



Resource Allocation Sub (Policy and Resources) Committee

Date: WEDNESDAY, 17 MARCH 2021
Time: 4.00 pm
Venue: VIRTUAL PUBLIC MEETING (ACCESSIBLE REMOTELY)

Members: Deputy Catherine McGuinness (Chair)
Jeremy Mayhew (Deputy Chairman)
Deputy Keith Bottomley
Tijs Broeke
Deputy Jamie Ingham Clark
Karina Dostalova
Anne Fairweather
Sheriff Christopher Hayward
Shravan Joshi
Alderman Vincent Keaveny
Deputy Edward Lord
Alderman Ian Luder
Deputy Tom Sleigh
Sir Michael Snyder
Deputy James Thomson
Alderman Sir David Wootton

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Accessing the virtual public meeting

Members of the public can observe this virtual public meeting at the below link:

<https://youtu.be/Mwjtni9VBj4>

This meeting will be a virtual meeting and therefore will not take place in a physical location following regulations made under Section 78 of the Coronavirus Act 2020. A recording of the public meeting will be available via the above link following the end of the public meeting for up to one municipal year. Please note: Online meeting recordings do not constitute the formal minutes of the meeting; minutes are written and are available on the City of London Corporation's website. Recordings may be edited, at the discretion of the proper officer, to remove any inappropriate material.

John Barradell
Town Clerk and Chief Executive

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 non-public summary of the meeting held on Tuesday 2 March 2021.

For Decision
(Pages 1 - 4)

4. **CAPITAL FUNDING UPDATE**

Report of the Chamberlain

For Decision
(Pages 5 - 22)

5. **COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND - APPLICATIONS FOR APPROVAL**

Report of the Chief Grants Officer and Director of City Bridge Trust (CGO)

For Decision
(Pages 23 - 44)

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

7. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**

8. **EXCLUSION OF THE PUBLIC**

MOTION – That under Section 100(A) 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 the Schedule 12A of the Local Government Act.

For Decision

Part 2 – Non-Public Agenda

9. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the meeting held on Tuesday 2 March 2021.

For Decision
(Pages 45 - 48)

10. **LOAN REPAYMENT REPHASING AND LOAN PERIOD EXTENSION REQUEST
CITY OF LONDON FREEMEN'S SCHOOL**

Report of the Headmaster, City of London Freemen's School

For Decision
(Pages 49 - 56)

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

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

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RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Tuesday, 2 March 2021

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources)
Committee held at Virtual Meeting on Tuesday, 2 March 2021 at 3.00 pm

Present

Members:

Jeremy Mayhew (Deputy Chairman) - <i>in the Chair</i>	Alderman Vincent Keaveny
Deputy Keith Bottomley	Deputy Edward Lord
Tijs Broeke	Alderman Ian Luder
Deputy Jamie Ingham Clark	Deputy Tom Sleigh
Karina Dostalova	Sir Michael Snyder
Anne Fairweather	Deputy James Thomson
Sheriff Christopher Hayward	Alderman Sir David Wootton
Shravan Joshi	

In Attendance

Marianne Fredericks
Barbara Newman

Officers:

John Barradell	- Town Clerk & Chief Executive
Caroline Al-Beyerty	- Deputy Chamberlain
Cecilie Booth	- Chief Operating Officer and Chief Financial Officer, City of London Police
Alistair Cook	- Chamberlains
Emma Cunningham	- Town Clerks
Paul Friend	- City Surveyors
Aqib Hussain	- IT
Simon Latham	- Town Clerks
Peter Lisley	- Assistant Town Clerk & Director of Major Projects
Dianne Merrifield	- Chamberlains
Greg Moore	- Town Clerks
Charlie Pearce	- City of London Police
Angela Roach	- Assistant Town Clerk & Director of Members Services
Bob Roberts	- Director of Communications
Paul Wright	- Deputy Remembrancer
Paul Wilkinson	- City Surveyor
Peter Young	- City Surveyors

1. APOLOGIES

Apologies have been received by Deputy Catherine McGuinness.

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

There were no declarations.

3. **MINUTES**

The minutes of the meeting held on 17 February 2021 were approved as a correct record.

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

There were no questions.

5. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There were no items of urgent business.

6. **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 items 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.

Item No.

8-9

Paragraph No.

3

7. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 17 February were approved as a correct record.

8. **PROPOSAL TO ASSIST CITY OF LONDON OPERATIONAL TENANTS FOR THE MARCH 2021 QUARTER**

The Sub-Committee considered a report of the City Surveyor proposing financial assistance to City of London Corporation operational tenants for the March 2021 quarter.

9. **LOAN FUNDING FOR POLICE CAPITAL PROGRAMME 2021-2025 AND CARRY FORWARD OF 2020/21 LOAN FACILITY**

The Sub-Committee considered a report of the Commissioner of the City of London Police concerning the loan funding for the Police Capital Programme 2021-2025 and carry forwards of 2020/21 loan facility.

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

There were no questions.

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

There were no items of urgent business.

The meeting ended at 3.40 pm

Chair

Contact Officer: Emma Cunnington
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Committee(s): Resource Allocation Sub Committee Policy and Resources	Date(s): 17 March 2021 8 April 2021
Subject: Capital Funding Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	The schemes for which funding is now requested span across a range of corporate outcomes
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£3.198m + £135k
What is the source of Funding?	£2.21m CIL, £30k OSPR, £347k City Fund Capital Reserves, £583k City's Cash reserves and £28k BHE reserves. £135k from revenue provisions.
Has this Funding Source been agreed with the Chamberlain's Department?	Yes
Report of: The Chamberlain	For Decision
Report author: Dianne Merrifield, Group Accountant	

Summary

This report follows on from previous papers on capital prioritisation and the 2020/21 and 2021/22 rounds of annual capital bids.

Members are reminded of the two-step funding mechanism via the annual capital process:

- Firstly, within available funding, 'in principle' approval to the highest priority bids is sought and appropriate provisions are set aside in the annual capital and revenue budgets and the MTFPs.
- Secondly, following scrutiny via the gateway process to provide assurance of robust option appraisal, project management and value for money, RASC are asked to confirm that these schemes remain a priority for which funding should be released at this time.

The purpose of this report is two-fold - approval to the reallocation of funding between schemes to address unexpected shortfalls *and* to the release of funding post gateway approvals to allow schemes to progress.

The approved annual capital bids for 2020/21 total £85m of which £20.426m has been drawn down to date. A schedule of the current 2020/21 allocations is included in

Appendix 1 for information. The second annual bid round for 2021/22 has granted in principle funding approval to bids with a total value of £83.5m of which advance approval to drawdown £2.136m has been approved. A schedule of the current 2021/22 allocations is included in Appendix 2 for information.

There are currently two schemes reporting funding shortfalls amounting to £1.137m. Adopting the 'one-in, one-out' approach, the required funding has been identified from compensating savings in other projects as summarised in Table 1 (para. 9). Approval is sought to make these funding substitutions applying savings from within existing provisions.

Subject to these reallocations, release of £3.198m to allow progression of seven schemes summarised in Table 2 (para 11) is now proposed. The funding for these schemes can be met from the provisions set aside from the reserves of the three main funds: £30k from the On-Street Parking Reserve, £2.21m from CIL, £347k from City Fund capital reserves, plus £583k from City's Cash and £28k from Bridge House Estates reserves.

In addition, release of £135k in revenue funding to cover maintenance of the new systems over the interim programme delivery period is requested, to be met from revenue provisions.

Members will recall that financial disciplines currently in place include that central project funding may be withdrawn for schemes that slip by more than one year. Therefore, a report detailing any unallocated central funding provisions will be brought to committee for review in the spring.

