



## Finance and Risk Committee of the Barbican Centre Board

**Date:** MONDAY, 7 NOVEMBER 2022

**Time:** 1.45 pm

**Venue:** BARBICAN CENTRE

**Members:** Tijds Broeke (Chair) Robert Glick  
Tom Sleigh (Deputy Chairman) Deputy Ann Holmes  
Deputy Randall Anderson Alderman Sir William Russell

**Enquiries:** Ben Dunleavy  
ben.dunleavy@cityoflondon.gov

### Accessing the virtual public meeting

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

<https://youtu.be/0pG9xUW5524>

A recording of the public meeting will be available via the above link following the end of the public meeting for up to one civic 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

## Part 1 - Public Agenda

1. **APOLOGIES**

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

3. **MINUTES**

To approve the public minutes and non-public summary of the last meeting held on 5 September 2022.

**For Decision**  
(Pages 5 - 8)

4. **BUSINESS PLAN**

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

**For Decision**  
(Pages 9 - 12)

5. **BARBICAN CENTRE- NEW RETAIL UNIT**

Report of the CEO, Barbican Centre.

**For Decision**  
(Pages 13 - 20)

6. **PURCHASE OF STEINWAY MODEL D PIANO FOR THE BARBICAN CENTRE CONCERT HALL**

Report of the CEO, Barbican Centre.

**For Decision**  
(Pages 21 - 28)

7. **INTERNAL AUDIT UPDATE**

Report of the Head of Internal Audit.

**For Information**  
(Pages 29 - 32)

8. **PROJECTS UPDATE**

Report of the CEO, Barbican Centre.

**For Information**  
(Pages 33 - 38)

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

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

**Part 2 - Non-Public Agenda**

11. **NON-PUBLIC MINUTES**

To approve the non-public minutes of the last meeting held on 5 September 2022.

**For Decision**  
(Pages 39 - 40)

12. **BARBICAN BUDGET 2022/23**

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

**For Decision**  
(Pages 41 - 50)

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

Joint Report of the Chamberlain and CEO, Barbican Centre.

**For Information**  
(Pages 51 - 60)

14. **RISK UPDATE**

Report of the CEO, Barbican Centre.

**For Information**  
(Pages 61 - 72)

15. **CONTROVERSIAL PROGRAMMING RISK REGISTER**

Report of the CEO, Barbican Centre.

**For Information**  
(Pages 73 - 74)

16. **CYBER SECURITY ANNUAL REPORT**

Report of the CEO, Barbican Centre.

**For Information**  
(Pages 75 - 80)

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

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

## FINANCE AND RISK COMMITTEE OF THE BARBICAN CENTRE BOARD Monday, 5 September 2022

Minutes of the meeting of the Finance and Risk Committee of the Barbican Centre Board held at Barbican Centre on Monday, 5 September 2022 at 1.45 pm

### Present

#### Members:

Tijs Broeke (Chair)  
Tom Sleigh (Deputy Chairman)  
Deputy Randall Anderson  
Deputy Ann Holmes

#### Officers:

Ben Dunleavy	Town Clerks Department
Claire Spencer	CEO, Barbican Centre
Cornell Farrell	Barbican Centre and Guildhall School of Music and Drama
Natasha Harris	Barbican Centre
Will Gompertz	Barbican Centre
Jonathon Poyner	Barbican Centre and Guildhall School of Music and Drama
Sarah Wall	Chamberlain's Department
Bhakoo Udhay	Chamberlain's Department

#### 1. APOLOGIES

Apologies for absence were received from Alderman Sir William Russell.

Robert Glick observed the meeting online.

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

The Chair declared that he had taken on the role of Chair of the Board of Governors of London Metropolitan University. The University holds ceremonies at the Barbican Centre.

#### 3. MINUTES

The Town Clerk undertook to correct the job title of the Artistic Director, which had been incorrectly recorded as Director of Arts and Learning.

The public minutes and non-public summary of the meeting held on 4 July 2022 were agreed as a correct record, subject to the above changes.

#### Matters arising

The Chair asked how the financial side of the development programme was being planned around meetings of the Board. Officers replied that it was being

included in the Business Plan to be presented to the Board in November. Members heard that for upcoming meetings, the Finance and Risk Committee would hear the details before Board meetings in May and November.

4. **BARBICAN CWP AND CAPITAL PROJECTS UPDATE REPORT**

Members received a report of the CEO, Barbican Centre, relative to the Barbican CWP and Capital Projects.

Members discussed the most appropriate ways for the Committee to express its concerns about the impact of the capital projects currently on hold on the Barbican Centre, especially with regards to the Fire Safety project. The Chair suggested that a letter be written, but other Members felt that it was important to follow the City of London Corporation's process. Officers informed Members that the City return had been submitted and that representations emphasising the importance of the fire safety projects had been made by the City Surveyor's Department.

The Deputy Chair (also Chair of the Board) asked how officers were working out which projects were feeding into the Barbican Renewal project. Officers replied that they were working on the basis that there was currently no defined budget and scope for Barbican Renewal and were continuing with the projects on a business-as-usual basis, but working closely with the Barbican Renewal team. The City Corporation's medium-term financial plan has money allocated for aspects that will be covered under Barbican Renewal.

RESOLVED, that – the report be received and its contents noted.

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

There were no questions.

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

There was no other business.

7. **EXCLUSION OF THE PUBLIC**

8. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 4 July 2022 were approved as a correct record.

9. **BARBICAN BUSINESS REVIEW – JULY 2022 (PERIOD 4)**

Members received a joint report of the Chamberlain and the CEO, Barbican Centre relative to the Barbican Business Review for July 2022 (Period 4).

10. **RISK UPDATE**

Members received a report of the CEO, Barbican Centre, providing an update on the Barbican Centre's risk management system.

11. **CONTROVERSIAL PROGRAMMING RISK REGISTER**

Members received a report of the CEO, Barbican Centre, relative to the Controversial Programming Risk Register.

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

There were no non-public questions.

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

There was no other business in the non-public session.

**The meeting ended at 2.37 pm**

-----

Chairman

**Contact Officer: Ben Dunleavy**  
**ben.dunleavy@cityoflondon.gov**

This page is intentionally left blank



# Agenda Item 4

<b>Committee:</b> Barbican Centre Finance and Risk Committee Barbican Centre Board	<b>Date:</b> 07 11 2022 16 11 2022
<b>Subject:</b> Draft High-Level Business Plan 2023/24 - Barbican	<b>Public</b>
<b>Report of:</b> CEO, Claire Spencer	<b>For Decision</b>
<b>Report author:</b> Head of Finance, Sarah Wall	

## Summary

This report presents for approval the high-level Business Plan for the Barbican for 2023/24.

