



## **Gresham (City Side) Committee**

**Date:** FRIDAY, 23 FEBRUARY 2018  
**Time:** 10.00 am  
**Venue:** COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

**Members:** Deputy Dr Giles Shilson (Chairman)  
Simon Duckworth (Deputy Chairman)  
Deputy John Bennett  
Nicholas Bensted-Smith  
Christopher Hayward  
Deputy Tom Hoffman  
Deputy Edward Lord  
Alderman Ian Luder  
Alderman Professor Michael Mainelli  
Wendy Mead (Chief Commoner)  
John Scott  
The Rt. Hon. the Lord Mayor, Alderman Charles Bowman (Ex-Officio Member)

**Enquiries:** Sacha Than  
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[sacha.than@cityoflondon.gov.uk](mailto:sacha.than@cityoflondon.gov.uk)

**There will be a meeting of the Joint Grand Gresham Committee at 11.15 in the Committee Rooms at the Guildhall.**

**Lunch will be served in the Guildhall Club at the rising of the Joint Grand Gresham Committee**

**NB: Part of this meeting could be the subject of audio or video recording**

**John Barradell  
Town Clerk and Chief Executive**

# **AGENDA**

## **Part 1 - Public Agenda**

1. **APOLOGIES**

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

3. **MINUTES**

To agree the public minutes and summary of the meeting held on 3 November 2017.

**For Decision**  
(Pages 1 - 6)

4. **ANNUAL REVIEW OF THE COMMITTEE'S TERMS OF REFERENCE**

Report of the Town Clerk.

**For Decision**  
(Pages 7 - 8)

5. **CITY OF LONDON AND GRESHAM ALMSHOUSES, EAST LODGE AND COMMUNAL AREAS - REFURBISHMENT WORKS**

Report of the Director of Community and Children's Services.

**For Decision**  
(Pages 9 - 24)

6. **GRESHAM ALMSHOUSES UPDATE**

Report of the Director of Community and Children's Services.

**For Information**  
(Pages 25 - 26)

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

8. **ANY BUSINESS THAT THE CHAIRMAN CONSIDERS TO BE URGENT**

9. **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**

10. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the meeting held on 3 November 2017.

**For Decision**  
(Pages 27 - 28)

11. **DECISION MADE UNDER DELEGATED AUTHORITY**

Report of the Town Clerk.

**For Information**  
(Pages 29 - 30)

12. **JOINT GRAND GRESHAM COMMITTEE MATTERS - CITY SIDE  
CONSIDERATION**

13. **GRESHAM COLLEGE FUNDING ARRANGEMENTS**

**For Discussion**

14. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE  
COMMITTEE**

15. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND  
WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE  
PUBLIC ARE EXCLUDED**

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## GRESHAM (CITY SIDE) COMMITTEE

Friday, 3 November 2017

Minutes of the meeting of the Gresham (City Side) Committee held at the Guildhall EC2 at 10.00 am

### **Present**

#### **Members:**

Deputy Dr Giles Shilson (Chairman)	Deputy Edward Lord
Simon Duckworth (Deputy Chairman)	Alderman Ian Luder
Nicholas Bensted-Smith	Alderman Professor Michael Mainelli
Christopher Hayward	Wendy Mead (Chief Commoner)
Deputy Tom Hoffman	John Scott

#### **Officers:**

Gregory Moore	-	Town Clerk's Department
Sacha Than	-	Town Clerk's Department
Steven Reynolds	-	Chamberlain's Department
Kirpal Kaur	-	Comptroller & City Solicitor's Department
Tom Leathart	-	City Surveyor's Department
Jacqueline Whitmore	-	Community & Children's Services Department

### **1. APOLOGIES**

Apologies were received from the Right Honourable the Lord Mayor Alderman Andrew Parmley and Deputy John Bennett.

The Chairman welcomed Gregory Moore and Sacha Than to the Committee, noting that they would be assuming clerking responsibilities going forward. The Chairman bade farewell to the previous clerk, Julie Cornelius, and thanked former committee clerk Philippa Sewell for her kind assistance with regard to the production of the minutes of the previous meeting.

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

There were no declarations.

### **3. MINUTES**

**RESOLVED** – That the public minutes and non-public summary of the meeting held on 2 June 2017 be approved as a correct record.

#### **Matters arising:**

Noting the Vote of Thanks delivered to the outgoing Chairman, a number of Members queried the status of their Votes of Thanks from service on other committees or outside bodies. The Town Clerk agreed to follow this up outside the meeting.

4. **GRESHAM COLLEGE COUNCIL APPOINTMENTS**

The Committee considered a report of the Town Clerk concerning the appointment of City Corporation Members to Gresham College Council.

The Chairman and Deputy Chairman spoke to summarise the discussions at the previous meeting and the subsequent debate which had taken place at the Outside Bodies Sub-Committee meeting in October. Whilst reiterating the importance of removing the potential for perceived conflicts of interest with regard to Members serving both on the College Council and also negotiating the funding agreement with the College, there had been a recognition that the proposals needed to be re-examined. This was particularly with a view to ensuring that those who enjoyed strong links with the College and wished to serve on the Council could continue to do so, without coming into potential conflict through involvement in funding negotiations.

Consequently, it was proposed that a division be made between membership of the Gresham Working Party, which negotiated the funding arrangements, and membership of the College Council. Committee Members would then have the opportunity to determine for themselves which body they might wish to serve on, whilst still ensuring a separation of responsibilities and thereby mitigating the potential for conflict.