Recommendations

Members are requested -

- (i) To reallocate £1.137m to provide top-up funding for two schemes - applying the 'one-in, one-out' approach – as summarised in Table 1.
- (ii) To review the schemes summarised in Table 2 and, particularly in the context of the current financial climate, to confirm their continued essential priority for release of funding at this time.
- (iii) To agree the release of up to £3.198m for the schemes in Table 2 from the reserves of City Fund, City's Cash and Bridge House Estates as appropriate, subject to the required gateway approvals.
- (iv) To agree the release of £135k of revenue funding to cover maintenance of the new Secure City systems over the interim programme delivery period, to be met from existing revenue provisions.
- (v) To note that in order to maintain sound financial discipline a review of unallocated central project funding provisions will be brought to Members in the spring.

Main Report

Background

1. As part of the fundamental review, Members agreed the necessity for effective prioritisation of capital and SRP projects, with central funding allocated in a measured way. This has been achieved via the annual capital bid process which applies prioritisation criteria to ensure that corporate objectives are met and schemes are affordable.
2. The following criteria against which capital and supplementary revenue projects are assessed have been agreed as:
 - i. Must be an essential scheme (Health and Safety or Statutory Compliance, Fully/substantially reimbursable, Major Renewal of Income Generating Asset, Spend to Save with a payback period < 5 years.)
 - ii. Must address a risk on the Corporate Risk register; or the following items that would otherwise be escalated to the corporate risk register:
 - a. Replacement of critical end of life components for core services;
 - b. Schemes required to deliver high priority policies; and
 - c. Schemes with a high reputational impact.
 - iii. Must have a sound business case, clearly demonstrating the negative impact of the scheme not going ahead, i.e. penalty costs or loss of income, where these are material.

The above criteria were used as the basis for prioritising the annual capital bids.

3. The scope of schemes subject to this prioritisation relates only to those funded from central sources, which include the On-Street Parking Reserve, Community Infrastructure Levy (CIL), flexible external contributions and allocations from the general reserves of City Fund, City's Cash or Bridge House Estates*. This means that projects funded from most ring-fenced funds, such as the Housing Revenue Account, Designated Sales Pools and Cyclical Works Programmes *are excluded*, as well as schemes wholly funded from external grants, and tenant/ developer contributions e.g. under S278 agreements and S106 deposits.

*Contributions from Bridge House Estates are limited to its share of corporate schemes such as works to the Guildhall Complex or corporate IT systems.

4. Members are reminded of the two-step funding mechanism via the annual capital process.
 - Firstly, 'in principle' approval to the highest priority bids within available funding is sought and appropriate provisions are set aside in the annual capital and revenue budgets and the MTFPs.
 - Secondly, following scrutiny via the gateway process to provide assurance of robust option appraisal, project management and value for money, RASC are asked to confirm that these schemes remain a priority for which funding should be released at this time.

Current Position

5. The first year of the new annual capital bid process gave 'in principle' funding approval to 46 bids with a total value of £89m across the three main funds,

together with 'in principle' internal loan funding of £47.7m. A subsequent re-prioritisation exercise identified several schemes for deferral which, after allowing for three new essential schemes, reduced the value of bids down to £85m.

6. To date, £20.426m has been drawn down to allow 31 of the 2020/21 capital bid-funded schemes to be progressed. A schedule of the current 2020/21 allocations is included in Appendix 1 for information.
7. Members have also recently agreed 'in principle' funding of a further £83.5m across the three main funds for the 2021/22 new bids. Funding for these bids becomes available from 1st April 2021 and to date drawdown of £2.136m has been approved. A schedule of the 2021/22 allocations is included in Appendix 2 for information.
8. In addition to sums set aside for new bids, there are also some remaining provisions for schemes previously agreed for progression outside of the fundamental review.

Proposals

'One-in, One-Out' Reallocation of Funding

9. Members have previously agreed that requests for additional funding outside of the annual capital bid process should be met from within the existing sums set aside for new schemes on a 'one-in, one-out' basis. There are currently two schemes reporting funding shortfalls amounting to £1.137m detailed in Table 1 as follows:

		Capital Bid Round	City Fund	City's Cash	Bridge House Estates	Total
Table 1: 'One-In, One-Out' Proposals						
Additional Funding Required:			£m	£m	£m	£m
	I.T - ERP project (Rationalisation of Financials, HR & Payroll Systems)	2020/21	0.392	0.435	0.044	0.870
	COLPAI temporary accommodation top-up funding for summer term	2020/21	-	0.267	-	0.267
	Total Required		0.392	0.702	0.044	1.137
Funding to be reallocated from:						
	I.T - Telephony replacement		0.338	0.375	0.038	0.750
	I.T - Essential Computer (Servers) operating system refresh programme		0.025	0.028	0.003	0.055
	I.T - Smarter working for Members and Officers		0.029	0.033	0.003	0.065
	3 x I.T. schemes	2020/21	0.392	0.435	0.044	0.870
	Wanstead Park Ponds	Fundamental Review	-	0.267	-	0.267
	Total to be reallocated		0.392	0.702	0.044	1.137

(i) IT – ERP project (Rationalisation of financials, HR and Payroll Systems) – top-up funding of £870k

- This scheme is to replace the current Finance, HR and Payroll systems into a single ERP solution primarily for the Corporation and its Institutional Departments, to provide the tools needed to align with the new Target Operating Model (TOM).
- Following detailed scoping work to take on board the aspirations of the TOM, the estimated cost of the scheme currently stands at £7.425m. Central funding of £5.898m was agreed as part of the 2020/21 annual capital bid – after allowing for local risk revenue provisions of £0.657m, a funding gap of £0.870m remains. Appendix 3 provides an explanation of the cost increase.
- Substitute funding is proposed from savings on three other IT schemes originally agreed via the 2020/21 annual capital bid process (see Table 3).

(ii) City of London Primary Academy Islington (COLPAI) Temporary Site – top-up funding of £267k

- COLPAI opened in September 2017 on the temporary site of Moreland Primary School where the lease expired in July 2020, and subsequently in temporary accommodation at Copenhagen Primary School in Islington. Delays in the permanent school build were initially due to obstructions and asbestos in the ground, followed by delays due to the pandemic. Failure to achieve occupation of the permanent new school site in April 2021 due to the ongoing impact of the pandemic has resulted in temporary accommodation being needed until the end of July 2021.
- Members have previously agreed allocations of £583k from the 2020/21 annual capital bid provisions to cover the temporary costs during the autumn and spring terms – the additional cost of extending the temporary occupation throughout the summer term is £267k for which a further top-up is now sought.
- Savings arising from the Wanstead Park Ponds project, which was approved for progression outside of the fundamental review, are proposed to fund this additional cost.

10. Details of the substitute funding to cover the two top-up requests amounting to £1.137m are also provided in Table 1. Approval is sought to make these funding substitutions applying savings from within existing provisions.

Current Requests for the Release of Funding

11. Since December, six schemes arising from the 2020/21 round of new bids and one scheme from the 2021/22 new bids have (or are being) progressed through the gateways, for which release of £3.198m is now requested, as summarised in Table 2.

Table 2: Project Funding Requests		Next Gateway	City Fund	City's Cash	Bridge House Estates	Total
			£m	£m	£m	£m
Funding to progress to the next gateway						
<u>2020/21 New Bids</u>						
(i)	Barbican Centre and Guildhall School Confined and Dangerous Spaces	G4/ 5	0.098	0.019		0.117
(ii)	COLPAI temporary accommodation top-up funding for summer term	Outside Gateways		0.267		0.267
(iii)	Public Car Parks - Fire Remedial Works	G4/ 5	0.030			0.030
(iv)	Smithfield Market Car Park - Sprinkler and Fire Door Remedial Works	G4/ 5		0.020		0.020
(v)	IT - ERP System replacement (Financials/HR/Payroll)	G3	0.249	0.277	0.028	0.554
(vi)	Secure City Video Management System Year 1*	G5	0.810			0.810
<u>2021/22 New Bids</u>						
(vii)	Secure City Programme Year 2*	G3	1.400			1.400
Total Requested for Release of Funding			2.587	0.583	0.028	3.198

*In addition, release of £135k in revenue funding to cover maintenance of the new systems over the interim programme delivery period is requested, to be met from revenue provisions.

Further details of the individual schemes are provided in Appendix 3 attached.