## Recommendation

Members of the Finance and Risk Committee are asked to:

- i. Note the factors taken into consideration in compiling the Barbican Business Plan; and
- ii. Endorse the departmental Business Plan 2023/24 for onward submission to the Barbican Centre Board.

Members of the Barbican Centre Board are asked to:

- i. Approve the departmental Business Plan 2023/24.

## Main Report

### Background

1. As part of the new framework for corporate and business planning, departments were asked to produce standardised high-level, 2-side Business Plans for the first time in 2017 for the 2018/19 year. Members generally welcomed these high-level plans for being brief, concise, focused and consistent statements of the key ambitions and objectives for every department. This is something we did not do.
2. For 2023/24, the high-level Business Plan has been further evolved to add more narrative and improve readability. The Business Plan does not yet incorporate TOM departmental structure changes. As a high-level plan, this document does not capture the granularity of departmental work but gives the overall picture of departmental activity, customer feedback, trends where applicable and direction of travel.

### Draft final high-level Business Plan for 2023/24

3. This report presents, at Appendix 1, the draft final high-level Business Plan for 2023/24 for the Barbican.
4. We have used the City's template this year as we are in a year of transition as you are aware from the CEO's 90 plan and observations reported at the last Board.
5. With our new CEO and Artistic Director, it has become clear that change is needed and that employees want clear direction. The purpose and values work currently being undertaken will underpin all of this. It will give the spine for all our work to grow out of. Though we know areas we need to target which have been laid out in the plan.

6. In order to run the business and monitor performance we need a more granular business plan. We will build this comprehensive business plan over the coming months and next year this new approach will be presented and will incorporate our budget and all key strategies.

### **Corporate & Strategic Implications**

7. The Barbican, as a building and through its offer, places itself as a key player within the Destination City strategy. It offers opportunities to attract a wide range of national, international, and local audiences/footfall and plays a pivotal role in the Culture Mile strategy.
8. The Barbican is focused on providing opportunities to work with SMEs and freelancers through its programme and commercial enterprise, from freelance artists to local traders, the existence of the Barbican helps provide opportunities for all.
9. The Creative Vision sits at the centre of the Barbican Transformation project and will be the driving force behind the Barbican becoming a far more inclusive, diverse, and welcoming international arts and education centre. New creative programmes such as Young Barbican Changemakers and Creative Curriculum mean that the City is opening the doors to young people, supporting them for a future in the creative industry.
10. As our Artistic Director is Head of Profession for Culture we will work others departments and partners to enhance and develop the offer with a consolidated focus.

### **Security implications**

11. Not applicable

### **Financial implications**

12. 23/24 is the first full year impact of the 12% efficiency savings cut in funding. The 23/24 budget has now been worked through in a great level of detail and deep dives. We have also adopted a new focused approach on our key business drivers of venue utilisation, capacity and spend per head which has allowed us to start moving towards a business model that is more sustainable. The impact of Covid-19 on the Creative Industry cannot be underestimated. This impact is evident for Music, Visual Arts, and Cinema. Latest reporting in 22/23 indicates that year-to-date box office income is down 23% against budget, where attendance across all art forms (except for Theatre) has been lower than expected. As the UK economy is struggling and inflation rates continue to spike, consumer spending patterns are continuing to change.

### **Public sector equality duty**

13. ED&I has been high on our risk register for some time. Barbican Stories along with the External Review and HR audit gave clear areas of focus though due to the nature of these reviews the actions were reactionary. With dedicated resources to steer us on this journey and organisation ownership for this change agenda at the highest levels, we will start 2023/24 with a clear understanding of where we are and where we want to be with a strategy on how we will achieve that in a proactive way making informed, joined up actions.

### **Resourcing implications**

14. As evident in 22/23 with plant failures and subsequent show cancellations, the existing building and age of our plant means that the building itself is one of our biggest risks to activity. In order to keep the show on the road with a building that is safe, legal and

compliant, significant investment needs to continue through our existing capital and CWP funding to plaster the cracks until a complete overhaul can be had through Barbican Renewal.

### **Conclusion**

15. This report presents the high-level Business Plan for 2023/24 for the Barbican for Members to consider and approve.

### **Appendices**

- Appendix 1 – Final high-level Business Plan 2023/24

#### **Sarah Wall**

Head of Finance and Business Administration

Sarah.wall@barbican.org.uk



<b>Committees:</b> <b>Barbican Finance and Risk Committee [for decision]</b>  <b>Barbican Centre Board [for information]</b>  <b>Operational Property and Projects Sub Committee [for decision]</b>	<b>Dates:</b> 7 November 2022  17      November 2022  23      November 2022
<b>Subject:</b> Barbican Centre- New Retail Unit  <b>Unique Project Identifier:</b> 11584	<b>Gateway 6:</b> <b>Outcome Report</b> Light
<b>Report of:</b> CEO, Barbican Centre <b>Report Author:</b> Angela Murphy	<b>For Decision</b>
<h2 style="margin: 0;">PUBLIC</h2>	

### Summary

<b>1. Status update</b>	<p><b>Project Description:</b> The project consists of forming new floor area within a void space near the theatre, to create a new shop which will replace the existing shop unit. The area directly below the new floor and hospitality space will be incorporated into the shop, linked by a staircase and an access lift.</p> <p><b>RAG Status:</b> Amber (Amber at last report to Committee)</p> <p><b>Risk Status:</b> Medium (Medium at last report to committee)</p> <p><b>Costed Risk Provision Utilised:</b> CRP was not part of the project management process during the life of the project</p> <p><b>Final Outturn Cost:</b> £664,013 excluding staff costs.</p>
<b>2. Next steps and requested decisions</b>	<p><b>Requested Decisions:</b></p> <p>Members are asked to note the content of the report and approve the closure of this project.</p>

### 3. Key conclusions

The budget increased by 16% against the Gateway five report and there was a slippage of two months on estimated practical completion.

**Main objective** - The main project objectives were as follows:

- Increase the Barbican Centre's level of income by investing in a bigger and better retail space in an area of the Centre which attracts more footfall as per the original NPV forecasts **This was partially achieved (please see finance comments)**
- Make a space that was adaptable and accessible to all **This was achieved**
- Have sufficient volume of space to enable product development and to fully reflect the variety of artistic work that takes place at the Centre **This was achieved**

**Reasons for variance** - The budget for these works increased from the original estimates in 2013 due to inflation, and because the scope of works increased (eg: an additional wheelchair lift, structural works and glazing for the shop's enclosures). Delays to delivery resulted in an upheld claim for loss and expense, and an additional cost for display cabinets was also incurred, as outlined in an issue report in November 2016.