A secondary proposal was also made in respect of the pool of Members able to serve on the College's interview panels, with it suggested that the opportunity to serve should be opened more widely to the full City-Side Committee membership, rather than remain limited to those City-side Members who were appointed to the College Council itself. This would provide the opportunity for more Members to become involved with the College's activities whilst also increasing the likelihood of the College being able to establish a panel on a wider range of dates.

During the course of debating the proposals, it was confirmed that the Committee retained the ability to make appointments to the College Council from amongst the wider Court if desired. It was also noted that such appointments had to be from within the Court and there was no proposal to extend this beyond the Court's membership.

In response to queries concerning the extent of the perceived conflict Members noted that, whilst there had not been this division of responsibilities during previous funding negotiations, the principles of modern governance had changed and it was incumbent on the Committee to act according to the highest possible standards.

Whilst supportive of the proposals, Members suggested that there would also be benefit in specifying that there should be an aspiration for one of the Chairman or Deputy Chairman should serve on the Council. It was, however, noted that this could not be made obligatory as the terms and conditions of certain individuals' employment in future might prevent them from taking up a Directorship at the College.

Further, it was agreed that the City Side representatives on the Council should be asked to provide an annual update to the City Side Committee, thereby introducing a mechanism to provide greater accountability and cognisance amongst the full City-Side Committee of the breadth of the College's activities.

With the Committee agreeing these new proposed arrangements, Members proceeded to make amendments to the appointments to both the Gresham Working Party and the College Council, so as to comply with the new measures.

Appointments were confirmed as follows:

**Gresham Working Party**

- Simon Duckworth (to Chair the Working Party)
- Christopher Hayward, in the room of Deputy Dr Giles Shilson
- Deputy Edward Lord
- Alderman Ian Luder, in the room of John Scott

**Gresham College Council (City-Side appointments)**

- Nicholas Bensted-Smith, in the room of Simon Duckworth
- Deputy Tom Hoffman
- John Scott
- Deputy Dr Giles Shilson

**RESOLVED** – That approval be given to:-

- The introduction of a protocol such that Members could not serve on both the Gresham Working Party and the Gresham College Council;
- The widening of eligibility to serve on the College's appointment and interview panels, such that all City-Side Committee Members were eligible; and,
- Appointments to the Gresham Working Party and Gresham College Council being confirmed as follows:

**Gresham Working Party**

- Simon Duckworth (to Chair the Working Party)
- Christopher Hayward, in the room of Deputy Dr Giles Shilson
- Deputy Edward Lord
- Alderman Ian Luder, in the room of John Scott

**Gresham College Council (City-Side appointments)**

- Nicholas Bensted-Smith, in the room of Simon Duckworth
- Deputy Tom Hoffman
- John Scott
- Deputy Dr Giles Shilson

**5. THE SIR THOMAS GRESHAM CHARITY - RISK REGISTER**

The Committee considered a joint report of the Town Clerk, Chamberlain and the Director of Community and Children's Services which detailed the key risks

for the Sir Thomas Gresham Charity. The report outlined the current risks and highlighted that there had been no new risks or changes to existing risks or scores since the previous annual review on 21 October 2016.

Members noted that a former Member of the Court of Common Council had queried whether the Committee had been fulfilling its obligation in assisting poor persons in debtors' prisons. The Chairman advised that the Debtors' Act, which came into effect in 1869, rendered this element of the bequest and the Committee's responsibility in this area redundant. The Town Clerk was asked to confirm this with the Comptroller following the meeting to provide absolute surety.

**RESOLVED** – That the register be agreed as an accurate record of the risks faced by the charity and that appropriate measures are in place to mitigate those risks.

**6. DRAFT ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017 OF THE SIR THOMAS GRESHAM CHARITY**

The Committee received a report of the Chamberlain providing the Draft Annual Report and Financial Statements for the year ended 31 March 2017. It was noted that total funds had decreased by £1,371 to £148,965 and that the City of London Corporation had provided £95,056 in charitable funds.

It was noted that City Corporation expenditure on the College and Almshouses exceeded the current revenue income from its share of the Gresham Estate. Acknowledging this, the Chairman observed that the Committee had a moral obligation to ensure those in the Almshouses and at the College were provided for.

**RESOLVED** – That the report be noted.

**7. REVENUE OUTTURN - 2016/17**

The Committee received a joint report of the Chamberlain and the Director of Community and Children's Services on the 2016/17 revenue outturn for the Gresham (City Side) Committee. The report noted that there was a 33.5% decrease in expenditure and an improved position which was principally attributable to an increased rent income from lettings at the Royal Exchange.

**RESOLVED** – That the revenue outturn for 2016/17 be noted.

**8. REVENUE BUDGET 2017/18 AND 2018/19**

The Committee considered a joint report of the Chamberlain and the Director of Community and Children's Services on the 2017/18 latest revenue budget and the provisional revenue budget for 2018/19. The report highlighted that the latest 2017/18 budget represented a net increase of £5,000 totalling £218,000.

The report explained that this increase was primarily caused by an increase in employee costs arising from a marginal increase in Rents Officer hours, coupled with an increase in employers' national insurance and pension fund contributions. In addition, it was noted that the 2018/19 provisional revenue



budget displays a net increase of £19,000, totalling £232,000, which was principally due to an increase of £12,000 in the City Grant to the Gresham College and an £5,000 increase in employee.