12. In accordance with step two of the capital funding mechanism, Members will wish to confirm that these schemes remain a priority for funding to be released at this time particularly in the context of the current financial climate.
13. The funding for these schemes can be met from the existing provisions set aside from the relevant reserves of the three main funds as set out in Table 2, which were either agreed as part of the fundamental review (COLPAI £267k reallocated funds) or via the 2020/21 and 2021/22 annual capital bids.

Financial Discipline

14. Members will recall that financial disciplines currently in place allow for central project funding to be withdrawn for schemes that slip by more than one year unless an exceptional case is agreed by the Resource Allocation Sub Committee. Therefore, it is intended to undertake a review in Spring 2021 to identify any schemes which have not been progressed from the funding agreed as part of the fundamental review and 2020/21 annual capital bid round. This will ensure that funding is available to direct to the highest priority areas.

Conclusion

15. The purpose of this report is two-fold - approval to the reallocation of funding between schemes to address unexpected shortfalls *and* to the release of funding post gateway approvals to allow schemes to progress.

16. Adopting the 'one-in, one-out' approach, the reallocation of £1.137m to provide top-up funding for two schemes is requested as set out in Table 2 (see paragraphs 9 and 10).
17. Requests for the release of £3.198m to allow seven schemes to progress are set out in Table 2 (see paragraph 11 and appendix 3).
18. The funding for these schemes can be met from the existing provisions set aside from the relevant reserves of the three main funds as set out in Table 2, which were either agreed as part of the fundamental review (COLPAI £267k reallocated funds) or via the 2020/21 and 2021/22 annual capital bids.
19. Funding for these schemes can be met from the provisions set aside from the reserves of the three main funds: £30k from the On-Street Parking Reserve, £2.21m from CIL, £347k from City Fund capital reserves, £583k from City's Cash and £28k from Bridge House Estates reserves.
20. In addition, release of £135k in revenue funding to cover maintenance of the new systems over the interim programme delivery period is requested, to be met from revenue provisions.
21. Members will recall that financial disciplines currently in place include that central project funding may be withdrawn for schemes that slip by more than one year. Therefore, a report detailing any unallocated central funding provisions will be brought to committee for review in the spring.

Appendices

Appendix 1– 2020/21 Approved Bids

Appendix 2 - 2021/22 Approved Bids

Appendix 3 – Requests for Release of Funding – Scheme Details

Appendix 4 – ERP Cost Increase

Background Papers

- Annual Capital Prioritisation Report, 12 December 2019 (Non-Public).
- Prioritisation of Remaining 2020/21 Annual Capital Bids (Deferred from December 2019 Meeting), 23 January 2020 (Non-Public)
- Re-prioritisation of 2020/21 Approved Capital Bids, 18 September 2020 (Non-Public)
- Capital Funding – Prioritisation of 2021/22 Annual Capital Bids – Stage 2 Proposals, 10 December 2020 (Public)

Dianne Merrifield

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Approved Bids 2020/21						THIS REPORT	
Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Fundng Allocation After Re- prioritisation	Release of Funding Previously agreed	Release of Funding now requested
Critical End of Life Replacement							
Barbican Replacement of Art Gallery Chiller	0.300	-	-	0.300	0.300	0.018	-
Car Park - London Wall Joints and Waterproofing	2.000	-	-	2.000	2.000	-	-
Car Park - Hampstead Heath, East Heath Car Park Resurface	-	0.415	-	0.415	0.415	0.387	-
Central Criminal Court - Replacement for Heating, Cooling and Electrics for the East Wing Mezzanine including the sheriff's apartments.	1.000	-	-	1.000	1.000	1.000	-
Finsbury Circus Garden Re-instatement	2.558	-	-	2.558	2.558		-
Guildhall - North and East Wing Steam Generator replacement – including Art Gallery	0.744	0.396	0.060	1.200	1.200	0.107	-
Guildhall - West Wing - Space Cooling - Chiller Plant & Cooling Tower Replacement	1.860	0.990	0.150	3.000	3.000	0.174	-
Guildhall event spaces - Audio & Visual replacement / upgrade	-	0.330	-	0.330	0.330	0.045	-
Guildhall Yard - Refurbishment/ Replacement of Paviours	-	3.000	-	3.000	3.000	-	-
I.T - Computer Equipment rooms (CER) Uninterrupted Power Supplies (UPS)Upgrades and Replacements	0.090	0.100	0.010	0.200	0.200	0.200	-
I.T - Essential Computer (Servers) operating system refresh programme	0.068	0.075	0.008	0.151	0.151	0.095	-
I.T - Personal device replacement (Laptops, Desktops and tablet/mobile device)	1.013	1.125	0.112	2.250	2.250	2.250	-
I.T - Rationalisation of Financials, HR & Payroll Systems	2.654	2.949	0.295	5.898	5.898	-	0.554
I.T - Telephony replacement	0.873	0.343	0.034	1.250	1.250	-	-
LMA : Replacement of Fire Alarm, Chillers and Landlords Lighting and Power	1.397	-	-	1.397	1.397	0.145	-
Oracle Property Management System Replacement	0.713	0.380	0.058	1.151	1.151	0.620	-
Structural - Lindsey Street Bridge Strengthening	5.000	-	-	5.000	5.000	0.030	-
Structural - Dominant House Footbridge	1.025	-	-	1.025	1.025	-	-
Structural - West Ham Park Playground Refurbishment	-	1.279	-	1.279	1.279	0.863	-
Fully or substantially reimbursable							
Barbican Turret John Wesley High Walk	0.043	-	-	0.043	0.043	0.043	-
Chingford Golf Course Development Project	-	0.075	-	0.075	0.075	-	-
High Profile Policy Initiative							
Bank Junction Transformation (All Change at Bank)	4.000	-	-	4.000	4.000	4.000	-
Culture Mile Implementation Phase 1 incl CM experiments and Culture Mile Spine	0.580	-	-	0.580	0.580	0.580	-
I.T - Smarter working for Members and Officers	0.113	0.125	0.013	0.251	0.251	0.185	-
Rough Sleeping - assessment hub	1.000	-	-	1.000	1.000	-	-
Rough Sleeping High Support Hostel - Option 3	0.500	-	-	0.500	0.500	-	-
Secure City Programme	15.852	-	-	15.852	15.852	3.306	0.810
Statutory Compliance/Health and Safety							
Barbican Exhibition Halls	5.000	-	-	5.000	1.549	1.548	-
Barbican Podium Waterproofing, Drainage and Landscaping Works (Ben Jonson, Breton & Cromwell Highwalk) Phase 2 – 1st Priority	13.827	-	-	13.827	13.827	1.517	-
Covid19 Phase 3 Transportation Response*	-	-	-	-	0.568	0.568	-
City of London Primary Academy Islington (COLPAI) temporary site	-	0.300	-	0.300	0.583	0.583	-
Golden Lane Lighting and Accessibility	0.500	-	-	0.500	0.500	0.500	-
Guildhall - Great Hall - Internal Stonework Overhaul	-	2.000	-	2.000	2.000	0.025	-
Guildhall - Installation of Public Address & Voice Alarm (PAVA) and lockdown system at the Guildhall (Security Recommendation)	0.930	0.495	0.075	1.500	1.500	0.118	-
I.T - Critical Security Works agreed by the DSSC	0.112	0.125	0.013	0.250	0.250	0.250	-
I.T - GDPR and Data Protection Compliance in addition saving money in being able to share and find information quickly	0.090	0.100	0.010	0.200	0.200	-	-
Confined and Dangerous Spaces - Barbican Centre	2.000	-	-	2.000	2.000	-	0.098
Confined and Dangerous Spaces - GSMD	-	0.400	-	0.400	0.400	-	0.019
Fire Safety - Car Park London Wall - Ventilation, electrics, lighting and fire alarm works	1.370	-	-	1.370	1.370	0.250	-
Fire Safety - Works in car parks	1.032	-	-	1.032	1.032	0.669	0.030
Fire Safety - Frobisher Crescent, Barbican Estate (compartmentation)	0.550	-	-	0.550	0.550	0.800	0.020
Fire Safety - Smithfield sprinkler head replacement and fire door replacement.	-	0.150	-	0.150	0.150	-	-
Queen's Park Public Toilet Rebuild	-	0.380	-	0.380	-	-	-
Spitalfields Flats Fire Door Safety	0.146	-	-	0.146	0.146	-	-
Spend to save with a payback < 5 years							
Energy programme of lighting and M&E upgrade works (Phase 1)	0.440	0.489	0.049	0.978	0.978	0.050	-
I.T - GDPR Compliance Project Unstructured data	0.112	0.125	0.013	0.250	-	-	-
Wanstead Flats Artificial Grass Pitches (spend to save > 5 years)	-	-	-	-	1.700	-	-
The Monument Visitor Centre	-	2.500	-	2.500	-	-	-
Total Approved Funding Bids	69.492	18.646	0.900	89.038	85.008	20.426	1.531

