full S.278 payment.

- Authorise officers, subject to receipt of the requested funds, to progress with detailed designs of the recommended option outlined below and fully funded by Section 278 agreement with the developer of Creed Court and undertake public consultation.
- Note, that as per the Projects Procedure and subject to scope and costs remaining within the parameters agreed in this report, the approval of Gateway 5 report will be delegated to Chief Officer.
- Note the total estimated cost of the project at £667,546 - £800,000 (excluding risk).

16. **GATEWAY 6 - WEST SMITHFIELD PEDESTRIAN ACCESSIBILITY IMPROVEMENTS**

Members considered a Gateway 6 report of the Director of the Built Environment regarding West Smithfield Pedestrian Accessibility Improvements and the following points were made.

- The Chairman noted that stakeholder engagement during the project had been positive, and that one lesson learned was that ground radar surveys should have been undertaken earlier. Costed risk provision should be utilised to mitigate risks such as this in future.

RESOLVED, that Members,

- Approve the content of the outcome report and agree the project be closed.
- Approve that any unspent Section 106 funding is returned to be reallocated following usual processes.

17. **GATEWAY 6 - CONCRETE TESTING & REPAIRS TO GOLDEN LANE AND MIDDLESEX STREET ESTATES**

Members considered a Gateway 6 report of the Director of the Built Environment regarding concrete testing and repairs to Golden Lane and Middlesex Street Estates.

RESOLVED, that Members,

- Note the contents of the report, note the lessons learned, and authorise the closure of the project.

18. **GATEWAY 6 - DECENT HOMES AT DRON HOUSE, GOLDEN LANE, SOUTHWARK, SYDENHAM, WINDSOR AND YORK WAY ESTATES**

Members considered a Gateway 6 report of the Director of Community and Children's Services regarding Decent Homes at Dron House, Golden Lane, Southwark, Sydenham, Windsor and York Way Estates.

RESOLVED, that Members,

- Note the contents of the report, note the lessons learned, and authorise the closure of the project.

19. **GATEWAY 6 - CONCRETE REPAIRS AT CULLUM WELCH HOUSE**

Members considered a Gateway 6 report of the Director of Community and Children's Services regarding concrete repairs to Cullum Welch House and the following points were made.

- The Director of Community and Children's Services noted that for this project and similar projects considered at Items 17 and 18 on the agenda that day, the projects had been delivered under budget but secondary procurement exercises and increased contractor engagement had been necessary. A number of measures had been implemented on the Decent Homes project (Item 18) to ensure better contract management and prevent cost variations.
- The Chamberlain noted that deep dives were conducted on a number of projects such as this, with some of the lessons learned captured within this report. These included the fact that transferring design and build on to the contractor made them very cautious when seeking to deliver the project. Key learning points included the provision of as much documentation as possible when assigning risk to the contractor, and ensuring the City was clear on underlying assumptions when receiving bids. Moreover there had been a tendency for procurement to be squeezed due to time pressures. Lastly, it was clear that contractor performance should be managed as far as was possible by the service and via the agreed contract.
- The Chairman requested that these lessons learned be incorporated into the Project Management Academy.

RESOLVED, that Members note the contents of the report, note the lessons learned, and approve the closure of the project.

20. **GATEWAY 3 ISSUE - TOWER BRIDGE HV SYSTEM REPLACEMENT AND INCREASING RESILIENCE**

Members considered a Gateway 3 Issue report of the City Surveyor regarding Tower Bridge HV System Replacement and Increasing Resilience. The Chairman highlighted this report as an example of best practice and noted he had thanked the report author accordingly. Members noted the non-public appendix detailing financial information at Item 26.

RESOLVED, that Members,

- Approve that the project proceed straight to Detailed Design stage (G4c), noting the G4c will be approved by the Planning & Transportation Committee and Project Sub Committee.
- Approve an additional budget of **£431,095** for professional fees required between Gateway 4 and Gateway 4c and for the first payment to UKPN for the installation of the new HV intake.
- Note the revised approved budget will be **£760,155** (excluding risk).
- Approve a Costed Risk Provision of **£355,000** for Gateway 4 to Gateway 4c.

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

Timeline for Gateway 6 Reporting

In response to a question, it was confirmed that Gateway 6 reports should be completed within six months of work being completed on site. The City Surveyor acknowledged that this target had been missed on the City of London Freemen's School Enabling Works project but noted this was largely due to COVID and the temporary suspension of Gateway 6 reports to Committee. The Gateway 6 report for the Freemen's School Enabling Works was scheduled for November 2020.

22. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
Request for Delegated Authority – Vehicle Procurement for Animal Reception Centre

The Town Clerk noted that officers at the Animal Reception Centre at Heathrow wished to procure a vehicle which triggered the threshold for the project procedure. Given it was a start and finish procurement exercise rather than a project Members were content to provide delegated authority to the Town Clerk to deal with the matter, noting that the procurement would be scrutinised by a relevant officer-level procurement group.

RESOLVED, that delegated authority be given to the Town Clerk to approve the procurement of a vehicle for the Animal Reception Centre, Heathrow.

23. **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.

24. **NON-PUBLIC MINUTES**

RESOLVED, that the non-public minutes of the meeting held on 15 September 2020 be approved.

25. **NON-PUBLIC ACTIONS**

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

26. **NON-PUBLIC APPENDIX 3 TO ITEM 20 - TOWER BRIDGE HV SYSTEM REPLACEMENT AND INCREASING RESILIENCE**
RESOLVED, that the non-public appendix to Item 20 – Gateway 3 Issue Tower Bridge HV System Replacement and Increasing Resilience be received.
27. **REPORT ON ACTION TAKEN**
Members considered a report of the Town Clerk regarding action taken.
28. **PROPERTY PROJECTS GROUP - COVID-19 UPDATE**
The City Surveyor provided an COVID-19 update regarding the Property Projects Group.
29. **GATEWAY 3 - PHASE 2, 3 & 4 - CITY OF LONDON SCHOOL MASTERPLAN**
Members considered a Gateway 3 report of the City Surveyors regarding – Phase 2,3 and 4 of the City of London School Masterplan.
30. **GATEWAY 3/4/5 - GUILDHALL ART GALLERY - CLOAKROOM & LAVATORIES REFURBISHMENT**
Members considered a Gateway 3/4/5/ report of the City Surveyor regarding the Guildhall Art Gallery – Cloakroom and Lavatories Refurbishment.
31. **GATEWAY 1/2/3/4 - PENSION ADMINISTRATION SYSTEM PROCUREMENT**
Members considered a Gateway 1/2/3/4 report of the Chamberlain regarding Pension Administration System Procurement.
32. **GATEWAY 1/2/3/4 - RENEWAL OF FLAT ROOF COVERINGS (VARIOUS HOUSING BLOCKS OF FLATS)**
Members considered a Gateway 1/2/3/4 report of the Director of Community and Children’s Services regarding Renewal of Flat Roof Coverings (Various Housing Blocks of Flats).
33. **GATEWAY 6 (EARLY CLOSURE) - FINSBURY CIRCUS GARDEN REINSTATEMENT - PREVIOUS SCHEME**
Members considered a Gateway 6 (Early Closure) report of the City Surveyor regarding Finsbury Circus Garden Reinstatement – Previous Scheme.
34. **CENTRAL CRIMINAL COURT WORKS & PROJECTS**
Members considered a report of the Executive Director, Mansion House and Central Criminal Court regarding Central Criminal Court Works and Projects.
35. **PORTFOLIO OVERVIEW**
Members considered a Portfolio Overview report of the Town Clerk.

35.1 **Project Status Report - Video Management System (IMS-DRS)**

Members considered a project status report of the Commissioner regarding the Video Management System (IMS-DRS).

35.2 Project Status Report - HR Integrated Time Management and e-Expenses Project

Members considered a project status report of the Commissioner regarding the HR Integrated Time Management and e-Expenses Project.

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

There were no non-public questions.

37. 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 in non-public session.

The meeting closed at 12.45 pm

Chairman

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