Members queried which Chief Officer held responsibility for the Committee, noting that the Almshouses themselves came within the remit of the Department of Community and Children's Services. Following discussion, the Chairman undertook to give this further consideration.

**RESOLVED – That:**

- the latest 2017/18 revenue budget be approved and submitted to the Finance Committee on the 21<sup>st</sup> of November; and
- the provisional 2018/19 revenue budget be approved and submitted to the Finance Committee.

**9. GRESHAM ALMSHOUSES UPDATE**

The Committee received a report of the Director of Community and Children's Services providing an update on the Gresham Almshouses in Lambeth and City of London Almshouses on the estate.

Members noted that the Christmas Hamper Delivery to the Almshouses would be taking place on the morning of 1 December 2017. The Chairman encouraged all Members of the Committee to attend, explaining that both he and the Deputy Chairman had other commitments on this date.

**RESOLVED – That the report be noted.**

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

There were no questions.

**11. ANY BUSINESS THAT THE CHAIRMAN CONSIDERS TO BE URGENT**

There was no other business.

**12. EXCLUSION OF THE PUBLIC**

**RESOLVED –** 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.

**Item Nos.**  
13-14

**Exempt Paragraph(s)**  
3

**13. NON-PUBLIC MINUTES**

**RESOLVED –** That the non-public minutes of the meeting held on 6 June 2017 be approved as a correct record.

**14. JOINT GRAND GRESHAM COMMITTEE MATTERS - CITY SIDE CONSIDERATION**

The Committee considered the various items on the agenda for the meeting of the Joint Grand Gresham Committee that day.

**15. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

**16. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There was no other business.

**The meeting closed at 11.00 am**

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Chairman

**Contact Officer: Sacha Than**  
**sacha.than@cityoflondon.gov.uk**

<b>Committee</b>	<b>Date:</b>
Gresham (City Side) Committee	23 February 2018
<b>Subject:</b> Annual Review of the Committee's Terms of Reference	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>
<b>Report author:</b> Greg Moore	

## Summary

As part of the post-implementation review of the changes made to the governance arrangements in 2011, it was agreed that all committees should review their terms of reference annually. This will enable any proposed changes to be considered in time for the reappointment of committees by the Court of Common Council.

The Terms of Reference of the Gresham (City Side) Committee are attached as an appendix to this report for your consideration.

## Recommendation

That, subject to any comments and agreement, the Committee approves the Terms of Reference of the Gresham (City Side) Committee for submission to the Court, as set out in appendix 1.

## Appendices

- Appendix 1 – Gresham (City Side) Committee Terms of Reference

## Contact:

Greg Moore

Principal Members' Services and Committee Manager

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## GRESHAM COMMITTEE (CITY SIDE)

### 1. **Constitution**

A Non-Ward Committee consisting of,

- two Aldermen nominated by the Court of Aldermen
- nine Commoners elected by the Court of Common Council, at least one of whom shall have fewer than five years' service on the Court at the time of their appointment
- the Right Honourable the Lord Mayor (ex-officio)

### 2. **Quorum**

The quorum consists of any three Members.

### 3. **Membership 2017/18**

#### ALDERMEN

- 4 Ian David Luder, J.P.
- 5 Professor Michael Raymond Mainelli

#### COMMONERS

- 9 (4) Wendy Mead, O.B.E.
- 3 (3) John George Stewart Scott, J.P. *for three years*
- 10 (3) Simon D'Olier Duckworth, O.B.E., D.L.
- 7 (3) Dr Giles Robert Evelyn Shilson, Deputy
- 2 (2) John Alfred Bennett, Deputy
- 13 (2) Tom Hoffman, Deputy
- 1 (1) Charles Edward Lord, O.B.E., J.P., Deputy, *for three years*
- 1 (1) Nicholas Michael Bensted-Smith, J.P.
- 1 (1) Christopher Michael Hayward

together with the ex-officio Member referred to in paragraph 1 above.

### 4. **Terms of Reference**

To be responsible for:-

- (a) letting and demising the lands and tenements given to this City by Sir Thomas Gresham by his last Will and Testament or otherwise to do and perform all and everything and things according to the true intent and meaning of the said last Will and Testament of the said Sir Thomas Gresham and the several Acts of Parliament for that purpose made with limitations and provisions as in the same are directed;

(Note: The estate, so far as it relates to the land that was left to the City of London Corporation and the Mercers' Company, is administered by the Joint Grand Gresham Committee, which consists of the City Side and an equal number of Mercers. The legal obligations upon the City of London Corporation under the terms of Sir Thomas Gresham's Will, as varied by statute and discharged by the City Side, are limited:-

- (i) to the appointment and payment of four of the Gresham Lecturers, namely those in Divinity, Astronomy, Music and Geometry, and in the provision of a sufficient and proper place for the delivery of the lectures;
- (ii) to the maintenance of eight almshouses in Ferndale Road, Brixton, to the appointment of eight "almsfolkes" and the payment of a small annual sum to each of them);
- (b) all other City Side matters relating to Gresham College including:-
  - (i) the appointment, from the membership of the Court of Common Council, of one representative to attend General Meetings of the Council of Gresham College and up to four Directors to serve on the Council of Gresham College;
  - (ii) any amendments to the current Memorandum and Articles of Association of Gresham College, other than financial aspects and those which, in the opinion of the Committee, are significant and should be considered by the Court.