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Approved Bids 2021/22					THIS REPORT	
Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Release of Funding Previously agreed	Release of Funding now requested
Critical End of Life Replacement						
OSD - Tower Hill Play Area Replacement Project	0.120			0.120		
SVY - BEMS Upgrade Project-CPG Estate – Phase 1	0.507	0.375	0.022	0.904		
SVY - Smithfield Condenser Pipework Replacement		0.564		0.564		
CHB - IT SD WAN /MPLS replacement	0.320	0.145	0.035	0.500		
CHB - IT LAN Support to Replace Freedom Contract	0.096	0.043	0.011	0.150		
CHB - Libraries IT Refresh	0.220			0.220		
BBC - Barbican Centre - Catering Block Extraction	0.400			0.400		
High Profile Policy Initiative						
DBE - Secure City Programme Year 2	4.739			4.739		1.400
SVY - Guildhall Complex Masterplan - initial feasibility and design work		0.350		0.350		
Statutory Compliance/Health and Safety						
DCCS - Fire Doors Barbican Estate	20.000			20.000		
SVY - St Lawrence Jewry Church - Essential works (Top-Up Funding)		2.565		2.565	2.136	
SVY - Denton Pier and Pontoon Overhaul Works	1.000			1.000		
OSD - Hampstead Heath Swimming Facilities - Safety, Access and Security Improvements		0.755		0.755		
DBE - Public Realm Security Programme	1.238			1.238		
DBE - Beech Street Transportation and Public Realm project (Top-Up Bid)	0.900			0.900		
MAN - Central Criminal Courts, Fire Safety and associated public address system (Top-up bid)	0.683			0.683		
MAN - Central Criminal Court Cell Area Ducting and Extract System Balancing	1.000			1.000		
SVY - Riverbank House, Swan Lane - repairs to foreshore river defence	0.500			0.500		
CHB - Public Services Network replacement	0.064	0.029	0.007	0.100		
GSMD - Guildhall School - Silk Street Ventilation Heating and Cooling		2.000		2.000		
GSMD - Guildhall School - Milton Court Correction of Mechanical Systems		0.600		0.600		
GSMD - Guildhall School - John Hosier Ventilation and Temperature Control		0.700		0.700		
CHB - IT Security	0.192	0.087	0.021	0.300		
Spend to save with a payback < 5 years						
SVY - Energy Reduction Programme – Phase 2	0.194	0.181		0.375		
Sub-Total - Bids Fulfilling the Funding Criteria	32.173	8.394	0.096	40.663	2.136	1.400
Climate Action :						
DBE - Public Realm - City Fund	6.050			6.050		
OSD - Climate Action Strategy		2.120		2.120		
DBE - Embed climate resilience measures into Public Realm works	6.800			6.800		
SVY -Energy Efficiency / Net Zero Carbon - Investment Estate - City Fund	4.340			4.340		
SVY - Energy Efficiency / Net Zero Carbon - Investment Estate - Strategic Estate City Fund	0.000			-		
SVY - Climate Resilience Measures	4.000	0.000		4.000		
SVY - Climate Action Strategy Projects CPG Operational Properties	11.723	7.138	0.649	19.510		
Sub-Total - Climate Action	32.913	9.258	0.649	42.820	0.000	0.000
Total Bids Fulfilling the Funding Criteria	65.086	17.652	0.745	83.483	2.136	1.400

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Requests for Release of Funding – Scheme Details

The following provides details of the schemes for which approval to release central funding is now sought, as summarised in Table 2 of the main report.

- (i) Barbican Centre and Guildhall School Confined and Dangerous Spaces - £117k now requested to reach the next Gateway
 - This is a combined MEP (mechanical, electrical, plumbing) and fabric/construction project to design out or remove the inherent health and safety risks related to carrying out maintenance works in some “dangerous” areas of the Barbican.
 - The request is for the release of £117k of central funding to develop options for consideration at Gateway 3/4.
 - The ‘in principle’ funding for this scheme from City Fund (Barbican Centre) and City’s Cash (Guildhall School) was agreed as part of the 2020/21 annual capital bids on health and safety grounds.
- (ii) City of London Primary Academy Islington (COLPAI) Temporary Site – top-up funding of £267k now requested
 - Approval to draw down the top-up funding as described in paragraph 9(ii) of the main report is now requested.
- (iii) Public Car Parks Fire Safety Remedial Works – release of £30k requested to reach the next gateway
 - This project is to carry out essential fire door replacements at Baynard House and London Wall Car Parks, and ventilation system replacement at Tower Hill.
 - The request is for the release of £30k to undertake surveys to inform the gateway 3 /4 options appraisal.
 - ‘In principal’ funding from City Fund resources (On-Street Parking Reserve) was agreed as part of the 2020/21 annual capital bid round on health and safety grounds, following a fire risk assessment.
- (iv) Smithfield Market Car Park Sprinkler and Fire Door Remedial Works – release of £20k to reach the next gateway
 - This project is to carry out essential fire door and sprinkler head replacements at Smithfield Market Car Park.
 - The request is for the release of £20k to undertake surveys to inform the gateway 3 /4 options appraisal.
 - ‘In principal’ funding from City Cash resources was agreed as part of the 2020/21 annual capital bid round on health and safety grounds, following a fire risk assessment.
- (v) IT – ERP project (Rationalisation of financials, HR and Payroll Systems) – release of £554k to reach the next gateway
 - This scheme is as described in paragraph 9(i) of the main report.
 - The ‘in principal’ funding (including top-up) comes from the 2020/21 capital bids for the replacement of these critical end of life systems. Funding will be drawn from the reserves of the three funds on an apportioned basis.

- The request is for the release of £554k to provide resources for the plan and prepare stages which will inform the next gateway.
 - At the time of writing, the Gateway 2 report has yet to progress through relevant committees and therefore release of funding will be subject to its full approval. Advance funding approval is being sought due to the short lead-in time for delivery of the new system.
- (vi) Secure City Programme (Year 1) Video Management System – release of £810k to progress to the next gateway plus £110k of additional revenue budget for interim maintenance costs
- The Secure City Programme (SCP) seeks to establish a stable security platform and capability that is commensurate with the needs of modern-day security and services across the City. The current surveillance capability is largely beyond end of life and no longer fit for purpose.
 - ‘In principle’ funding was agreed for year 1 of this high-profile policy initiative as part of the 2020/21 annual capital bids, to be met from City Fund resources (Community Infrastructure Levy for one-off costs, interim maintenance costs met from revenue provisions).
 - The request is for the release of £810k for the preferred supplier to undertake one-off enabling works and delivery of a pilot system, together with the release of additional revenue budget of £110k to fund the maintenance of the new system over the interim period. A further request for release of funding at Gateway 5 will follow, subject to satisfactory completion of the pilot.
 - At the time of writing, the current Gateway 4c issue report has yet to progress through relevant committees and therefore release of the requested funding will be subject to full gateway approval. Advance funding approval is being sought to maintain the pace of delivery of the new system.
- (vii) Secure City Programme (Year 2) – release of £1.4m to progress to the next gateway plus £25k of additional revenue budget for interim maintenance costs
- Year 2 of the SCP is to continue the stabilisation and development of the security infrastructure.
 - ‘In principle’ funding was agreed for this high-profile policy initiative as part of the 2021/22 annual capital bids, also to be met from City Fund resources (Community Infrastructure Levy for one-off costs, interim maintenance costs from revenue provisions).
 - The request is for the drawdown of £1.4m to resource the one-off costs of the year 2 programme team, to undertake surveys for existing and new CCTV installations and the development of concept designs to inform the next gateways. Release of £25k of additional revenue provisions is also required to fund interim maintenance of new software.
 - At the time of writing, the gateway 2 report has yet to progress through relevant committees and therefore release of this requested funding will be subject to full gateway approval. Advance approval to this funding is being sought to allow the 2021/22 phase to be delivered at pace from early April.