#### **Finance observations**

The investment initially had a repayment of 1.8 years. This took slightly longer at 2.8 years, though due to operational success in 16/17 we paid the loan fully in 16/17.

The income with investment, over five years, was projected at £7.47M. The actual income was closer to £3.4m.

The projected income was based on a yearly attendance higher than was achieved and the final year was impacted by COVID.

An internal review as to the reasons for an income drop included customer surveys, and external benchmarking. It became clear that there were a number of issues and challenges facing the Barbican retail operation - specific areas of concern identified included:

- The customer journey
- Our value proposition

- The environment both in store and out, look and feel.

A highly experienced external agency (20.20) was appointed in November 2018 to undertake a full review. They were commissioned to determine factors driving performance and recommend improvements.

20.20, presented a report in February 2019:

Firstly, they identified that setting foyer retail performance against venue ticket holder numbers did not reflect the observed biggest shopping audience.

Looking at the product offer, it was identified by 20.20 that our product range, which is well received and liked by our customers, is dominated by a small percentage of popular items. The wide product offer demonstrates a broad choice for customers, but the large number of underperforming products needed to be addressed.

From an Environment perspective, it was noted in the report that the foyer shop struggles with its visibility despite its location on the foyer, with additional challenges inside the shop.

#### **Actions taken by Retail**

##### Physical Shop:

- Arranged for the reduction in the height of some fixtures to allow for a better shopping experience
- Retro fitted several fixtures with lights and shelving/hanging options to add light to the Ground floor level and increase display options
- Fitted back drops to the window displays to allow for more impactful displays and removing the disruption to displays of the sightline through the shop.
- When the Foyer carpet was changed in 2020, the shop retained the existing floor to help differentiate it from the wider space

##### Product:

- Through regular analysis, have made efforts to smooth our pricing architecture and ensure we are offering the right amount of product at different price points.

- Regularly review poor performing items, both in terms of sales and margin, making decisions on their future in store based on the rationale for their presence.
- Continual work to improve our range through developing our own product and sourcing new products that will fill gaps in the current offer and speak to our audiences.

**Reporting:**

Now measure in store conversion, using a people counter system on the Foyer Shops two entrances/exits. This allows us to more effectively measure store footfall and conversion and use this data to more accurately budget.

-----  
-----

**Main learning and recommendations**

1. Practical completion was certified in December 2016 with a month for the contractors to remedy snags. However, the certificate of making good could not be issued until November 2019.  
Recommendation: review project closure procedures to ensure these are given a higher priority for completion.
2. The Barbican Centre agreed to pay a loss and expense claim by the contractor due to delays in 2016  
Recommendation: a more vigorous approach by both the consultant CA and PM may have recouped some of the L&E costs by claiming for LADS when this was an option.
3. The initial financial profiling of the impact of the shop was not accurate.  
Recommendation: greater research and market testing.  
More cautious forecasting

**Main Report**



## Design & Delivery Review

<p><b>4. Design into delivery</b></p>	<p>The design of the project i.e. the process/method in which we agreed to the works was appropriate. In hindsight, however, a time allowance should have been incorporated to allow for delays due to access issues</p>
<p><b>5. Options appraisal</b></p>	<p>This project commenced with a “combined gateway 1/2/3/4 project proposal and options appraisal”.</p> <p>The recommended option was to have carpet instead of stone flooring and a reduced number of display cabinets (at a saving of £69k). This gateway was approved in October 2015. However, a separate tender exercise was then undertaken to procure the display cabinets at a total cost of £52,150. In addition, a further £44,681 was identified as an increase in projects costs in an issues report issued in November 2016 but the report requests the budget is increased to £65,681 due to the “fast and fluid nature of the project and claims consciousness of the contractor “as the PM of the time noted.</p> <p>More robustness at the time with a baseline or freeze of scope should have been established to avoid the scope creep that took place</p>
<p><b>6. Procurement route</b></p>	<p>City Procurement undertook an open tender for the works with a tender evaluation ratio of 60% on quality and 40% on price. Post-tender interviews (attended by the architects, QS, City Procurement and Centre project staff) were conducted with the three most economically advantageous bids and Forcia were ranked first as a result of the evaluation.</p> <p>The approach taken allowed for numerous suppliers to bid for the work. This provided a variety of options and a high chance of finding a contractor capable of delivering the project. However, there were a number of budget alterations and contract claims post tender suggesting what may have appeared the most economically advantageous tender being not such post tender.</p>
<p><b>7. Skills base</b></p>	<p>The project manager for this Scheme changed more than once during the planning and delivery stages of the works. The current skills base of the project team is now sufficient to undertake projects such as these. The author cannot comment on the skills base of the PMs who were involved during the active periods of the scheme as they are no longer employed by the City.</p>
<p><b>8. Stakeholders</b></p>	<p>Stakeholders are satisfied with the outcome of the project. There was a delay in remedying defects due to understaffing/workload between PC and actual completion, which caused an issue with both the vitrines and the closure of the sliding doors on level G.</p>

	This caused minor interruption to business as usual and is now resolved
--	---

**Variation Review**

<p><b>9. Assessment of project against key milestones</b></p>	<p><b>Original estimated project end date (as per gateway 5):</b> October 2016</p> <p><b>Actual project end date:</b> Certificate of Practical Completion - December 2016 Certificate of Making Good- November 2019</p> <p>The two month's additional time in getting the works to PC, has a negative effect on overall project costs. This could have been mitigated by counter claiming for Liquidated and Ascertained Damages i.e., by issuing a non-completion certificate once the deadline for completing snagging items had been reached (Friday 3<sup>rd</sup> February 2017).</p>
<p><b>10. Assessment of project against Scope</b></p>	<p>This project did experience some scope creep. This may have been mitigated by clearer consultation with stakeholders in order to baseline the scope.</p>
<p><b>11. Risks and issues</b></p>	<ul style="list-style-type: none"> <li>- Scope creep added costs to the scheme</li> <li>- Costs due to scope creep added to the budget for both contractors and consultants</li> <li>- The chosen contractor's tender included a number of non-costed provisional items which were later to be deemed necessary</li> <li>- Delays caused claims by the contractor which were considered reasonable and a loss and expense sum was paid</li> </ul>
<p><b>12. Transition to BAU</b></p>	<p>There is no record to indicate that transition to BAU was problematic, and the shop is now fully functioning.</p>