<b>Committees:</b>	<b>Dates:</b>	
Community and Children's Services Projects Sub Committee Gresham City Side Committee	09 February 2018 14 February 2018 23 February 2018	
<b>Subject:</b> City of London and Gresham Almshouses, East Lodge and Communal areas – Refurbishment Works	<b>Gateway 3/4 Options Appraisal(Regular)</b>	<b>Public</b>
<b>Report of:</b> Director of Community & Children's Services <b>Report Author:</b> Lochlan MacDonald Community and Children's Services		<b>For Decision</b>

## Summary

### Recommendations -Project Sub Committee

1. Note total estimated programme cost of £1,600,600 which includes fees and staff costs of £56,600 for internal, external and common parts refurbishment works including East Lodge, at the City of London and Gresham Almshouses.
2. That approval is given for Option Two - authority is given for the Director of Community and Children's services to use in house staff and Mooney Kelly quantity surveyors to develop the specification and carry out procurement of a works contractor to then proceed to Gateway 5, at an estimated cost of £37,300

### Recommendations – Community and Children's Services Committee

1. Note total estimated programme cost of £1,344,504 which includes fees and staff costs of £47,544 for internal, external and common parts refurbishment works at the City of London Almshouses.
2. That approval is given for Option Two - authority is given for the Director of Community and Children's services to use in house staff and Mooney Kelly quantity surveyors to develop the specification and carry out procurement of a works contractor to then proceed to Gateway 5, at an estimated cost of £31,332

### Recommendations – Gresham Cityside Committee

1. Note total estimated programme cost of £256,096 which includes fees and staff costs of £9,056 for internal, external and common parts refurbishment works at the Gresham Almshouses.
2. That approval is given for Option Two - authority is given for the Director of Community and Children's services to use in house staff and Mooney Kelly quantity surveyors to develop the specification and carry out procurement of a works contractor to then proceed to Gateway 5, at an estimated cost of £5,968, from funds of £51,000 in 2017/18 already approved for these works.
3. That further funds of £205,096 may be sought from City Cash Contingency accounts which will, along with £51,000 approved for 2018/19, allow refurbishment works to proceed.

## **Dashboard**

Project status	Amber
Timeline	Gateway 3/4 – February 2018 Specification completed – May 2018 Tender exercise – June 2018 Gateway 5 – September 2018 Works start – Autumn 2018 Works complete – Spring 2019
Programme status	Pending approval of Gateway 3/4 – Options Appraisal (Regular)
Latest estimated total costs (Inc. fees)	£1,600,000
Expenditure to date	Staff fees of approx. £2000, and £16,350 for installation of property surveys, drainage inspection and pre-planning application drawings for window refurbishment.

### **Progress to date (including resources expended including any changes since previous gateway)**

At Gateway 2, approval of fees of £3,000 for a consultant to be appointed to carry out a detailed condition survey of the Almshouses site facilities, and provide costed options on the refurbishment of these, was granted. It was originally envisaged that Harman Close and Isleden House, sheltered units within the housing department, would be looked at with the Almshouses. However, Harman Close has now been separated into a distinct project, and Isleden House is deemed to be satisfactory at present, following works carried out there previously. There has been slippage since the Gateway two but recent additions to staff within Property Services has now enabled the project to proceed. Local budgets were approved to appoint a consultant to carry out a more in-depth survey. A qualified quantity surveyor was appointed to carry out an initial assessment of what may be needed in each dwelling, as well as general external works. This was beyond what was originally envisaged that Gateway 2.

Part of the increased scope of work was to undertake a drainage survey, given concerns raised by estate staff as to the condition of below ground services. Architects have also been commissioned to work on pre-planning drawings for the works required to bring the windows up to standard. As the Almshouses are in a conservation area and are listed, replacement of the existing wooden frames and sashes may not be approved, and listed building consent will be required for any overhauling works.

The detailed expenditure so far is:

Item	Cost
Detailed Quantity Surveyor survey of all properties	£7000
Drainage Survey	£4950

Window Pre-Planning Drawings	£4400
Staff fees (Estimated)	£2000
<b>Total Expenditure</b>	<b>£18,350</b>

The above costs have not been included within the current estimated cost of works as these have been funded from local resources.

### **Overview of Options**

The options appraisal report below details two possible options:

Option 1 – Do not carry out a project to update facilities and instead address any replacement and repair works via the response repairs and voids procedure.

Option 2 – Carry out replacement and refurbishment of internal and external facilities within flats and across the whole site, as identified by Mooney Kelly's cost estimate of September 2017 and associated extra works as determined by the City officers.

The previous Gateway report indicated that the future of the City's sheltered schemes was under review and alternative methods of delivery may be looked at. Whilst this is currently the case with the dedicated sheltered schemes, the Almshouses differ in that the properties on the site are listed and the scope for possible change of use are limited. Given these restrictions, the City as trustees has an obligation to ensure the current facilities are modern and fit for purpose within the confines of listed building consent.

When properties have become void in the past, they have been individually assessed, with facilities replaced or not as required. It is not possible to give an indicative cost per property as this depends on the amount of work needed in each and variations within individual properties in terms of condition and size. Whilst there is an advantage of being able to carry out works within empty properties, this does not give the incoming resident any choice on finishes and has led to some residents having far better facilities than others. This option would not achieve the stated aim of bringing all homes up to standard so is not recommended.