New financial system and ERP project- change in approach recommended

The issue

To support the behavioural and cultural change piece needed to make the step change in enabling services under the Target Operating Model, there is an opportunity to establish a seamless flow of real time information across functional processes, to utilise data more powerfully to help better plan for risk and opportunities in the 2020/21 capital programme.

Background

The 2020/21 capital programme includes Enterprise Resource Planning for an integrated rationalisation of the financial, HR and payroll business applications. The original proposal, costed at £5.898m, delivers an integrated suite of business applications with a common process and data model, covering broad and deep operational end-to-end processes and reporting, but assumed the use of Oracle Cloud. Key benefits are outlined below:

- Consolidation of Financials, HR and Payroll into a single ERP and reporting solution – streamlines support model and provides a single user experience
- Integrated reporting - improve management information and enable predictive analysis
- Opportunity to implement the Oracle PBCS (Planning and Budgeting Cloud Service) module to provide a better forecast process and modelling solution for HR/Payroll
- Total cost of ownership for SAAS Cloud ERP/applications versus current on Premises applications are expected to have a lower cost, over a 10-year period

The project design built on the known platform, rather than using an opportunity to throw wide the doors to consider which platform would best serve a transformational change in enabling services.

The case for change

As the target operating model design has progressed and thinking on how enabling services will work, it is clear that the underpinning tools need to support a step change in culture and behaviours. Freeing up resource for responsive value-added services, and agility in financial insight/advice.

The ERP is a key enabling tool that efficiently and effectively paves the way to a shared service approach to transactional finance, giving flexibility and agility in responding to the needs of different customer bases by:

- enabling tailored reporting for stakeholders;
- reducing complexity and process duplication;
- reimplementing the coding structure used by the organisation;

- supporting ownership and accountability of budget holders through streamlined and easy to use self-service functionality;
- standardising and automating processes, enabling staffing efficiencies planned under the fundamental review;
- timely, accurate and understandable financial information in the right format for decision making without the need for further analysis by accountants.
- a reduction in an IT estate as the proposed solution is cloud;
- a reduction in support and maintenance cost from support partners (i.e. Agilisys);
- a centralised support team thus reducing reliance on consultancy;
- provision of regular system upgrades that are offered every quarter for the entire solution allowing us to manage the system and allocate personnel effectively.

As we introduce the ERP system it would be a lost opportunity, if we did not pursue, and resource properly the change in behaviours needed to tackle a deeply embedded status quo; learning lessons from the Oracle upgrade and property manager- which added expensive customisations to ultimately retrofit systems to embedded ways of doing things.

There is an opportunity to leverage technology in a new system within cutting edge capabilities to enable the various operations and institutions within the Corporation to have processes and functionality that drives operational efficiency, enabling the business to make better, smarter decisions to help the whole organisation to run more effectively.

We will have to do a coding reimplementation in any case- which on previous experience will be 'bumpy' at best. We should be bolder and secure maximum benefit from the change.

Likely cost- £7.425m

The original ERP bid has increased by £1.5m due to appropriately resourcing the programme team through a mixture of internal and external resources as opposed to mainly internally resourced. Bringing together a diverse approach and strengthening the chances of delivering a first-class ERP system.

Further to discovery work carried out in 2020, and a soft market engagement (SME) exercise, the emerging from officers is that a competitive process looking across the ERP market is more likely to demonstrate better value over the lifetime of a future ERP solution. The SME process highlighted a range of costs of between £4m and £10m; with significant business change elements to drive out greater efficiency across transactional services. Given the size and complexity of the organisation we are anticipating coming in somewhere in the middle.

ERP proposal – Original £5.898m v's New Proposal £7.425m – difference £1.527m.

[The Socitm model total of £7.425m excludes Police on-board costs of 0.324m. Note Police on-boarding costs were also excluded from the original ERP project. With the

Capita contract for Police HR still valid for a further four years, it makes sense to exclude the Police on-board costs and review at a later stage with the option to implement through internal resources].

Funding proposal

Given that increases in project costs can only be accommodated with resources already approved by Resource Allocation Sub Committee, the 'one in, one out' principle, the funding proposal is set out below and accommodates the new proposal in full:

Approved bid 2020/21	£5.898m
Chamberlain's local risk 2021/22	£0.500m
Carry fwd request: forecast underspend Financial	<u>£0.157m</u>
*Underspend on Telephony Capital Programme	£0.750m
*Underspend on Essential servers	£0.055m
*Underspend on smarter working	<u>£0.065m</u>
Services 2020/21	<u>£0.870m</u>
Total	<u>£7.425m</u>

*The funding sources are underspends on other Chamberlain projects and does not impact delivery on these programmes. Funding from these projects are also shared across the three funds, in the same way as funding for the ERP project.

Caroline Al-Beyerty, Deputy Chamberlain
Project Sponsor
February 2021

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Committee(s): Resource Allocation Sub (Policy and Resources) Committee – For decision	Dated: 17/03/2021
Subject: Community Infrastructure Levy Neighbourhood Fund – Applications for Approval	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 2, 3, 4, 7, 10
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Chief Grants Officer and Director of City Bridge Trust	For Decision
Report author: Jack Joslin, Head of Central Grants Unit	

Summary

The City Corporation adopted a Community Infrastructure Levy (CIL) in 2014. National CIL Regulations require that 15% of CIL receipts be reserved for neighbourhood funding. Local authorities are required to engage with communities on how this neighbourhood funding should be used to support development of the area. Local authorities are required to report annually on the collection and use of CIL funds, identifying separately the amount of funds allocated to neighbourhood funding.

An amended policy for the Community Infrastructure Levy Neighbourhood Fund (CILNF) was agreed by this committee in May 2019, with agreement that a proportion of funding applications by officers under delegation, whilst retaining the role of the Committee to determine applications in excess of £50,000; a normal upper limit on funds for any one project of 15% of outstanding funds at the time of application; clarification of the reporting requirements for the Fund; clarification on those organisations that would be eligible to apply for funding, but allowing applications from constituted resident and business organisations in the City; and amendments to make the Fund more responsive to community-led projects and to allow for use of the Fund to cover robustly justified, time limited applications for revenue funding and maintenance.

The CILNF application process is managed by the City Corporation's Central Grants Unit, with officers assessing applications and providing support to Committee in the consideration of larger applications. The administrative cost incurred in operating the Fund is recoverable from the 5% of City CIL funds allowed to cover such costs in Regulations.

Members are asked to note the grant awarded under delegated authority at a meeting of the CILNF Officer Panel in February 2021.

Members are asked to approve the grant recommended for their consideration at a meeting of the CILNF Officer Panel in February 2021.

Recommendation

Members are recommended to:

1. To note the approved and rejected grants under delegated authority at a meeting of the CILNF Officer Panel in February 2021 (Appendix 1).
2. To approve the grant recommended to the Bevis Marks Synagogue Heritage Foundation at a meeting of the CILNF Officer Panel in February 2021 (Appendix 2).