**Value Review**

<p><b>13. Budget</b></p>	<table border="1"> <tr> <td data-bbox="480 1677 783 1906"> <p><i>Estimated Outturn Cost (G1-4)</i></p> </td> <td data-bbox="783 1677 1468 1906"> <p>Estimated cost (including risk): £589,000 Estimated cost (excluding risk): £589,000</p> </td> </tr> </table>	<p><i>Estimated Outturn Cost (G1-4)</i></p>	<p>Estimated cost (including risk): £589,000 Estimated cost (excluding risk): £589,000</p>
<p><i>Estimated Outturn Cost (G1-4)</i></p>	<p>Estimated cost (including risk): £589,000 Estimated cost (excluding risk): £589,000</p>		

	<i>At Authority to Start work (G5) £</i>	<i>Final Outturn Cost</i>	<i>Difference</i>
<i>Fees</i>	102,685	119,013	16,328
<i>Works</i>	408,452	488,500 +26,000 (L&E)	106,048
<i>Purchases</i>	68,483	52,150	-16,333
<i>Enabling works</i>	2,500	516	-1,984
<i>Asbestos works</i>	4,000	1,150	-2850
<i>Building Control</i>	2,900	2,900	0
<i>Costed Risk Provision</i>	nil	nil	0
<b>TOTAL</b>	<b>589,020</b>	<b>690,299</b>	<b>101,209</b>
<i>Staff Costs</i>	40,000	43,500	3,500
<p><b>Please confirm whether the Final Account for this project has been verified.</b></p> <p>It has been verified</p>			
<b>14. Investment</b>	As outlined above		
<b>15. Assessment of project against SMART objectives</b>	The general objectives of the project were achieved. The retail unit was relocated to a larger, two floor area, near the Silk Street entrance, and offers a wider range of products in a more ergonomic environment		
<b>16. Key benefits realised</b>	Retail is satisfied with the larger retail space they now have which enables them to offer a wider range of products. Please see the financial analysis of the project against forecast benefits for further information.		

### Lessons Learned and Recommendations

<b>17. Positive reflections</b>	The retail unit is in keeping with the design and identity of the Barbican Centre.
---------------------------------	--

	<p>It is larger and more centrally located than the previous shop, which has now been successfully converted into an interactive play and learning space for the under-fives.</p> <p>Procurement route allowed for numerous suppliers to submit a tender which increased the chances of being able to find a supplier capable of delivering the project.</p>
<b>18.Improvement reflections</b>	<ol style="list-style-type: none"> <li>1. Baseline scope, with input from stakeholders at an earlier stage, so that costs and scope are not allowed to creep</li> <li>2. Provisional items in tender returns to be considered with caution and scored accordingly.</li> <li>3. Handover notes and detailed audit trail to enable new PMs to understand the rationale of previous PMs decisions</li> <li>4. More robust management of contractors, contract administrators and the external project team</li> <li>5. Consider the use of a Clerk of Works for quality management on site.</li> </ol> <p>Retail continues to record footfall and products on offer both in the shop and on-line.</p>
<b>19.Sharing best practice</b>	<p>All reports and project files should be stored on the projects drive, accessible to all project team members. This allows for business continuation when PMs leave. They will be referred to during the planning stage of future similar projects.</p>
<b>20.AOB</b>	<p>This outcome report was drafted in December 2019. It has taken almost three years to finalise because by December 2019 the project team for the Barbican and Guildhall School comprised one new temporary (12-month contract) PM and one project assistant. During the covid shutdowns both officers worked to accelerate and manage as many projects as possible due to the unprecedented access to the buildings. Post Covid, the small team have had to prioritise project delivery.</p>

**Contact**

<b>Report Author</b>	Cornell Farrell - Head of Engineering and Projects
<b>Email Address</b>	<a href="mailto:Cornell.farrell@barbican.org.uk">Cornell.farrell@barbican.org.uk</a>
<b>Telephone Number</b>	0207 382 7322

# Agenda Item 6

<p><b>Committees:</b></p> <p>Corporate Projects Board - <i>for information</i>          Operational Property &amp; Projects Sub Committee – <i>for decision</i>          Finance Committee of the Barbican Board – <i>for decision</i>          Barbican Centre Board - <i>for information</i></p>	<p><b>Dates:</b></p> <p>14 September 2022          26 October 2022          7 November 2022          16 November 2022</p>
<p><b>Subject:</b></p> <p><i>Purchase of Steinway Model D Piano for the Barbican Centre Concert Hall</i></p> <p><b>Unique Project Identifier:</b></p> <p>12211</p>	<p><b>Gateway 6:</b>  <b>Outcome Report</b>          Light</p>
<p><b>Report of:</b>          Barbican Centre</p> <p><b>Report Author:</b>          Harry Gravett – Project Manager</p>	<p><b>For Decision</b></p>
<p><b>PUBLIC</b></p>	

## Summary

<p><b>1. Status update</b></p>	<p><b>Project Description:</b></p> <p>Purchase of a Steinway &amp; Sons Model D piano for use by artists in the Barbican Centre Concert Hall. The project is required to achieve/maintain:</p> <ul style="list-style-type: none"> <li>• Barbican Centres status as a world class music venue</li> <li>• To attract leading artists</li> <li>• Best value for money</li> <li>• To recycle an outgoing Steinway piano</li> <li>• Visitor levels</li> </ul> <p><b>RAG Status:</b> Green</p> <p><b>Risk Status:</b> Low</p> <p><b>Costed Risk Provision Utilised:</b> £0</p> <p><b>Final Outturn Cost:</b></p> <p><i>£106,304 excluding trade-in amount received for old piano</i>  <i>£74,637.33 including trade-in amount received for old piano</i></p>
--------------------------------	--

<p><b>2. Next steps and requested decisions</b></p>	<p><b>Requested Decisions:</b></p> <ol style="list-style-type: none"> <li>1) To note that due to the committee cycle this report goes to the Operational Property &amp; Projects Sub Committee before the Service Committee (agreed with Corporate Programme Office)</li> <li>2) To note the lessons learned section of this report and approve closure of this project</li> </ol>
<p><b>3. Key conclusions</b></p>	<p>A key benefit of purchasing the piano when we did was to take advantage of the time-bound discounts Steinway applied to their quotation. One was an institutional discount (applicable to concert/music venues) and the other a trade-in discount for one of the centres old pianos. Due to the committee cycle, an urgent sole supplier waiver was approved to allow us to place an order with Steinway before these discounts expired.</p> <p>The old piano no longer met the standard expected of a world class music venue. This purchase has dramatically reduced the potential for complaints and negative feedback from artists and improved both user and audience experience.</p> <p>The new piano is also designed to improve the visual aspect of performances. See section 4.2.</p>