The external and common parts works are overdue as the sheltered housing review precluded carrying out such works. It makes sense to undertake these works at the same time as works to individual properties to minimise disruption to residents and achieve economies of scale for works.

The survey carried out by Mooney Kelly in the summer of 2017 included individual assessments of dwellings where access was available. Assumptions, based on findings at similar properties and information from the scheme manager, have been made about properties where no access was available.

Option two will achieve the aim of ensuring all homes are up to standard. Residents will be given a degree of choice on the internal finishes and possibly design (although this is limited by space restrictions). The works will probably have to be carried out with residents remaining in their homes, but this will be discussed with Support Staff to try and ensure this causes minimal disturbance.

### **Proposed Way Forward**

We are recommending that Option Two is approved. If this approved, it is proposed that Mooney Kelly, who undertook the initial surveys, will be appointed to draw up a detailed specification of interior, exterior and common parts works and develop the tender documents. The existing Decent Homes specification, that is being used at similar projects at other blocks, may be made available to them to ensure consistency across estates for internal finishes. If some residents indicate that they want walk in bathrooms rather than standard bathrooms, this will be addressed on an

individual basis with support staff and included in the specification.

### **Procurement Approach**

City Procurement have been approached for advice on the tender process, a part of which will be quality questions for examples of working within occupied premises and with older, more vulnerable people. Consideration may be given to using existing decent homes contractors, depending on assessment of current performance.

### **Table with Financial Implications**

<b>Description</b>	<b>Option 2</b>
Works Costs	£1,544,000
Fees (Specification, tender documents by Quantity Surveyor)	£18,000
Staff Costs (2.5%)	£38,600
<b>Total</b>	<b>£1,600,600</b>
Source	City of London Almshouses Trust and Gresham Almshouses Trust

Appendix Two shows the breakdown of costs between City of London and Gresham Almshouses.

This is the total estimated budget to carry out the works. This report is seeking budget approval for £37,300 to reach the next gateway as per the recommendations below:

1. To note the total estimated programme cost of £1,600,600 which includes fees and staff costs of £56,600 for internal, external and common parts refurbishment works at the City of London and Gresham Almshouses
2. That approval is given for Option Two - authority is given for the Director of Community and Children's services to use in house staff and Mooney Kelly quantity surveyors to develop the specification and tender documents and carry out procurement of a works contractor to then proceed to Gateway 5, at an estimated overall cost cost of £37,300 (£31,332 for City of London Almshouses and £5,968 for Gresham Almshouses).
3. That further funds of £205,096 may be sought from City Cash Contingency accounts which will, along with £51,000 approved for 2018/19, allow refurbishment works to proceed at Gresham Almshouses.

### **Options Appraisal Matrix**

See attached.

### **Appendices**

<b>Appendix 1</b>	PT4
<b>Appendix 2</b>	Estimated costs split

### **Contact**



<b>Report Author</b>	Lochlan MacDonald
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<b>Telephone Number</b>	020 7332 3939

## Options Appraisal Matrix

	<b>Option 1</b>	<b>Option 2</b>
<b>1. Brief description</b>	Carry out replacement and repair works through repairs and voids procedure	Renew internal facilities in identified flats and carry out programme of exterior and common parts works.
<b>2. Scope and exclusions</b>	<p>Scope</p> <ul style="list-style-type: none"> <li>Kitchens, bathroom and heating replaced as and when voids become available.</li> <li>External works as reported</li> </ul> <p>Exclusions</p> <ul style="list-style-type: none"> <li>Properties that have already had elements replaced or do not report repairs required</li> <li>All other properties</li> </ul>	<p>Scope</p> <ul style="list-style-type: none"> <li>Kitchens, bathroom and heating replaced as identified and required.</li> <li>Programme of external works</li> </ul> <p>Exclusions</p> <ul style="list-style-type: none"> <li>Almshouses which have already had elements replaced</li> <li>All other properties</li> </ul>
<b>Project Planning</b>		
<b>3. Programme and key dates</b>	<ul style="list-style-type: none"> <li>Gateway 3/4 – February 2018</li> <li>Works will then proceed as required when individual properties become vacant</li> </ul>	<ul style="list-style-type: none"> <li>Gateway 3/4 – February 2018</li> <li>Specification complete – May 2018</li> <li>Procurement of contractor – May/June 2018</li> <li>Authority to proceed/Gateway 5 – July 2018</li> <li>Works commence – Summer 2018</li> <li>Complete – May 2019</li> </ul>
<b>4. Risk implications</b>	<ul style="list-style-type: none"> <li>Not all properties will be necessarily modernised.</li> </ul>	<ul style="list-style-type: none"> <li>Works may have to take place during winter months which may distress residents.</li> </ul>