Main Report

Background

1. Under the 2008 Planning Act and the Community Infrastructure Levy Regulations 2010 (as amended), a local authority may adopt a Community Infrastructure Levy (CIL) setting out how it will require contributions from development towards the cost of providing new infrastructure. A local authority adopting a CIL must set out the infrastructure it will fund through the CIL in a document known as a Regulation 123 List. CIL regulations allow for up to 5% of CIL receipts to be used to fund the administrative costs incurred in operating a CIL. Regulations also require that 15% of CIL receipts shall be reserved for neighbourhood funding, or 25% where there is a neighbourhood plan. Neighbourhood funding must be passed to a neighbourhood forum, parish or town council, where they exist. Where they do not exist (as in the City of London), the local authority will retain CIL neighbourhood funds but should engage with communities where development has taken place and agree with them how best to spend this element of CIL.
2. In accordance with national Planning Practice Guidance, local authorities should set out clearly and transparently how they will engage with communities and the use of the neighbourhood fund should match the priorities expressed by these local communities.
3. Regulations require that the neighbourhood fund must be used to support the development of the local council's area, or any part of that area. CIL Regulation 59F allows a wider scope of projects to be funded through the CILNF than that allowed for other CIL funding, including:
 - a) the provision, improvement, replacement, operation or maintenance of infrastructure; (the same criteria as for other CIL funds) or
 - b) anything else that is concerned with addressing the demands that development places on an area (additional flexibility for neighbourhood fund).

In delivering against (b) above, the neighbourhood fund does not have to be spent in accordance with the local authority's CIL spending priorities (set out in its Regulation 123 List).

4. Local authorities are required to report annually on the collection and use of CIL funds, identifying separately the amount of CIL Neighbourhood Funds and how they have been used.

Current Position

5. The City CILNF launched on 1 September 2020. At January 2021, the neighbourhood portion of the City CIL stood at £6.2 million.

Process

6. Management of the City CILNF process is aligned with the City's existing grant allocation process, through the Central Grants Unit (CGU).
7. The CGU is co-located with the City Bridge Trust (CBT) team in order to facilitate consistency of approach and harmonise service standards across grant-making activities by the City Corporation (in its various capacities, including as trustee of a number of charities which form part of the Central Grant Programme). The Chief Grants Officer, responsible for the grant-making activities of CBT is also responsible for maintaining an overview of the CGU (and broader charity matters), with relevant input from the Charity Finance Team (Chamberlain's Department), with the work being delivered by the Head of Central Grants Unit.
8. The CILNF will have a normal minimum level of funding for which applications can be made, of £1,000, to ensure that very small applications do not lead to disproportionate administrative cost. A normal upper limit of 15% of CIL Neighbourhood Funds available at the time of application, to ensure that funding is not exhausted on a small number of schemes. Applications in excess of 15% can be considered in exceptional circumstances where there is demonstrable benefit to more than one of the City's communities and the proposal aligns with published City Corporation strategies. Full criteria can be found at **Appendix 3**.
9. It was agreed at this meeting in May 2019 that provision for delegated authority would determine a proportion of applications, whilst retaining the requirement for Committee approval for larger value applications. Delegated provision is outlined as follows:
 - i. Applications under £25,000 – to be determined by officer delegation
 - ii. Applications between £25,000 and £50,000 – to be delegated to officers, in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub-Committee.
 - iii. Applications over £50,000 – determined by the Resource Allocation Sub-Committee, with advice from the officer Priorities Board.
10. Delegated funding decisions and advice to Committee are made by an Officer Panel, chaired by the Policy and Performance Director from the Department of

Built Environment and drawn from a broad range of departments, reflecting a diversity of views and interests. Applications over £50,000 will be brought to the Resource Allocation Sub-Committee for decision.

11. The Officer Panel met in February 2021 to discuss two applications that had been received and assessed by the CGU. Appendix 1 outlines the applications that were agreed and rejected under delegated authority.
12. Where an application will have an impact on a specific ward, your Officers will consult with Members of that ward as part of the assessment process. The feedback provided by ward Members has been unanimously in favour of funding the applications being considered by this Committee.
13. The CGU is now in a position to bring a request for approval of a grant to this Committee: following assessment by your Officers, positive feedback from your fellow Members and approval by your Officer Panel, this Committee is now asked to approve a grant of £240,000 over 4 years to Bevis Marks Synagogue Heritage Foundation to improve access, interpretation and functionality to ensure Bevis Marks Synagogue is fit for purpose as a historic attraction and cultural centre. Further detail of the project can be found at Appendix 2.

Corporate & Strategic Implications

14. Corporate Plan Implications: Adoption of a mechanism enabling City communities to bid for funding from the City CILNF will enable community-led infrastructure improvements across the City and contribute towards meeting the 3 aims of the Corporate Plan 2018-23, particularly Contribute to a Flourishing Society and Shaping an Outstanding Environment.
15. Security Implications: The proposal to create a Neighbourhood Fund fulfils a statutory requirement for the spending of CIL. There are no direct security implications, though future funded projects may bring security benefits.
16. Financial Implications: The proposed City CILNF would make use of that proportion of City CIL monies which are required by statute to be used to assist in the delivery of new infrastructure to meet community needs (15% of CIL funds). The costs of management of the grant application process will be met through the 5% of CIL funds set aside by statute to cover CIL administration.
17. Equalities and resourcing implications: The proposed City CILNF has been subject to an Equality Analysis Test of Relevance. This has concluded that there are no impacts arising from these proposals for protected groups and that a full Equality Analysis is not required.
18. Volunteering programme: Projects funded by the CILNF may provide volunteering opportunities which can be offered to Officers via the Corporate Volunteering programme if and when appropriate.

19. Delivery of the Fund will be through existing staff resources in Departments. Staff resource requirements will be met through allocation of some of the City CIL funds set aside by statute to cover administration costs.

Conclusion

20. Community Infrastructure Levy legislation requires local authorities to reserve between 15% and 25% of CIL receipts for neighbourhood funding. Where there is no recognised parish or town council or neighbourhood forum, the local authority will retain the neighbourhood fund but must spend it on infrastructure which meets community needs. The local authority must consult the community on how these funds will be used.

21. The Neighbourhood Fund application process is managed by the City Corporation's Central Grants Unit, with officers assessing applications and providing support to Committee in the consideration of larger applications. The administrative cost incurred in operating the Fund is recoverable from the 5% of City CIL funds allowed to cover such costs in Regulations. The programme launched on 1 September 2020.

22. If the recommendation in this report is approved, it will bring the total funds distributed by the CILNF in its first six months of operation to £544,327.

Appendices

Appendix 1 – Grants awarded and rejected under delegated authority.

Appendix 2 – Assessment Report – Bevis Marks Synagogue Heritage Foundation

Appendix 3 – CIL Neighbourhood Fund - Criteria

Background Papers

Report to Policy & Resources Committee 02/05/2019: City of London Community Infrastructure Levy – Approval of Neighbourhood Fund

Jack Joslin

Head of Central Grants Unit

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Appendix 1 – Grants Approved and Rejected under Delegated Authority

Grants Approved under Delegated Authority

St Vedast-alias-Foster (ref. 18459)	£25,000 contribution to make the churchyard of St Mary Staining at the corner of Oat Lane fully accessible by replacing the steep steps with a graduated incline. The Panel approved the grant as it had demonstrated the clear benefit of this work for people who visit, work or live in the City.
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Grants Rejected under Delegated Authority

N/A	
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APPENDIX 2 - CIL NEIGHBOURHOOD FUND

**Bevis Marks Synagogue Heritage Foundation
(ref.18025)**

Amount requested: £240,000

Amount recommended: £240,000

Purpose of grant request: Improve access, interpretation and functionality to ensure Bevis Marks is fit for purpose as a historic attraction and cultural centre with a dynamic activity programme

Type of cost: Mixture of revenue & capital

Ward(s) benefitting: *All Wards*

The Applicant

Bevis Marks Synagogue (BMS) has been part of the multi-faith cultural landscape of the City of London for over 300 years. Their history is intertwined within the City of London: they maintain collections and archives that offer a valuable insight into the history of London, life in the City and acceptance of nonconformist religion in England. BMS is the oldest synagogue in Europe that is still in operation and regular services are held in the Grade I listed building.

