



Finance and Risk Committee of the Barbican Centre Board

APPENDIX PACK

Date: MONDAY, 7 NOVEMBER 2022

Time: 1.45 pm

Venue: BARBICAN CENTRE

4. **BUSINESS PLAN**

Non-Public Appendix to the Joint Report of the CEO, Barbican Centre and the Chamberlain.

For Decision
(Pages 3 - 8)

7. **INTERNAL AUDIT UPDATE**

Appendices to the Report of the Head of Internal Audit.

For Information
(Pages 9 - 28)

8. **PROJECTS UPDATE**

Appendix to the Report of the CEO, Barbican Centre.

For Information
(Pages 29 - 32)

12. **BARBICAN BUDGET 2022/23**

Appendices to the Joint Report of the CEO, Barbican Centre and the Chamberlain.

For Decision
(Pages 33 - 48)

13. **BARBICAN BUSINESS REVIEW - SEPTEMBER 2022 (PERIOD 6 - 22/23)**

Appendices to the Joint Report of the Chamberlain and CEO, Barbican Centre.

For Information
(Pages 49 - 52)

14. **RISK UPDATE**

Appendices to the Report of the CEO, Barbican Centre.

For Information
(Pages 53 - 84)

15. **CONTROVERSIAL PROGRAMMING RISK REGISTER**

Appendices to the Report of the CEO, Barbican Centre.

For Information
(Pages 85 - 96)

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Internal Audit Plan Delivery 2022-23

Project	Current Stage	Assurance Rating	Recommendations Raised			
			Total Red	Total Amber	Total Green	Total
Audits & Spot Checks						
<u>Cyber Security</u> An examination of key controls related to cyber security and designed to minimise the risk of unauthorised access impacting: information confidentiality, service delivery, and network integrity and availability; for example: <ul style="list-style-type: none"> • Cyber security governance • Culture, awareness, and user education • IT systems configuration • Network security • Identity and access management • Malware prevention • Incident management • Data loss prevention (e.g.in respect of mobile/home working). 	Complete	Moderate	-	4	3	7
<u>Corporate Review: Purchase Cards</u> Examination of activity across a sample of departments and institutional departments, including the Barbican Centre, focusing on: <ul style="list-style-type: none"> • Evaluation of compliance with the Purchase Card Policy. • Determining the reasons for non-compliance. • Review of action taken to address non-compliance. 	Fieldwork	-	-	-	-	-

Project	Current Stage	Assurance Rating	Recommendations Raised			
			Total Red	Total Amber	Total Green	Total
<u>Organisational Culture & Staff Experience</u> The timing and detailed scope of this work will give regard to the timetable for completion of management actions resulting from the HR review into staff experiences of racism. It is anticipated that the audit review will focus on implementation of the HR recommendations, outcomes from action taken by management and the extent to which organisational culture and staff experience is improving as a result.	Not Initiated	-	-	-	-	-
<u>Ticketing: 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.	Complete	Substantial	0	0	0	0
TOTAL RECOMMENDATIONS RAISED			0	4	3	7

Project	Revised Assurance Rating	Recommendations Outstanding			
		Total Red	Total Amber	Total Green	Total
Completed Audit Follow-Ups (Latest Stage)					
<u>Retail: Online Shop & Branded Merchandise: 2021-22 Audit – Third follow-up (August 2022)</u> <ul style="list-style-type: none"> Audit finalised in January 2022: moderate assurance First follow-up in May 2022: moderate assurance with 3 out of 7 recommendations partially implemented, 1 not implemented and 1 where the risk has been accepted. 	Substantial	0	1	0	1

Project	Revised Assurance Rating	Recommendations Outstanding			
		Total Red	Total Amber	Total Green	Total
<ul style="list-style-type: none"> Second follow-up in July 2022: substantial assurance with 4 out of 7 recommendations implemented, 1 partially implemented, 1 not implemented and 1 where the risk has been accepted. <i>Third follow-up in August 2022: substantial assurance with 6 out of 7 recommendations implemented and 1 where the risk has been accepted.</i> 					
<u>Fire Safety: 2021-22 Audit – First follow-up (August 2022)</u> <ul style="list-style-type: none"> Audit finalised in April 2022: moderate assurance <i>First follow-up in August 2022: moderate assurance with 4 out of 7 recommendations implemented, 1 partially implemented and 2 not implemented.</i> 	Moderate	1	2	0	3
<u>Facilities Management & Maintenance: 2020-21 Audit – third follow-up (September 2022)</u> <ul style="list-style-type: none"> Audit finalised in March 2021: moderate assurance First follow-up in December 2021: moderate assurance with 4 out of 13 recommendations implemented Second follow-up in June 2022: moderate assurance as no further implementation progress demonstrated <i>Third follow-up in September 2022: moderate assurance with 8 out of 13 recommendations implemented, 3 partially implemented and 2 not implemented.</i> 	Moderate	0	5	0	5