	<ul style="list-style-type: none"> <li>Some residents left with non standard facilities.</li> <li>Possible reputational damage to City for failing to provide adequate accommodation to vulnerable residents.</li> </ul>	<ul style="list-style-type: none"> <li>Resident refusal to have works done, may mean some properties remain non decent.</li> </ul>
<b>5. Benefits and disbenefits</b>	<p>Benefits</p> <ul style="list-style-type: none"> <li>Lower initial outlay than other option.</li> </ul> <p>Disbenefits</p> <ul style="list-style-type: none"> <li>Not all properties brought to standard.</li> <li>No choice for residents in choosing finishes</li> </ul>	<p>Benefits</p> <ul style="list-style-type: none"> <li>All properties given opportunity to be brought to standard</li> <li>Residents given chance to choose finishes.</li> <li>Less response repair costs for future voids and external repairs</li> </ul> <p>Disbenefits</p> <ul style="list-style-type: none"> <li>Potentially high initial expenditure</li> </ul>
<b>6. Stakeholders and Consultees</b>	Tenants of City of London and Gresham Almshouses, Members, Trustees of the City of London Almshouses and Gresham Almshouses Trusts, Department of Community and Children's Services Staff. This being a sheltered scheme, there are no long leaseholders so no Statutory Section 20 consultations with lessees are necessary.	
<b>Resource Implications</b>		
<b>7. Total Estimated cost</b>	Unknown as this will depend on void turnover	£1,600,600 including fees and staff costs of £56,600.
<b>8. Funding strategy</b>	City of London Almshouses Trust	City of London Almshouses Trust – Total unrestricted reserves of £1,601,904 as at 31 March

	Gresham Almshouses Trust	<p>2017, held mainly as Charities Pool Units that would need to be realised in order to fund the the work. This would mean the loss of annual investment income (£42,000 in 2017) and some reduction in income on cash balances (£1,000 in 2017)</p> <p>Gresham Almshouses Trust, pending approval;from City Cash Contingency fund or from unallocated resources.</p>
<b>9. Estimated capital value/return</b>	Not applicable	
<b>10. Ongoing revenue implications</b>	The works will continue to expend the response repairs and void budgets, though the extent is unknown.	<p>Any repairs required on the first year will be covered by defects liability, after which any necessary repair or maintenance will come for the response repairs budget. This should be reduced as new facilities should not require as many repairs in the short term. The new facilities will need replacement within 25- 30 years, depending on decisions made regarding the future of The Almshouses and sheltered housing in general.</p> <p>City of London Almshouses Trust realisation of Charity Pool investments and reduction in cash balances would mean the loss of annual investment income (£42,000 in 2017) and some reduction in income on cash balances (£1,000 in</p>

		2017).
<b>11. Investment appraisal</b>	The options are all costed within the department's 5 year asset management plan and the 30 year business plan for the City and Gresham Almshouses	
<b>12. Affordability</b>	The works will be funded from existing agreed budgets for void and response repairs.	The works costs have been estimated and form part of the funded 5 year and 30 year Asset Management Plans.
<b>13. Legal implications</b>	<ul style="list-style-type: none"> <li>A failure to meet Decent Homes Standard may result in reputational risk to the City.</li> </ul>	
<b>14. Corporate property implications</b>	It is important that assets which the City is responsible for remain in good, safe and statutory compliant condition. Therefore, all necessary action should be taken to ensure that assets are kept as such throughout their lifetime.	
<b>15. Traffic implications</b>	Access will be granted as per the normal procedures for repairs contractors.	Access will be required for contractors at the Almshouses and local arrangements will be made with the estate staff.
<b>16. Sustainability and energy implications</b>	The planned works to the windows and the radiators within flats and roof repairs and improved loft insulation will help to further prevent heat loss.	
<b>17. IS implications</b>	Not applicable	
<b>18. Equality Impact Assessment</b>	Not applicable	An Equality Analysis will be carried out and a Design Risk Assessment will be stipulated as part of the design/specification process. The delivery phase of the works will be carefully planned and

		implemented in conjunction with residents to ensure positive effects are realised and adverse impacts are minimised.		
<b>19. Recommendation</b>	Not recommended	Recommended		
<b>20. Next Gateway</b>	Choose an item. N/a	Gateway 5 - Authority to Start Work		
<b>21. Resource requirements to reach next Gateway</b>	Unknown as this will depend on amount of repairs		Option 2	
		QS Fees	£18,000	
		Staff Fees (1.25%)	£19,300	
		Totals	£37,300	

## PT4 - Committee Procurement Report

*This document is to be used to identify the Procurement Strategy and Purchasing Routes associated with a project and only considers the option recommended on the associated Gateway report.*

### Introduction

Author:	Michael Harrington		
Project Title:	Refurbishment Works Gresham Almshouses, East Lodge and Communal areas –		
Summary of Goods or Services to be sourced			
Carry out replacement and refurbishment of internal and external facilities within flats and across the whole site, as identified by Mooney Kelly’s cost estimate of September 2017 and associated extra works as determined by the City officers.			
Contract Duration:	9 months	Contract Value:	£1,600,000
Stakeholder information			
Project Lead & Contract Manager: Lochlan Macdonald	Category Manager: Michael Harrington		Lead Department: DCCS - Housing
Other Contact		Department	

### Specification Overview

<b>Summary of the Specification:</b> Renew internal facilities in identified flats and carry out programme of exterior and common parts works. <b>Scope</b> <ul style="list-style-type: none"> <li>Kitchens, bathroom and heating replaced as identified and required.</li> <li>Programme of external works</li> </ul> <b>Technical and Pricing evaluation ratio</b> <b>60% (Technical) / 40% (Price)</b>
<b>Is the contract likely to require financial uplifts? (Please describe what method will be used to calculate the uplift and whether this will be capped)</b>
<b>Project Objectives:</b> To ensure that the works carried out in void properties is ready to hand into the new tenants moving to a standard in which meets decent home standards.

### Customer Requirements

<b>Target completion date</b>	<b>May 2019</b>	<b>Target Contract award date</b>	<b>July 2018</b>
<b>Are there any time constraints which need to be taken into consideration?</b> There are no time constraints associated with this project.			
<b>Efficiencies Target with supporting information</b>			
To ensure that the best price is provided for the best quality of work available.			