Background and detail of proposal

BMS has been an important part of the community for hundreds of years and like many Places of Worship it has an ageing congregation and accessibility in the widest sense needs addressing. Bevis Marks Synagogue Heritage Foundation has submitted a proposal for funding that will contribute to an overall project which will address the backlog of work required on BMS and improve accessibility, interpretation, collection displays and functionality to ensure that BMS can continue to serve communities as an historic attraction and cultural centre.

BMS is currently undergoing a transformation programme that will see several new staff join to bolster the Charity's operations and heritage management. A formal and informal educational offering plays an important part of this programme along with multi-faith projects which will contribute to an understanding of the Sephardi community and work towards reducing anti-Semitic views and misconceptions.

Bevis Marks Synagogue Heritage Foundation have applied for a total of £240,000 from the CILNF to help deliver multiple strands of this work over four years. From the amount requested, a total of £140,000 will support the cost of capital work to the synagogue, annexe and courtyard. Bevis Marks Synagogue Heritage Foundation have already sought the advice of a professional access consultant and this work will provide a range of accessibility improvements such as lift and ramp access. The rest of the funding that has been requested (£100,000) will contribute to the salary costs of a 'Community Officer' over the course of four years (£70,000), some community outreach and educational programmes (£20,000) and a temporary

exhibition about BMS and the Sephardi community that will take place in Guildhall (£10,000).

Bevis Marks Synagogue Heritage Foundation have supplied a significant amount of additional information about the range of activities that they wish to deliver with the support of the CILNF. These include an oral history project; a community music project in partnership with Spitalfields Music; an exhibition at Guildhall Art Gallery; community events linked to the City of London and Aldgate Partnership; various volunteering activities and participation in inter-faith weeks. All of this will help feed into the creation of a programme of educational outreach with schools.

This programme of activities will dovetail with the capital restorative works to BMS and improvement of accessibility in its built environment that has already received planning permission and Listed Building consent. This will support a diverse range of people and communities to access this important cultural landmark in the City.

Financial Information

Whilst Bevis Marks Synagogue is a very old institution, the applicant for funding (Bevis Marks Synagogue Heritage Foundation) is a relatively new organisation that was set up in 2019 for the purpose of raising funds to deliver a programme of restorative works to the Grade I listed building alongside a programme of community education. Whilst the Bevis Marks Synagogue Heritage Foundation has a limited filing history, it has been able to provide its first 18 months of accounts which demonstrate an ability to manage sizable amounts of grant funding.

It is important to note that whilst the Bevis Marks Synagogue Heritage Foundation is technically a new organisation, it has been set up by an existing organisation (ICW The Spanish and Portuguese Jews Synagogue, charity number 212517) which has a long history of good governance and financial controls.

The income that Bevis Marks Synagogue Heritage Foundation has managed to secure in its first year of operation and their projections for the next financial year, including £2.5m of confirmed income from the National Lottery Heritage Foundation and the Weisz Foundation, indicate an organisation that is on a stable financial footing and the financial controls outlined in their governance documents follow recognised good practice.

It is worth noting that Bevis Marks Synagogue Heritage Foundation has no formal reserves policy as it currently operates on a 'spend-out' model where all funds raised are allocated directly to the cost of restorative works to the synagogue. The applicant has very low operational costs: the primary expenditure is for the fundraising function of the organisation which is provided on a freelance contracted basis. The rest of their operational needs are met by in-kind support from the synagogue itself, which provides operational space and volunteer capacity. It is for these reasons that Bevis Marks Synagogue Heritage Foundation does not currently have a formal reserves policy. Should this grant be approved, we would expect them to adopt a formal reserves policy to ensure they have sufficient resources to fulfil the service-delivery elements of the proposal: this should not prove to be a contentious issue with the applicant.

Year end as at 31/10	2020	2021
	18 month draft accounts	Forecast
	£	£
Income & expenditure:		
Income	926,482	2,863,949
- % of Income confirmed as at	100%	52%
Expenditure	386,105	3,357,940
Total surplus/(deficit)	540,377	(493,991)
Split between:		
- Restricted surplus/(deficit)	540,377	(493,991)
- Unrestricted surplus/(deficit)	0	0
	540,377	(493,991)
Cost of Raising Funds (Total)	122,845	83,000
% Income	13%	3%
Operating Expenditure (unrestricted)	263,260	3,274,940
Free unrestricted reserves:		
Free unrestricted reserves held at year end	540,377	46,386
No of months of operating expenditure	24.6	0.2
Reserves policy target	0	0
No of months of operating expenditure	0.0	0.0
Free reserves over/(under) target	540,377	46,386

Recommendation

This is an impressive application from an important historic and cultural asset to the City. The funding requested represents a small contribution to the overall budget for this work, which has been costed at £6.5m. Based on the accounts seen thus far, there can be a level of confidence that Bevis Marks Synagogue Heritage Foundation will achieve this target. It is clear that careful planning has gone into the proposed programme of activities and the goals are realistic and achievable. The recommendation is for this application to be fully funded over four years.

£240,000 over four years (£130,000; £70,000; £20,000; £20,000) towards the salary of a Community Officer, a programme of community outreach and the cost of restorative work and access improvements.

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City of London

Community Infrastructure Levy

Neighbourhood Fund



City of London Community Infrastructure Levy

Neighbourhood Fund

Introduction and legislative background

1. The Community Infrastructure Levy is a charge levied on new development, introduced by the Planning Act 2008. It is intended to help local authorities deliver the infrastructure needed to support development. The power to set a charge came into effect from April 2010, through the Community Infrastructure Levy Regulations 2010, which have subsequently been amended.
2. The City of London Corporation implemented a Community Infrastructure Levy (CIL) for the City of London from 1 July 2014.
3. Further information on the City CIL is available on the City Corporation's website at: <https://www.cityoflondon.gov.uk/services/environment-and-planning/planning/planning-policy/Pages/Community-Infrastructure-Levy.aspx>

CIL Neighbourhood Fund Requirements

4. Community Infrastructure Levy Regulations require that 15% of CIL receipts should be reserved to enable the delivery of neighbourhood priorities. These receipts should be passed directly to existing parish and town councils where development has taken place. Where a neighbourhood plan or neighbourhood development order has been made 25% of CIL receipts from development in the plan area is reserved for the delivery of neighbourhood priorities.
5. Where there is no existing parish, town or community council, neighbourhood plan or development order, then the local authority will retain neighbourhood CIL funds, but should engage with communities where development has taken place and agree with them how best to spend the neighbourhood CIL.
6. Within the City of London, there are no existing parish, town or community councils and no adopted neighbourhood plans or neighbourhood development orders. The City Corporation therefore retains the CIL Neighbourhood Fund and should seek community views on how this Fund should be used. In exercising this role, the City Corporation has considered whether specific communities or

neighbourhoods should be identified. However, given that the City is little over one square mile in area, the City Corporation considers that it should be regarded as a single neighbourhood for the purposes of collection and spending of CIL Neighbourhood Funds.

What can CIL Neighbourhood Funds be used for?

7. CIL Regulation 59(F) requires that the Neighbourhood Fund be used to support the development of the neighbourhood. The scope of projects that can be funded by the Neighbourhood Fund is wider than that for general CIL funds and comprises:
 - a. The provision, improvement, replacement, operation or maintenance of infrastructure; or
 - b. Anything else that is concerned with addressing the demands that development places on an area.
8. This definition is deliberately wide and allows the City Corporation to work collaboratively with local communities to determine priorities and how the Fund should be used.

Scale of the City CIL Neighbourhood Fund

9. The City of London CIL was implemented from 1 July 2014.
10. At March 2019, the total amount of CIL monies received and allocated to the CIL Neighbourhood Fund was £4.5 million.