**Main Report**

**Design & Delivery Review**

<p><b>4. Design into delivery</b></p>	<p><b>4.1</b> - The design of the project was adequately prepared for the delivery of the project.</p> <p><b>4.2</b> - The piano was specifically chosen by an expert piano technician to suit the venue, both in terms of performance (sound) and look (design). The Steinway recommendation was to have a matt lid on the piano to reduce light 'bounce'. This was agreed with our music department who have since advised that this has been a success.</p> <p>Previously the hall has used pianos with a gloss finish which reflects light onto areas of the stage/audience which should be in</p>
---------------------------------------	--

	<p>darkness, reducing the quality of the performance and audience experience. The music team had a temporary solution where they placed a piano ‘sock’ over the lid to prevent the bounce of light however the design is not fitting with the venue. The matt finish helps maintain the production values of the stage design as a world class concert hall.</p> <p><b>4.3</b> - It was agreed with City Procurement that Steinway &amp; Sons were the only possible supplier for this project due to the specific requirements of the concert hall. The Town Clerk in consultation with the Barbican Board Chairman and Deputy Chairman approved an urgent sole supplier waiver (reference number WLOF0167)</p> <p><b>4.4</b> - Projects which, ordinarily, would have been very challenging to deliver in a live, public building such as the Barbican were moved up the priority list with an aim to utilise the quiet/empty buildings during the Covid-19 pandemic. Unfortunately, due to this pressure to deliver other projects this Outcome Report has been significantly delayed.</p>
<p><b>5. Options appraisal</b></p>	<p>The option chosen allowed the project to meet its objectives and provide long term value for money. A trade-in price was agreed between Steinway and the Barbican Centre for the exchange of an old piano which the Centre would include as part of the purchase of the new Steinway piano. This reduced the overall cost of the project by £31,666.67.</p>
<p><b>6. Procurement route</b></p>	<p>It was agreed with City Procurement that Steinway &amp; Sons were the only possible supplier for this project due to the specific requirements of the concert hall. The Town Clerk in consultation with the Barbican Board Chairman and Deputy Chairman approved an urgent sole supplier waiver (reference number WLOF0167). The Barbican Centre Music Department would like to discuss with City Procurement the possibility of a framework being set up to streamline this process in the future.</p>
<p><b>7. Skills base</b></p>	<p>The City of London project team had the required skills and experience to deliver this project. The team was made up of a project manager, a senior technical manager and various other members of the centre’s music department. Specialist advice was also sought from Steinway for recommendations on the material finish for the piano. The end specification was a matt lit on the piano which has proved to be</p>

	successful as it helps light bounce in the concert hall. In future, the music team will aim to have all their pianos with this finish.
<b>8. Stakeholders</b>	Stakeholders were engaged throughout the project lifecycle. They were heavily involved in the preparation of reports and design discussions and are satisfied with the conclusion of this project.

### Variation Review

<b>9. Assessment of project against key milestones</b>	1) The Steinway quotation (including trade-in offer) was timebound. To avoid losing the discounts and incurring a higher cost a sole supplier waiver was approved via delegated authority as the next scheduled committee meeting was not for six weeks. Failure to meet the time restriction on the quotation would have led to a higher cost and the possibility of the specified piano being out of stock. Our target date for delivery was end of summer 2020. An order was placed in May 2020 and the new piano was delivered in August 2020. The new piano has been in use since August 2020.
<b>10. Assessment of project against Scope</b>	The model D Steinway piano was identified as being suitable for the centre and its artist by a piano technician. There were no changes to the scope.
<b>11. Risks and issues</b>	This project was identified as 'low risk' in Gateway 1-5. There were no issues that occurred during the project although this Outcome Report has been significantly delayed due to the Covid-19 pandemic (see section 4.4).
<b>12. Transition to BAU</b>	There was a clear plan for transfer to business as usual.  The old piano was removed from site first and the new model D piano was delivered later the same day. Once tuned by a piano technician, the new piano was in use immediately. This was a smooth transition which worked well for the music department.