### City of London Initiatives

<b>How will the Project meet the City of London's Obligation to</b>
<b>Adhere to the Corporation Social Responsibility:</b> Yes
<b>Take into account the London Living Wage (LLW):</b> Yes
<b>Consideration for Small to Medium Enterprises (SME):</b> Yes
<b>Other:</b>

## Procurement Strategy Options

### **Option 1: Traditional – Client Led (Single Stage)**

#### **Advantages to this Option:**

- Client control over the quality of the design
- Key objectives can be clearly identified and met during the early stages of the project.
- Change management is more straight forward
- Risks of issues with any existing buildings remains with the client
- Design responsibility for specific areas can be transferred to the contractor

#### **Disadvantages to this Option:**

- Design must be complete prior to tendering
- Areas of unknown design would need to be dealt with as a provisional sum which can allow the contractor to seek additional cost and programme duration; this must be managed
- Risk of design coordination remains with the client

#### **Please highlight any possible risks associated with this option:**

- Providing a design that can be delivered may require additional works or surveys which may not be available within the programme or the budget.
- No contingency included in the budget, programme and design if unforeseen issues appear.
- Supplier may not have the capability to include design elements within their structure, if additional works require it

## Procurement Strategy Recommendation

### **City Procurement team recommended option**

- Traditional Client Led method - For the required works, this is the most appropriate option.
- The Design is a very small amount overall, but there is a lot of repetition of work on a large scale.
- A completed design is available to share with the Tenderers.
- No additional design fees required
- Design & Build is not considered an appropriate procurement method

## Procurement Route Options

### **Option 1: Below OJEU Tender**

#### **Advantages to this Option:**

- Allows us to engage with the market as a whole.
- Allows the City to build the specification it requires and work to the timescales it requires.
- Allows us to engage with SME's as opposed to using a framework, which stereotypically have larger suppliers appointed to them.

#### **Disadvantages to this Option:**

- Will take longer to engage with the market.
- Tender may be seen as too much of a strain on resources for parties to participate.

#### **Please highlight any possible risks associated with this option:**

- No guarantee of the quality of responses returned.
- Responses could possibly be over OJEU threshold.

### **Option 2: Appoint via a framework supplier**

#### **Advantages to this Option:**

- Quicker engagement with the market.
- Pre-vetted suppliers on the framework.

#### **Disadvantages to this Option:**

- Less engagement with SME's
- Larger Suppliers will subcontract the work as opposed to having employees working directly on the project.

#### **Please highlight any possible risks associated with this option:**

- The quality of the service and works carried out could be lower than expected.

## Procurement Route Recommendation

### **City Procurement team recommended option**

**Option 1: Below OJEU Tender** – The City has a robust procurement code for projects below EU threshold. This ensures that we approach the market appropriately, engaging with the market. Ensure that the Most Economically Advantageous Tender is



awarded, and the Corporation is confident Value for Money has been reached.

### Price Mechanism

#### **Option 1: Lump sum fixed price**

##### **Advantages to this Option:**

- Once price paid for the delivery of the specification and schedule.
- A contractual arrangement where the fee is capped, and the supplier accepts the risk.
- Gives a clear cost, which aids reporting and budget management.

##### **Disadvantages to this Option:**

- The Supplier will be looking to make efficiencies in their supply chain where they can to maximise their profit.
- Contract variations can be costly.
- Their price may contain added on cost due to the risk.

##### **Please highlight benefits and possible risks associated with this option relative to the specifics of the project:**

- Variations to the amount of locations and requirements, maybe amended and would cause issues when variant the contract.

#### **Option 2: Fixed price - schedule of rates**

##### **Advantages to this Option:**

- This give a more granular overview on each element, identifying how much each install is for a sized property.
- It allows easier calculations for variation if additional properties require work or unforeseen requests.
- Variations require less administration to action.

##### **Disadvantages to this Option:**

- Easier for the project team to become relied on the variations and add additional work to the contact.
- Does not allow for works outside of the specification to be completed even in emergency situations.

##### **Please highlight benefits and possible risks associated with this option relative to the specifics of the project:**

- Compliancy can set in for variation and the ease in which the contract can be amended.

### Pricing Mechanism Recommendation

#### **City Procurement team recommended option**

**Option 2: Fixed price - schedule of rates/bill of quantities** – The specification is set and the proposed works have been agreed for each property, this should not change and give us the opportunity to have a clear breakdown on spend per property.

### Form of Contract

#### **Option 1: Col Standard amendments to JCT**

##### **Advantages to this Option:**

- Commonly used form of contract with suppliers
- Claims are dealt with retrospectively.

##### **Disadvantages to this Option:**

- SME's may not have experience dealing with these terms.
- Does not support collaborative working.

##### **Please highlight benefits and possible risks associated with this option relative to the specifics of the project :**

- There is a lack of understanding of the terms that will cause delay and increased resources to solve issues.

#### **Option 2: Col Standard amendments to NEC3**

##### **Advantages to this Option:**

- Pro-Active approach to delivery.
- Using the spirit of mutual trust

##### **Disadvantages to this Option:**

- SME's may not have experience dealing with these terms.
- Terms favour the Supplier.

##### **Please highlight benefits and possible risks associated with this option relative to the specifics of the project:**

- There is a lack of understanding of the terms that will cause delay and increased resources to solve issues.