Community Priorities

11. The City Corporation has adopted a Regulation 123 List which identifies the types of infrastructure that it will consider funding using the Community Infrastructure Levy. This Regulation 123 List is kept under review and any proposals for change will be subject to public consultation. The current Regulation 123 List is available on the City Corporation's website at:
<https://www.cityoflondon.gov.uk/services/environment-and-planning/planning/planning-policy/Pages/Community-Infrastructure-Levy.aspx> . The Regulation 123 List is used principally to guide the use of CIL monies outside of the Neighbourhood Fund.
12. In considering how to use the CIL Neighbourhood Fund, Planning Practice Guidance states that where there is no parish, town or community

council, charging authorities should engage with communities where development has taken place on their priorities for funding.

13. The City Corporation consulted on priorities for the use of the City's CIL Neighbourhood Fund during December 2018 and January 2019. This consultation revealed support for the Fund to be used primarily to deliver infrastructure which meets local community identified needs.

14. The City's Neighbourhood Fund has been established to be applied to funding applications from local communities and community groups and to deliver improvements in infrastructure which have the potential to deliver benefit to City residents, workers and visitors. The Fund could be used for:

- Smaller scale projects, deliverable for under £50,000, in response to locally identified needs.
- Larger projects of over £50,000 and normally less than 15% of the total available Neighbourhood Fund.

Community Definition

15. The City of London has a resident population of approximately 8,000 and a daily working population of over 500,000 occupying nearly 9 million square metres of office floorspace. The City Corporation's Statement of Community Involvement already recognises that it is not appropriate to regard the 'local community' as just the resident community. For the purposes of the CIL Neighbourhood Fund, 'community' is defined as local residents, City workers and the owners and occupiers of City buildings.

Governance Process

16. The City CIL Neighbourhood Fund will be allocated following consideration of valid applications (i.e. those that meet the adopted assessment criteria for the Neighbourhood Fund) from communities within the City of London or close to the City of London where projects support the development of the City. The determination of these applications will rest with the City Corporation. The City Corporation will publish details of funding applications and its determination of those applications on the City Corporation's website.
17. The City Corporation will prepare an annual report for the CIL Neighbourhood Fund as a separate item within the wider annual CIL

and s106 monitoring report. The Neighbourhood Fund monitoring will include details of:

- Total CIL Neighbourhood Fund receipts for the reporting year;
- Total CIL Neighbourhood Fund expenditure for the reporting year;
- Details of CIL Neighbourhood Fund expenditure for the reporting year, including the amount spent on each individual project;
- Total CIL Neighbourhood Fund monies remaining.

18. City Communities will be consulted on an annual basis on community priorities for the City CIL Neighbourhood Fund. A full review of the Neighbourhood Fund, including priorities and governance, will be undertaken at least every 5 years.

Neighbourhood Fund Application Process

19. The application process will be managed by the City Corporation's Central Grants Unit. Information about the Neighbourhood Fund and how to apply will be posted on the City Corporation's website at: <https://www.cityoflondon.gov.uk/services/environment-and-planning/planning/planning-policy/Pages/Community-Infrastructure-Levy.aspx>

20. Fund applications can be made at any time and should be submitted via an online application form which will be posted on the City Corporation's website.

Organisations eligible to bid for funding

21. Neighbourhood Fund applications will be accepted from the following types of organisation:

- Constituted voluntary organisations and resident associations
- Constituted business organisations and associations
- Registered charities
- Registered community interest companies
- Charitable companies (incorporated as not for profit)
- Registered charitable incorporated organisations
- Exempt or excepted charities

- Registered charitable industrial and provident society or charitable cooperative.
22. Applications should be from City-based organisations or should demonstrate City-based support. Applications cannot be accepted from individuals. Individuals who wish to apply for funding should do so through a City-based constituted organisation or group falling into the above definition. Applications will not be accepted from political parties or organisations involved in political lobbying.
23. Applications from City Corporation service departments will be accepted where they:
- Have the support of a City-based community group, or
 - Can demonstrate that delivery will meet community priorities, either through consultation with communities, or through an adopted City Corporation strategy which can demonstrate community support.
24. Applications for infrastructure funding to mitigate the direct impacts of development will not be accepted. Such mitigation should be delivered as part of the development process and funded through s106 Planning Obligations.

Assistance with Applications

25. The Central Grants Unit can provide assistance to applicants with the completion of application forms. Contact details are available on the City Corporation's website. The Central Grants Unit cannot provide assistance with project management or delivery of schemes funded through the Neighbourhood Fund.

Assessment Criteria

26. Applications should demonstrate that funding will be used to meet the Regulatory requirements for CIL funding set out in Community Infrastructure Levy Regulations, namely to support the development of the area by:
- a. the provision, improvement, replacement, operation or maintenance of infrastructure; or
 - b. anything else that is concerned with addressing the demands that development places on an area.

27. Infrastructure improvements funded through the Neighbourhood Fund should deliver improvements necessary to support development of the City. Normally, such funding will deliver new infrastructure, but funding will also be available to meet reasonable on-going maintenance costs. Applications should, therefore, identify and include an allowance for future maintenance of any infrastructure to be provided.
28. CIL Regulations allow greater flexibility in the use of the Neighbourhood Fund compared with other CIL expenditure. Neighbourhood Funds may therefore be used to fund revenue expenditure. To avoid creating long term commitments on the Neighbourhood Fund, any requests for revenue funding should be clearly justified, showing demonstrable community benefit, and time limited to a maximum of 5 years. The City Corporation will not commit to providing CIL funding beyond the agreed time period and will need to be satisfied that alternative funding is in place if the proposed project is intended to continue beyond 5 years.
29. For larger projects of over £50,000 and up to 15% of the total value of the Neighbourhood Fund at the time of application, applications should also consider whether the project meets the priorities identified in the City Corporation's Regulation 123 List and projects identified in City Corporation strategies that have been subject to public consultation. Funding decisions will not be made solely on the basis of compliance, or otherwise, with the Regulation 123 List.
30. Applications should include evidence of the feasibility, deliverability and sustainability of the project.
31. Where possible, the application should be supported by a delivery plan or business plan, which sets out the timescales for delivery, that any necessary consents have been obtained and the mechanisms in place to ensure that the funds are used appropriately.
32. Projects should be delivered within a 12 month period from the grant of funding unless an alternative timescale has been agreed. If delivery over a longer timescale is anticipated, this should be set out clearly in the application and a justification provided for the extended timescale. The City Corporation will monitor delivery of projects, including taking action to ensure that projects are delivered on time, or seek to recover funds if projects do not proceed within agreed parameters.
33. Applications for funding in excess of £50,000 should demonstrate how the project will deliver value for money, including through the identification of any contributory or match funding. This can include contributions in time or expertise, for example, where a local community

delivers infrastructure improvements themselves, but is not necessary for a successful bid.

34. Applications to fund projects which are already in receipt of other City CIL funding, or s106, s278 funding for site specific mitigation will not normally be accepted.
35. Developers may wish to support an application from a constituted City-based organisation or group, as set out above, where the proposed infrastructure cannot be delivered through other means.

Value of Bids

36. The minimum value for applications for infrastructure funding is £1,000.
37. Individual applications should normally not exceed 15% of the total value of the available CIL Neighbourhood Fund at the time of application. Information on the available funds will be published on the City Corporation's website on a quarterly basis to inform applications.
38. Applications in excess of 15% will only be considered in exceptional circumstances, where there is demonstrable benefit to more than one of the City's communities and where the proposal aligns with other City Corporation ambitions, set out in published strategies.

Awards Process

39. The determination of applications will be made through a combination of officer delegation and Committee approval, depending on the financial value of the application. The adopted thresholds accord with those used by the City Bridge Trust in its consideration of grant applications.
40. Funding applications for under £25,000 will be determined by City Corporation officers under delegated authority. Decisions should normally be made within 12 weeks of the receipt of a valid application.
41. Applications for between £25,000 and £50,000 will be determined by a City Corporation officers under delegated authority and in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub-Committee. Decisions should normally be made within 16 weeks of the receipt of a valid application.
42. Decisions taken under delegated authority will be reported to the Resource Allocations Sub-Committee.

43. Applications for over £50,000 will be considered by the City Corporation's Resource Allocation Sub-Committee, normally on a quarterly basis. Applications will be considered as items in the public part of the meeting agenda.

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