## Value Review

<p><b>13. Budget</b></p>	<table border="1" data-bbox="491 342 1366 495"> <tr> <td data-bbox="491 342 783 495"><i>Estimated Outturn Cost (G2)</i></td> <td data-bbox="783 342 1366 495">           Estimated cost (excluding trade-in): £106,304            Estimated cost (including trade-in): £75,904         </td> </tr> </table> <table border="1" data-bbox="491 530 1374 909"> <thead> <tr> <th data-bbox="491 530 783 607"></th> <th data-bbox="783 530 1082 607"><i>At Authority to Start work (G5)</i></th> <th data-bbox="1082 530 1374 607"><i>Final Outturn Cost</i></th> </tr> </thead> <tbody> <tr> <td data-bbox="491 607 783 645"><i>Fees</i></td> <td data-bbox="783 607 1082 645">£0</td> <td data-bbox="1082 607 1374 645">£0</td> </tr> <tr> <td data-bbox="491 645 783 683"><i>Works</i></td> <td data-bbox="783 645 1082 683">£0</td> <td data-bbox="1082 645 1374 683">£0</td> </tr> <tr> <td data-bbox="491 683 783 721"><i>Purchases</i></td> <td data-bbox="783 683 1082 721">£106,304</td> <td data-bbox="1082 683 1374 721">£106,304</td> </tr> <tr> <td data-bbox="491 721 783 759"><i>Trade-in discount</i></td> <td data-bbox="783 721 1082 759">£30,400</td> <td data-bbox="1082 721 1374 759">£31,666.67</td> </tr> <tr> <td data-bbox="491 759 783 835"><i>Costed Risk Provision</i></td> <td data-bbox="783 759 1082 835">£0</td> <td data-bbox="1082 759 1374 835">£0</td> </tr> <tr> <td data-bbox="491 835 783 873"><i>Recharges</i></td> <td data-bbox="783 835 1082 873">£0</td> <td data-bbox="1082 835 1374 873">£0</td> </tr> <tr> <td data-bbox="491 873 783 909"><b>Total</b></td> <td data-bbox="783 873 1082 909"><b>£75,904</b></td> <td data-bbox="1082 873 1374 909"><b>£74,637.33</b></td> </tr> </tbody> </table> <p data-bbox="491 949 1442 1093">There is a difference of <b>£1,266.67</b> between the Gateway 1-5 anticipated cost and the final outturn cost. This was a saving made after Steinway agreed to a higher trade-in value of the centre's outgoing piano.</p> <p data-bbox="491 1184 1246 1256"><b>The Final Account for this project was verified by Chamberlains on 16 May 2022.</b></p>	<i>Estimated Outturn Cost (G2)</i>	Estimated cost (excluding trade-in): £106,304 Estimated cost (including trade-in): £75,904		<i>At Authority to Start work (G5)</i>	<i>Final Outturn Cost</i>	<i>Fees</i>	£0	£0	<i>Works</i>	£0	£0	<i>Purchases</i>	£106,304	£106,304	<i>Trade-in discount</i>	£30,400	£31,666.67	<i>Costed Risk Provision</i>	£0	£0	<i>Recharges</i>	£0	£0	<b>Total</b>	<b>£75,904</b>	<b>£74,637.33</b>
<i>Estimated Outturn Cost (G2)</i>	Estimated cost (excluding trade-in): £106,304 Estimated cost (including trade-in): £75,904																										
	<i>At Authority to Start work (G5)</i>	<i>Final Outturn Cost</i>																									
<i>Fees</i>	£0	£0																									
<i>Works</i>	£0	£0																									
<i>Purchases</i>	£106,304	£106,304																									
<i>Trade-in discount</i>	£30,400	£31,666.67																									
<i>Costed Risk Provision</i>	£0	£0																									
<i>Recharges</i>	£0	£0																									
<b>Total</b>	<b>£75,904</b>	<b>£74,637.33</b>																									
<p><b>14. Investment</b></p>	<p><i>n/a</i></p>																										
<p><b>15. Assessment of project against SMART objectives</b></p>	<ol style="list-style-type: none"> <li data-bbox="539 1536 1449 1715"><b>1) Barbican Centres status as a world class music venue –</b> The concert hall has continued to sell out shows, including online performances during the pandemic. The new piano has improved user and audience experience and reduced the potential for complaints/negative feedback.</li> <li data-bbox="539 1715 1449 1930"><b>2) To attract leading artists –</b> This has been challenging due to the pandemic. The centre was closed for a long period of time however the hall offered a livestream series during this time where several high-profile artists performed, namely Benjamin Grosvenor and Isata Kanneh Mason. These performances included extensive lighting designs which</li> </ol>																										

	<p>meant the matt lid (section 4.2) was an even more successful outcome of this project.</p> <p><b>3) Best value for money</b> – The institutional and trade-in discounts significantly reduced the cost of the new piano. Considering the improvement in user and audience experience, this project is considered value for money.</p> <p><b>4) To recycle the outgoing Steinway piano</b> –The old piano was returned to Steinway to recycle its parts. The centre received a £31,666.67 discount for it as part of the purchase.</p> <p><b>5) Visitor levels</b> – This objective has been difficult to gauge given the centre closed its doors for a significant period due to the pandemic. Despite this, performances in the hall since the purchase have received considerable amounts of positive feedback. The project team are confident the new piano has played a part in this success and helped to maintain and improve visitor levels in the hall.</p>
<p><b>16. Key benefits realised</b></p>	<p>One of the reasons why this purchase was necessary was due to the old piano no longer meeting the expected standard of a world class music venue. The piano had been subject to negative feedback from some of the artists who used it. The successful completion of this project means we have an instrument worthy of the venue and have dramatically reduced the potential for complaints from artists.</p> <p>The sole supplier waiver being approved via urgency helped us to take advantage of the discounts Steinway had applied to our quotation. Failure to place an order within the agreed timescales would have led to a reduction in discounts and thus significant increase in cost.</p>

**Lessons Learned and Recommendations**

<p><b>17. Positive reflections</b></p>	<p>Stakeholder engagement - effective communication with the Barbican Centre Music and Finance departments</p> <p>Clear instructions from Chamberlains with regards to budget</p> <p>Helpful advice from Corporate Programme Office and City Procurement with regards to correct process to follow</p>
--	--

<b>18. Improvement reflections</b>	Earlier discussions regarding the need for this project would have removed the need to have a sole supplier waiver signed via urgency. In future, the aim would be to start discussions earlier and therefore allow all committees to be involved in the approval of relevant reports etc.
<b>19. Sharing best practice</b>	All reports (including this Outcome Report) stored in project file where Project Managers can refer to 'Lessons Learned' section to help reduce risk and improve process of future similar projects
<b>20. AOB</b>	<i>n/a</i>

### Appendices

<b>Appendix 1</b>	<i>n/a</i>
-------------------	------------

### Contact

<b>Report Author</b>	Harry Gravett
<b>Email Address</b>	<a href="mailto:harry.gravett@barbican.org.uk">harry.gravett@barbican.org.uk</a>
<b>Telephone Number</b>	07874 852 701

This page is intentionally left blank

<b>Committee(s)</b>	<b>Dated:</b>
Finance & Risk Committee of the Barbican Centre Board	07/11/2022
<b>Subject: Internal Audit Update</b>	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	<b>N/A</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>N</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>N/A</b>
<b>Report of: Head of Internal Audit</b>	<b>For Information</b>
<b>Report author: Cirila Peall, Audit Manager</b>	

## Summary

This report has been prepared to provide Members with an update in respect of Internal Audit activity related to the Barbican Centre since the July 2022 meeting of this Committee. Two audits, a spot check and three follow-up exercises have been completed since the last meeting, fieldwork is in progress for a further audit.

As at mid-October 2022 there is one live red priority recommendation and eleven live amber priority recommendations which arose from three audits.

## Recommendation(s)

Members are asked to:

- Note the report
- Consider the appropriateness of delays in demonstration of high priority recommendations implementation

## Main Report

### Background

1. The Barbican Finance & Risk Committee receives updates in respect of delivery of Internal Audit work and the implementation of Audit recommendations.
2. Audit scope information is provided, as per finalised terms of reference, for audits in progress and summary outcomes are reported for finalised audit work i.e. where full management responses have been received and agreed.
3. In terms of high priority recommendations, this report provides Members with the latest implementation position, based on formal audit follow-up undertaken and, where appropriate, interim updates from Barbican management.