#### **Option 4: Other CC&S standard form**

##### **Advantages to this Option:**

- These are well known to the Contractors and we receive minimal objections to their usage.
- The terms are designed for low value work, this is suited to the project and the delivery.

##### **Disadvantages to this Option:**

- None seen at this time.

**Please highlight benefits and possible risks associated with this option relative to the specifics of the project:**

- The Supplier may propose their own terms and conditions.

**Sign Off**

<b>Date of Report:</b>	23/01/2018
<b>Reviewed By:</b>	Lochlan MacDonald
<b>Department:</b>	DCCS - Housing
<b>Reviewed By:</b>	Adrian Moody
<b>Department:</b>	<b>Chamberlain's Department</b>

## APPENDIX TWO

### Split of Costs

#### Total Number of Almshouses

	<i>Total Number</i>	<i>% of Almshouses</i>
<i>City of London</i>	43	84
<i>Gresham</i>	8	16

**Estimated costs Below are based on an overall split of 84% of costs for COLA and 16% of costs for Greasham**

#### TOTAL ESTIMATED BUDGET

Block	Estimated Works Costs (A)	QS Fees(B)	Staff Fees 2.5% (C)	QS plus Staff Fees (B+C)	Totals (A+B+C)
City of London Almshouses	£1,296,960	£15,120	£32,424	£47,544	£1,344,504
Gresham Almshouses	£247,040	£2,880	£6,176	£9,056	£256,096
<b>Sub Totals</b>	<b>£1,544,000</b>	<b>£18,000</b>	<b>£38,600</b>	<b>£56,600</b>	<b>£1,600,600</b>
<b>TOTAL ESTIMATED COST (WORKS AND FEES)</b>					<b>£1,600,600</b>

#### Gateway 3 Cost Required (full amount for Quantity Surveyor, and half of estimated staff costs)

	Works	QS fees	Staff Fees (1.25%)	Total
City of London Almshouses	N/a	£15,120	£16,212	£31,332
Gresham Almshouses	N/a	£2,880	£3,088	£5,968
<b>TOTAL REQUIRED AT GATEWAY 3/4</b>				<b>£37,300</b>

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<b>Committee</b>	<b>Dated:</b>
Gresham (City Side) Committee	23 February 2018
<b>Subject:</b> Gresham Almshouses update	<b>Public</b>
<b>Report of:</b> Director of Community & Children's Services	<b>For Information</b>
<b>Report author:</b> Jacqueline Whitmore, Sheltered Housing Manager	

## Summary

This report gives Trustees an information update on the Gresham Almshouses, in Lambeth. Some of the information in the report also relates to the City of London Almshouses on the estate.

## Recommendation

Trustees are asked to note the report.

## Main Report

### Background

This report is presented half yearly to the Trustees of the Gresham Almshouses. It updates Trustees on operational matters relating to the Gresham Almshouses and their residents and highlights any issues of concern, particularly where funding is required which is not included in the current year's budget

### Current Position

#### Waiting List

Currently there are no vacancies within the Gresham Almshouses, there are 4 people on the waiting list all drwn from the current City of London Almshouse residents.

#### Social Activites

Residents have had several events since the last Gresham (City Side) update which have been well attended. They enjoyed a Halloween buffet with a Murder/Mystery party game (similar to Cluedo board game), where residents had to role play throughout the evening in character and work out "who committed the dastardly deed". As part of the event, the Manager cooked residents a three-course meal, which they all thoroughly enjoyed. "Alternative" carol singing followed the uncovering of the

"murderess" and residents returned home very late, with the event being declared a resounding success. Residents held a post-Christmas event in January, where they enjoyed an afternoon matinee film with popcorn, followed by a cold buffet and

music. They all agreed it was good to have something to look forward to after the bustle of the festive season was over.

Many residents were able to meet with Members in early December and enjoyed refreshments when the Christmas hampers were delivered. Residents have asked officers to thank Members for their hampers, which were enthusiastically received.

#### **Refurbishment Programme**

Officers submitted a pre-planning application to London Borough Lambeth for replacement window element of the refurbishing works in December 2017. LB Lambeth decision has recently been received which indicated their preference is for the windows to be refurbished and secondary glazing used, instead of replacement double glazed windows. Officers are disappointed with this decision however research is underway to source an effective form of secondary glazing which will increase the energy efficiency but will be lightweight and designed for easy use (to enable residents to open the windows and be able to clean them). Gresham bungalow windows are currently fitted with secondary glazing which residents are unable to open for ventilation or cleaning due to the weight of the units.

Members at Housing Management and Almshouses Sub Committee who met on 12 February 2018 were equally disappointed with LB Lambeth preference and have asked for officers to investigate further with LB Lambeth their preferences and reasoning behind the decision to consider if any common ground could be agreed upon, whilst officers investigate alternative secondary glazing options.

#### **Alarm Call System**

The new call system contract has been awarded. The contractor, Britania has arranged a "meet the resident" liaison meeting with the Almshouse Manager and residents on 16 February to allow residents an opportunity to see the new equipment and be informed about the process for installation. Providing there are no wiring issues, each unit will take approximately four hours to install in each home which should not disrupt residents too much. Britania consider the current wiring to be in good condition there they are not anticipating any problems. The installation will start on 5 March.

#### **Conclusion**

Trustees are asked to note the report.

#### **Appendices**

**None**

#### **Jacqueline Whitmore**

Sheltered Housing Manager

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