Project	Revised Assurance Rating	Recommendations Outstanding			
		Total Red	Total Amber	Total Green	Total
Planned Audit Follow-Ups					
<u>Fire Safety: 2021-22 Audit – Second follow-up (November 2022)</u> <ul style="list-style-type: none"> Audit finalised in April 2022: moderate assurance First follow-up in August 2022: moderate assurance with 4 out of 7 recommendations implemented, 1 partially implemented and 2 not implemented. <p>Second follow-up scheduled for November 2022 in line with revised target implementation dates supplied for 2 (1 red, 1 amber) out of the 3 outstanding recommendations.</p>					
<u>Cyber Security: 2022-23 Audit – first follow-up (December 2022)</u> <ul style="list-style-type: none"> Audit finalised in September 2022: moderate assurance <p>First follow-up scheduled for December 2022, in line with recommendation target implementation dates (4 amber, 3 green).</p>	-	-	-	-	-
RECOMMENDATIONS OUTSTANDING AT LATEST FOLLOW-UP		1	8	0	9

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Schedule of Barbican Centre Live High Priority Recommendations as at mid-October 2022

Recommendation Area	Priority	Original Target Date	Revised Target Date	Status & Comments
Facilities Management & Maintenance – finalised March 2021				
<p>1. <u>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	TBC	<p><u>Internal Audit Comment:</u> A third follow-up exercise has recently been carried out and confirmed implementation slippage, with 5 issues outstanding.</p> <p>A management comment has been obtained and is shown at Appendix 4.</p>
<p>2. <u>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>3. <u>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>4. <u>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		
<p>5. <u>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.</p>	Amber	31/05/2021		

Recommendation Area	Priority	Original Target Date	Revised Target Date	Status & Comments
<u>Fire Safety – finalised April 2022</u>				
<p><u>6. Fire Safety (MK 3995)</u> The Head of Engineering and Projects should revise the Barbican Centre's Planned Maintenance activity to ensure that maintenance undertaken in respect of Smoke Ventilators (weekly) and Gas Suppression Systems (every six months), is scheduled in accordance with the requirements of the City's Corporate Fire Policy.</p>	Amber	30/06/2022	N/A	<p><u>Internal Audit Update:</u> A first follow-up exercise was carried out in August 2022 and revised target dates have been received in respect of the outstanding issues.</p> <p>A second follow-up is scheduled for November 2022.</p>
<p><u>7. Fire Safety (MK 3997)</u> The Head of Engineering and Projects, in conjunction with the Operations Manager (Health and Safety) should overhaul the Barbican Centre's Fire Safety management record keeping arrangements to ensure they are fit for purpose. This could include implementing a Health and Safety Management System.</p>	Red	31/07/2022	N/A	
<p><u>8. Fire Safety (MK 3998)</u> The Head of Engineering and Projects should implement arrangements for tracking the completion of remedial actions arising from Fire Safety maintenance undertaken.</p>	Amber	30/06/2022	N/A	
<u>Cyber Security – finalised September 2022</u>				
<p><u>9. Cyber Security: Policy & Procedural Review (MK 4028)</u> The Head of IT should adopt a systematic approach to reviewing and updating existing policies, procedures, and guidance; content should be rationalised to aid understanding and avoid unnecessary duplication.</p> <p>Existing policies and procedures should be reviewed and updated in line with the new Cyber Security Strategy once this is finalised and approved. This should be done in line with the updated 10 steps to Cyber Security, as per the National Cyber Security Centre's (NCSC) website.</p>	Amber	31/10/2022	N/A	<p><u>Internal Audit Update:</u> A first follow-up exercise has been scheduled for December 2022, as all but one of the recommendations are due to have been implemented by that time.</p>

Recommendation Area	Priority	Original Target Date	Revised Target Date	Status & Comments
Where CoL Policies are referenced / published on the Barbican Centre and intranet site, these need to be reviewed and updated to ensure the latest policies are used and that there is no duplication or conflict between policies.				
<u>10. Cyber Security: Leaver Access (MK 4042)</u> The Service Desk Manager should, in conjunction with the Barbican Centre's Human Resources function, ensure that appropriate monitoring arrangements are in place to ensure that the access rights of staff leavers are disabled within required timeframes, taking appropriate action to resolve non-compliance as required.	Amber	31/10/2022	N/A	
<u>11. Cyber Security: Auto-Disable Function (MK 4052)</u> Barbican Centre's Information Security and Infrastructure Manager should implement the 'auto-disable' function at the earliest opportunity.	Amber	31/08/2022	N/A	
<u>12. Cyber Security: Account Lockouts (MK 4044)</u> The Barbican Centre's Information Security and Infrastructure Manager should make the necessary changes to the Centre's IT infrastructure to require account lockouts to be reset by the Information Security and Infrastructure Team.	Amber	31/08/2022	N/A	

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Barbican Centre Management Response to Third Round Follow-Up Outcome: Facilities Management & Maintenance

1. The third follow-up in respect of this 2020-21 audit was completed in September 2022 and there has been no movement in the assurance rating, as set out below:

Audit:	Facilities Management & Maintenance				
Final Report Date:	March 2021	Issues Raised:	13	Original Assurance Rating:	Moderate
1 st Follow-up Review	December 2021	Issues Resolved:	4	Revised Assurance Rating:	Moderate
2 nd Follow-up Review	June 2022	Issues Resolved:	4	Revised Assurance Rating:	Moderate
3 rd Follow-up Review	September 2022	Issues Resolved:	8	Revised Assurance Rating:	Moderate

2. Barbican Centre Management have provided the following comment in respect of the five live issues within the remit of Operations and Buildings:

“During the pandemic, the Barbican took the opportunity to conduct as many audits as possible. The aim was to come out of the pandemic with a “firewall” to the past and a prioritised action plan moving forward into the future.

Whilst much work has been carried out over the past years, there remains much to do. As per our strategy and plan, agreed with Board, we have focussed on life critical, business critical and other. Due to finite resource and the challenges associated with the condition of our assets plus the additional workload associated with the pandemic, we have focussed our work on addressing life critical or business critical audit points. This ensures that our buildings remain compliant. It also, however, means that there are some aspects of the audit which are yet to be completed and some of which require the introduction of IFM in 2023. Given our agreed priorities and finite and limited resource, we have had to prioritise. We will require more resource if we are to address non-life critical and non-business critical issues.

As agreed with Board our strategy was to create an environment which enables and inspires others to achieve their best. Our plan was to deliver services which are compliant, efficient and appropriate. Given that as part of our plan we reduced costs by circa 20%, we agreed the following priorities with Board, life critical, business critical and other.

Our start point was not very advanced. All that has been audited recently has been put in over recent years as part of our plan. It has taken time to build up an auditable database. We are on a journey, and we continue on that journey, based on the Board agreed plan and priorities.

We thank our City colleagues for continuing the audits during the pandemic. This has given us a “firewall” to the past and a prioritised list for the future. Given that we have very limited and finite resource and that workloads have increased significantly

both during and post pandemic (not least opening and closing venues and the additional safety measures) we have had to prioritise. We have prioritised life critical and business critical, the team often being diverted to deal with situations that arise, distracting them from some elements of business-as-usual including audit points that are not life of business critical. Due to the challenges associated with the age of our infrastructure, the real time demands of our business and the lean structure with very finite resource, we have done what we can do within the time available and as per the Board agreed prioritisation. As a result of this we remain compliant and efficient. Should Board require us to prioritise differently we will need more resource.

As per the audit summary there are five outstanding areas, some of which will be addressed through IFM. None of these are life or business critical and we have mitigations in place where appropriate, until such time as the items are closed. We have a fully compliant Gas Safe system a monthly monitored water hygiene system and an improved system for fire safety equipment which is monitored monthly. These systems are agreed with and monitored by our City Health and Safety and Fire Safety Departments, being delivered by the City's own contractors. Our systems are constantly monitored with any urgent remedial works being addressed immediately by the in-house team or the City's own contractor Skanska, avoiding risk. Audit data continues to be built up and will be re-audited by April 2023.

Given additional resource and subject to eventualities and other distractions in our building and operations we will endeavour to deliver by the deadline. However, please note as part of the City's new Integrated Facilities Management contract, the incoming contractor will be required to undertake an asset verification exercise, the contractor's mobilisation period is set to commence towards the end of 2022 making completion of this action dependent on the new contractor's internal processes and might therefore be delayed.

Our buildings remain safe and compliant.”

Jonathon Poyner, Director of Operations and Buildings, Barbican Centre

Charlotte Lythgoe, Continual Improvement Manager - Sustainability

October 2022

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