## Current Position

### *Delivery of Internal Audit Work*

4. A summary of 2022-23 audit coverage is outlined in **Appendix 1**. Detailed audit and follow-up outcomes are set out under audit headings below but delivery since the last update to this Committee can be summarised as:
- The audit of Cyber Security has been finalised. Moderate assurance has been provided.
  - The Barbican Centre has been selected as part of the sample for a corporate review of the use of Purchasing Cards and audit fieldwork is in progress.
  - A first follow-up has been completed in respect of Fire Safety. Moderate assurance has been provided.
  - Second and third round follow-ups have been completed in respect of Retail: Online Shop & Branded Merchandise. Substantial assurance has been provided.
  - A third follow-up has been completed in respect of Facilities Management & Maintenance. Moderate assurance has been provided.

### Cyber Security 2022-23

5. This audit in respect of the adequacy of the control framework in place to manage cyber security risks has been finalised and a moderate assurance opinion given. Appendix 2 contains the executive summary and the management action plan, with full recommendation details provided.

<b>Recommendations</b>	<b>Red</b>	<b>Amber</b>	<b>Green</b>	<b>Total</b>
No. Made & Accepted	0	4	3	7

6. We have scheduled the follow-up exercise for December 2022, as all but one of the recommendations are expected to have been addressed by that point and the remaining recommendation progressed significantly.

### Fire Safety – First Follow-Up

7. The first follow-up in respect of this 2021-22 audit has been completed and there has been no movement in the assurance rating, as set out below:

<b>Audit:</b>	<b>Fire Safety</b>				
Final Report Date:	April 2022	Issues Raised:	7	Original Assurance Rating:	<b>Moderate</b>
First Follow-Up	August 2022	Issues Resolved:	4	Revised Assurance Rating:	<b>Moderate</b>

8. A second follow-up is scheduled for November 2022, in line with the revised target implementation dates supplied for two (one red, one amber priority) of the three outstanding recommendations.

Retail: Online Shop & Branded Merchandise – Second and Third Follow-Ups

9. All but one recommendation were agreed by management, with implementation targeted by 31<sup>st</sup> March 2022. Implementation slippage was confirmed in July 2022, resulting in a third round of follow-up being necessary.

<b>Audit:</b>	<b>Online Shop &amp; Branded Merchandise</b>				
Final Report Date:	January 2022	Issues Raised:	7	Original Assurance Rating:	<b>Moderate</b>
First Follow-Up	May 2022	Issues Resolved:	2	Revised Assurance Rating:	<b>Moderate</b>
Second Follow-Up:	July 2022	Issues Resolved:	6	Revised Assurance Rating:	<b>Substantial</b>
Third Follow-Up	August 2022	Issues Resolved:	6	Revised Assurance Rating:	<b>Substantial</b>

10. No further follow-up is planned in respect of the remaining issue, relating to online retail profitability calculations, as the recommendation was not accepted. Barbican Centre management have advised that the cost of fulfilling online shop product sales will be considered if the online operation is expanded.

Facilities Management & Maintenance: Third Follow-Up (September 2022)

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

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

12. A management comment has been provided in respect of the outstanding issues – this is attached at **Appendix 4**. In line with the agreed protocol, Internal Audit is escalating this third follow-up outcome to the Committee.

13. Barbican Centre management have advised of their intention to implement the remaining recommendations and the Committee should determine the appropriateness of the proposed response relative to the risk.

### *Live High Priority Recommendations*

14. Internal Audit follow-up is undertaken promptly once target timescales have been reached and a revised assurance opinion is provided, where appropriate, on the basis of detailed follow-up outcomes. As at mid-October 2022 there is one live red priority recommendation and eleven live amber priority recommendations which arose from four audits, as summarised at **Appendix 3**.
15. Recent activity includes two third round follow-ups. In one of these cases it has not been possible to provide substantial assurance in respect of the control framework in the area examined.
16. Internal Audit reiterates that Barbican Centre management should ensure that local progress monitoring is undertaken in respect of the resolution of issues identified through audits; implementation evidence should be readily available once target dates are reached and there should be prompt and proactive communication to Internal Audit of any exceptional circumstances preventing this.

### **Corporate & Strategic Implications**

17. The overall programme of Internal Audit work is designed to provide assurance as to the adequacy of the City of London Corporation's systems of internal control and governance. This programme of activity is aligned with the Corporate Plan, Corporate Risk Register and Departmental Top Risks. The Barbican, as an institutional department of the Corporation, has a sub- programme of Internal Audit work that includes audit assignments specific to the activity of the Barbican and regular follow-up activity in respect of recommendations implementation.

### **Conclusion**

18. Members are asked to note the findings of completed Internal Audit work, the delivery position in respect of planned audit coverage, the escalation in relation to a third follow-up with outstanding issues, and the status of live high priority recommendations as at mid-October 2022.
19. Follow-up activity is scheduled to be undertaken promptly in line with overall target recommendation timescales and revised assurance opinions are informed by a review of implementation evidence. Internal Audit reiterates that scope exists to strengthen the internal management processes for tracking recommendations implementation and ensuring that evidence is provided in line with target dates, unless exceptional circumstances apply.

### **Appendices**

- Appendix 1: 2022-23 Barbican Centre Audit Plan Delivery
- Appendix 2: Recently Finalised Audit Outcomes
- Appendix 3: Live High Priority Recommendations
- Appendix 4: Management Comment in respect of Facilities Management & Maintenance Third Follow-Up

**Cirla Peall,**

Audit Manager, Chamberlain's Department: [Cirla.peall@cityoflondon.gov.uk](mailto:Cirla.peall@cityoflondon.gov.uk)



<b>Committee(s)</b>	<b>Date:</b>
Finance and Risk Committee – For information Barbican Board Committee – For information	7 November 2022 16 November 2022
<b>Subject:</b>  Barbican CWP and Capital Projects Update Report	<b>Public</b>
<b>Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?</b>	<b>1, 5, 12</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain’s Department?</b>	<b>N/A</b>
<b>Report of:</b> Jonathon Poyner – Director of Operations and Buildings	<b>For Information</b>
<b>Report author:</b> Cornell Farrell – Head of Engineering and Projects	

### Summary

1. The purpose of this paper is to update members on the progress and financial position of the 59 live Barbican refurbishment and maintenance projects of which, six are capital projects.
2. The City Surveyor’s Department is delivering three of the six capital projects and the Centre is the client/intelligent client for these projects
3. All capital projects were placed on hold in the July Operational Properties and Project Sub Committee meeting, pending financial review.
4. The financial information on each project is in a separate non-public appendix due to commercially sensitive information. There are no serious financial concerns, related to any individual project raised in this report. This could change based on the outcome of the financial review.

### Recommendation(s)

- Members are asked to note the contents of this report.

## Main Report

### Background

1. The Centre remains committed to the buildings strategy to maintain, improve and enhance the facilities for the benefit of the community, audiences, and staff. Funding for improvement/enhancement/refurbishment projects is from the Cyclical Works Programme (CWP), the Corporation's Capital reserves (City Fund) or occasionally through the Centre's local risk.
2. Historically, CWP projects had to be completed within three years from when the funding started. 2021/22 saw a change that required projects to be completed in a single financial year. 2022/23 has seen a further change so projects have a two-year deadline. The nature of the operations and the size of the projects team means there is still some risk, and the Centre maintains the optimum period is three years.
3. A corporate financial review of all capital projects is due to be completed in October (after the date this paper was written)

### Current Position

#### CWP projects

4. The Centre is managing 53 live CWP projects.
5. A financial summary of CWP projects is given in the table below:

Financial year approved	Original no of CWP Projects	Original CWP Combined Projects Value £000s	No of Live (Outstanding) CWP Projects	Combined Live CWP Projects Value £000s
2018/19	10	1,065	2	245
2019/20	14	1,255	6	655
2020/21	24	3,745	21	3,245
2021/22	10	972	5	500
2022/23	19	2,011	19	2,011

6. The project status summary is given for CWP projects below:

Financial year	No of Live (Outstanding) CWP projects	Project status (RAG)		
		RED	AMBER	GREEN
2018/19	2	2	0	0
2019/20	6	0	1	5
2020/21	21	0	4	17
2021/22	5	0	2	3
2022/23	19	0	0	19

## 7. Red status projects

The two projects with red status are:

- **Replace Barbican Kitchen doors**  
An amendment to the Planning Permission and Listed Building Consent applications caused a significant delay to the programme. The works have been extended from March 2022 to October 2022.
- **Replace Electrical Distribution Boards**  
Arranging full power shutdowns is problematic for operational reasons. Works have now been scheduled to take place out of hours (overnight) for completion by the end of 2022. Surveys currently underway.

## 8. Amber status projects

The seven projects with amber status are:

- **Concert Hall accessibility study and minor works**  
The project was scheduled to start construction in August 2022 but has been extended because of long lead in times for materials.
- **Replace level 4 flooring**
- **Level 4 heating replacement**
- **Frobisher Crescent Level 4 environmental controls**  
The three level 4 projects are mutually dependent works. As previously reported the deadline for the earliest has been extended to March 2023 which has a knock-on effect on the others. Planning/Listed Building Consent and funding all remain as issues/risks and hence projects will remain as amber until resolved.
- **Concert Hall lighting, wiring and controls**
- **Theatre Lighting, wiring and controls -**
- **Public spaces replacement lighting, wiring and controls - 1st phase**  
These three lighting projects were expected to be completed in the recent PSDS project to provide savings to the City of London. The work was ultimately not included in the PSDS scope delaying the start by approximately one year

9. The project status summary is given for the six Capital projects below:

Financial year	No of Live (Outstanding) Capital projects	Project status (RAG)		
		RED	AMBER	GREEN
2018/19	1	1	0	0
2019/20	0	0	0	0
2020/21	1	0	1	0

2021/22	2	0	0	2
2022/23	2	0	0	2

10. Red status projects

Fire Safety Projects - The projects are now managed by the City Surveyor. A complex project, for which the completion date may now extend beyond March 2023.

11. Amber status Capital projects

Replacement Art Gallery Chiller - Consultants have now been appointed and it is anticipated that this project, will submit a gateway 3/4 paper at the next board meeting.

12. Corporate Review of Projects

All City of London capital projects were suspended in the July Operational Property and Projects Sub Committee meeting, pending a financial review. This has caused a three-month hiatus for projects. An imminent decision is expected on which projects will be allowed to progress, which will be phased, which will be deferred and which will be cancelled.

**Proposals**

13. The Barbican Centre continue to deliver CWP, and capital funded projects for the on-going upkeep and improvement of the Centre utilising project management resource from the Barbican and/or City Surveyor's Department as appropriate.

14. The Projects Department will work closely with the Barbican Renewal Team to ensure there is synergy between cyclical and capital programme and Barbican Renewal

**Options**

15. No alternative options are suggested in this report.

**Strategic Implications**

16. This work contributes to the City's aim to 'shape outstanding environments' by ensuring 'our spaces are secure, resilient and well maintained'.

17. Financial implications

The Barbican Project Management Team aim to deliver Value for Money as part of a key output for all projects. Savings from CWP projects are returned to the City to help fund other essential projects across the Corporation.

The financial review of all Capital projects is likely to have an impact on whether these projects continue as proposed/planned.

#### 18. Resource implications

A small team of four project managers deliver all the projects excluding the three allocated to the City Surveyor. This team also manage multiple projects for the Guildhall School of Music and Drama buildings.

#### 19. Legal implications

Legal implications are specific to each project. There are no current issues to be raised to the Board.

#### 20. Risk implications

Every project carries some degree of risk that could impact on the project delivery. Rising prices, increased lead-in times, challenges in supply and delivery of materials are the current external generic risks to project delivery, whilst the internal risk are still access restrictions.

Section 13 above refers to the financial review that is underway. A three-month delay poses additional risk to timeframe on existing projects. It is possible other projects could be deferred to future years or cancelled completely.

#### 21. Equalities implications

Equality, diversity and inclusion are key to the Barbican Centre and to the project team. These are integral considerations in, for example, involving and including excluded groups when we request quotes or undertake procurement processes. We have started a process of questioning our own behaviours when inviting quotes for consultancy or works, and we have actively engaged with CoL colleagues to improve our EDI performance. We will continue to monitor and review our performance on this key issue with City of London colleagues.

#### 22. Climate implications

The Barbican Centre has high energy use, and the trend has been upwards. All MEP (mechanical, electrical, plumbing) and some fabric projects are an opportunity to replace kit with more efficient equivalents and to improve the controls and programming strategy to reduce the Centre's carbon footprint.

### 23. Security implications

There are no notable security implications within the current projects programme for the consideration of the Board.

### **Conclusion**

24. The Centre currently has 59 live projects. The RAG status of these projects is detailed in this report. The financial data on each project is listed in appendix 1.

### **Appendices**

Appendix 1 – **Project financial information (Non-Public)**

#### **Cornell Farrell**

Head of Engineering and Projects

T: 0207 382 7322

E: [Cornell.Farrell@barbican.org.uk](mailto:Cornell.Farrell@barbican.org.uk)

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank