



Resource Allocation Sub (Policy and Resources) Committee

Date: FRIDAY, 19 NOVEMBER 2021
Time: 2.00 pm
Venue: COMMITTEE ROOM 2, 2ND FLOOR, WEST WING, GUILDHALL

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

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<https://youtu.be/AFOh21AJmFg>

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John Barradell
Town Clerk and Chief Executive

AGENDA

Part 1 – Public Agenda

1. **APOLOGIES**
2. **MEMBERS DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**
To agree the public minutes and non-public summary of the Sub-Committee meeting held on 17 September 2021.
For Decision
(Pages 5 - 8)
4. **COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND - APPLICATIONS FOR APPROVAL**
Report of the Chief Grants Officer and Director of City Bridge Trust.
For Decision
(Pages 9 - 30)
5. **CAPITAL FUNDING UPDATE**
Report of the Chamberlain.
For Decision
(Pages 31 - 42)
6. **CAPITAL FUNDING - PRIORITISATION OF 2022/23 ANNUAL CAPITAL BIDS - INITIAL REVIEW**
Report of the Chamberlain.
For Decision
(Pages 43 - 52)
7. **REPORT OF ACTION TAKEN BETWEEN MEETINGS**
Report of the Town Clerk.
For Information
(Pages 53 - 56)
8. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
9. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
10. **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

11. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the Sub-Committee meeting held on 17 September 2021.

For Decision
(Pages 57 - 58)

12. **ALLOCATION OF THREE INDEPENDENT SCHOOLS FUNDING WITHIN THE SCHOOLS FUNDING MODEL**

Joint report of the Director of Community & Children's Services and the Chamberlain.

For Decision
(Pages 59 - 68)

13. **NON-PUBLIC REPORT OF ACTION TAKEN BETWEEN MEETINGS**

Report of the Town Clerk.

For Information
(Pages 69 - 72)

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

15. **ANY OTHER BUSINESS THAT THE CHAIRMAN 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

Friday, 17 September 2021

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources)
Committee held at Guildhall on Friday, 17 September 2021 at 3.00 pm

Present

Members:

Deputy Catherine McGuinness (Chair)
Deputy Jamie Ingham Clark (Deputy
Chairman)
Deputy Keith Bottomley
Tijs Broeke
Karina Dostalova
Anne Fairweather

Sheriff Christopher Hayward
Shravan Joshi
Deputy Edward Lord
Jeremy Mayhew
Deputy James Thomson

In Attendance

Officers:

Caroline Al-Beyerty	- Chamberlain
Andrew Cross	- City Surveyor's Department
Dianne Merrifield	- Chamberlain's Department
Polly Dunn	- Town Clerk's Department
Gregory Moore	- Town Clerk's Department
Jack Joslin	- Central Grants Unit
James Lee	- Central Grants Unit
Sanjay Odedra	- Town Clerk's Department
Douglas Trainer	- Deputy Town Clerk
Sonia Virdee	- Chamberlain's Department
Emma Moore	- Chief Operating Officer

1. APOLOGIES

Apologies were received from Alderman Sir David Wootton, Tracey Graham, and the Chair has issued apologies for lateness.

The Deputy Chairman took the Chair.

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

There were no declarations.

3. MINUTES

The minutes were to be corrected to reflect apologies issued by Deputy Edward Lord.

RESOLVED, that subject to this correction, the public minutes of the meeting held on 29 June 2021, be approved as an accurate record.

4. CAPITAL FUNDING UPDATE

The Sub-Committee considered a report of the Chamberlain regarding the Capital Funding Update.

There was a discussion about the sustainability of the City's capital funding position, which was currently being managed within the financial envelope. The wider concerns would be considered within the forthcoming budget setting exercise.

It was noted by Members and the Chamberlain that there was a trend on the inflation of costs associated with construction materials. This would form an important part of the principles applied for a forthcoming review on capital expenditure.

This review would ask Members to consider what work was deemed "essential". If nothing were to change, the Chamberlain's Department would need to look into repurposing underspend.

When asked what the likely quantum of scheme slippage there would be, the Chamberlain confirmed that the current position was outlined in appendix 1 and 2 of the report. There was no clear picture at the time of reporting but the work to be completed as part of bi-lateral meetings with Departments would provide that information.

RESOLVED, that Members: -

- Agree to apply the 'one-in, one-out' approach to reallocate £403k from savings on the Barbican fire door replacement project to provide top-up funding for the Frobisher Crescent fire compartmentation project.
- Have reviewed the schemes summarised in Table 1 and, particularly in the context of the current financial climate, to confirm their continued essential priority for release of funding at this time; and accordingly
- Agree the release of up to £3.989m for the schemes in Table 1 from the reserves of City Fund and City's Cash as appropriate, subject to the required gateway approvals
- Note that in order to maintain sound financial discipline a review of unallocated central project funding provisions will be brought to Members following discussions taking place at the bi-lateral meetings

5. COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND - APPLICATIONS FOR APPROVAL

Members considered a report of the Chief Grants Officer and Director of City Bridge Trust regarding applications for the Community Infrastructure Levy Neighbourhood Fund (CILNF).

RESOLVED, that Members:-

- i. Note the approved and rejected grants under delegated authority at a meeting of the CILNF Officer Panel in July 2021 (Appendix 1).
- ii. Approve the grant recommended to the City Property Association at a meeting of the CILNF Officer Panel in July 2021 (Appendix 2).

- iii. Note the current position of the CILNF with respect to funds available and upcoming reporting.
- iv. Note the proposals regarding the upcoming reporting and consultation on the function of the CILNF and to approve the pause to larger applications from the end of October, for this work to be carried out.

6. **REPORT OF ACTION TAKEN BETWEEN MEETINGS**

Members noted a report of the Town Clerk regarding action taken between meetings.

RESOLVED, that: - the report be noted.

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

There were no questions.

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

There was no other business.

9. **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.

10. **NON-PUBLIC MINUTES**

RESOLVED, that the non-public minutes of the meeting held on 29 June 2021 were agreed as a correct record.

11. **CITY FUND - FUNDING STRATEGY 15/17 ELDON STREET EC2 AND 6 BROAD STREET PLACE EC2 REFURBISHMENT PROJECTS - UPDATE REPORT**

Members considered an update report of the City Surveyor in relation to City Fund – Funding Strategy 15/17 Eldon Street EC2 and 6 Broad Street Place EC2 Refurbishment Projects.

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

There was one question regarding the Resource Allocation Away Day.

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

There was no other business in non-public session.

The meeting ended at 3.30 pm

Chairman

Contact Officer: Polly Dunn
polly.dunn@cityoflondon.gov.uk

Committee(s): Resource Allocation Sub (Policy and Resources) Committee – For decision	Dated: 19/11/2021
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: James Lee, Community Infrastructure Levy Neighbourhood Fund Programme Manager	

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.

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 approve the grants recommended for their consideration at a meeting of the CILNF Officer Panel in October 2021 and to note the grants approved and rejected under delegated authority.

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 October 2021 (**Appendix 1**).
2. To approve the grant recommended to 'New Diorama' at a meeting of the CILNF Officer Panel in October 2021 (**Appendix 2**).
3. To note the current position of the CILNF with respect to funds available and upcoming reporting.

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.
5. Management of the City CILNF process is aligned with the City's existing grant allocation process, through the Central Grants Unit (CGU). A full policy document can be found at Appendix 3.
6. 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 Managing Director of the Bridge House Estate and Chief Charities Officer is 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.
7. 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.

Current Position

8. The City CILNF launched on 1 September 2020. In November 2021, the neighbourhood portion of the City CIL stood at £5.6 million in available funds.
9. Since the launch of the City CILNF, Members and Officers have worked together to provide £1,743,832 in funding to City communities.
10. The City CILNF is currently processing an application pipeline of £3,240,234 and estimates there could be an additional £500,000 - £1m in potential applications due to be submitted.

Funds committed to date	Funds available	Current pipeline	Estimated additional pipeline
£1,743,832	£5,636,426	£3,240,234	£500,000 - £1,000,000

11. Statutory annual reporting for the CILNF is due to be published by December 2021 and a public consultation on the first 18 months of the CIL is due by March 2022.
12. At its meeting in October 2021 the CILNF Officer Panel considered 6 applications. **Appendix 1** outlines the grants that were approved and rejected under delegated authority. Members of the Committee are asked to approve the grant recommended to 'New Diorama' which can be viewed in more detail in **Appendix 3**.

Corporate & Strategic Implications

13. Corporate Plan Implications: the CILNF can resource 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.
14. Security Implications: the CILNF fulfils a statutory requirement for the spending of CIL. There are no direct security implications, though future funded projects may bring security benefits.
15. Financial Implications: the CILNF makes 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.
16. Equalities and resourcing implications: the 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.
17. 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.
18. 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

19. 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.
20. 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.

Appendices

- Appendix 1 – Applications Approved and Rejected Under Delegated Authority
Appendix 2 – Assessment Pack

Appendix 3 – CIL Neighbourhood Fund Policy

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

Golden Lane Estate Residents' Association (ref. 18863)	£50,000 to increase cycling by residents and visitors through the provision of safe, secure cycle parking with training to increase knowledge, skills and confidence in cycling.
Barbican Centre Trust Limited (ref. 18919)	£39,663 towards the cost of increasing project delivery for the Creative Communities programme within its first year.
Parochial Church Council of the Ecclesiastical Parish of St Mary-le-Bow, Cheapside (ref. 18880)	£18,274 towards the modernisation and adaptation of the sound panels and sound control doors to improve sound control and safety of the Bow Bells.

Grants Rejected under Delegated Authority

Art4Space (ref. 18872)	£24,150 to create a temporary gallery of street art on hoardings in the City.
The Worshipful Company of Chartered Architects (ref. 18855)	£49,600 over one year to increase public and professional awareness of sustainability issues by supporting the initial phase of a competition for a 21st century Eco Home design to be constructed for temporary public exhibition in Paternoster Square.

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Community Infrastructure Levy Neighbourhood Fund

Assessment Pack – November 2021

James Lee & Jack Joslin

New Diorama (ref. 18871)**Amount requested: £154,640****Amount recommended: £154,640**

Purpose of grant request: Support for NDT Broadgate: a new, large, free-to-use creative hub in the City supporting independent artists' recovery, including training, knowledge/skills exchange, and public commissions.

Type of cost: *Revenue*

Ward(s) benefitting: *Bishopsgate*

The Applicant

New Diorama is a registered charity established in 1979 that has operated as a theatre and artist development hub since 2010. Its theatre located in West Euston has received multiple industry awards and has been dubbed 'a must-visit destination for London theatregoers' by Time Out. On top of its mission to support emerging theatre companies and ensembles, being situated within British Land's Regent's Place development with Section 106 obligations, it has a responsibility to serve the surrounding area's residents. New Diorama provides free working space for local artists and runs numerous cultural events, often in partnership with other charities and targeting different groups of the community, for which it has received recognition from Camden Council.

Background and detail of proposal

Through its ongoing relationship with British Land, in 2017/18 New Diorama offered eight subsidised studio spaces in Regent's Place to the creative community, attracting a footfall of over 30,000. Recognising the need for a similar initiative in a post-covid environment and being able to utilise British Land's vacant office space in the City's Broadgate Campus, it now wants to replicate and build on this model of cross-sector collaboration. This project has received support from the Lord Mayor William Russell, who acknowledged the value of partnerships between the culture and business sectors in revitalising London's economy as it emerges from the pandemic.

The site (2 Finsbury Avenue) housing the NDT Broadgate creative hub is located on the northern fringe of Bishopsgate Ward, neighbouring Hackney Borough and close to its established creative industry. Being situated within Broadgate Campus, the hub benefits from the large pedestrianised Campus space and multi-use occupancy, with one of the tenants being Theatre Deli, an NDT Broadgate project partner charity with similar objects to New Diorama's. As part of a larger redevelopment plan for the area, a British Land and GIC joint venture was granted permission in February 2021 to demolish the 2 Finsbury Avenue office building to erect a new tower. The hub was therefore envisaged as a temporary activation of an unused space and designed accordingly, using modular furnishings with the aim to relocate the hub to a new

location in the future. New Diorama has signed a nominal rolling lease with British Land and soft launched the space in August 2021, gaining access to 20,000sf of premises with 29 creativity spaces, anticipating a footfall of 80,000 artists per year. However, it could not provide an estimated move-out date from the building, but the lease is expected to last at least until August 2022.

New Diorama is seeking £154,640 from the CILNF programme towards the total project cost of £1,173,652. British Land is providing £885,000, of which £590,000 is an in-kind valuation of the rent charge. The rest of the funding has been secured from Esmée Fairbairn Foundation, Arts Council, Jerwood Arts, and Maitland, a corporate donor. The majority of the CILNF award is earmarked as a contribution towards salary costs, overheads, and artist commissions and workshops. As part of the project, three full and four part-time staff will be employed at the hub, all of whom will be paid at least the London Living Wage, with the proposal budgeting for nine months' salary costs. CILNF funding is requested to be spent between December 2021 and August 2022.

Access to the working space will be provided free of charge for independent artists but will exclude those in receipt of Arts Council's National Portfolio funding. The hub's 16 studio units will be allocated via an online application process, which will not assess the merit of artists' work but will instead rely on a lottery system.

Providing ten meeting rooms, communal workspaces, and a shared studio, New Diorama hopes that the hub will foster creativity and forge new networks by allowing artists to collaborate after a period of isolation caused by the pandemic. As well as hosting a variety of events for its users, it will engage the public by commissioning performances, open workshops, and outdoor installations.

New Diorama has consulted, liaised, and partnered up with several stakeholders to deliver this initiative. British Land has been a long-term supporter of its work, and in addition to providing the premises, it has funded most of the capital costs associated with the set-up of the hub. New Diorama will work with the City of London Corporation's Culture and Commerce Taskforce and Jerwood Arts to monitor and evaluate this cross-sector venture and its impact on urban creative reactivation and hub working. The findings will be shared publicly. When designing the project, New Diorama referred to Arts Council's and GLA's recent reports on how to best support artists in a post-covid era, many of whom are currently on reduced or no income because of the pandemic's impact on the events economy. Acting on the recommendations, freelance background will be considered in the hiring process of the hub staff, and a portion of the available studios will be ringfenced for Black, Asian and Global Majority-led, and D/deaf and disabled-led projects. Moreover, an access audit has been carried out for the premises, and Deafinitely Theatre has been consulted to ensure that BSL signers' needs are met.

Financial Information

New Diorama reported a deficit of £54,726 in its 2020 signed accounts, with the coronavirus pandemic being a major contributing factor. However, this did not result into a lasting issue as the organisation is showing a modest surplus for both its 2021 forecast and 2022 budget. The figures show that the organisation is slowly building its free reserves. The NDT Broadgate project is reflected in the significant income increase for 2022. Following the increase, a more noticeable growth of free reserves should be expected, but it is reassuring to see that 74% of income has been secured for the year. Your officer has no reservations that this organisation will remain financially viable throughout the grant period.

Year end as at 31 March	2020 Signed Accounts	2021 Management Accounts	2022 Budget
	£	£	£
Income & expenditure:			
Income	684,641	557,122	1,081,319
- % of Income confirmed as at 15 October 2021	N/A	100%	74%
Expenditure	(739,367)	(554,407)	(1,077,382)
Total surplus/(deficit)	(54,726)	2,715	3,937
Split between:			
- Restricted surplus/(deficit)	(22,475)	(17,700)	0
- Unrestricted surplus/(deficit)	(32,251)	20,415	3,937
	(54,726)	2,715	3,937
Free unrestricted reserves:			
Free reserves	113,085	133,500	137,437
Reserves policy target	100,000	100,000	100,000
Free reserves over/(under) target	13,085	33,500	37,437

Recommendation

This is a thoroughly planned application coming from a well-established charity with a demonstrable track record in providing support to artists and delivering cultural content that consistently receives positive reviews and industry awards. Its work with the local community around its West Euston base and knowing that it successfully ran a similar project to this proposal, albeit on a smaller scale, makes a case for its ability to successfully manage NDT Broadgate and attract a wide audience of both creatives and visitors to the City. Its continuing partnerships with British Land, Camden Council, and several charities display its capability to collaborate across different sectors. New Diorama has been able to receive funding and support for this project from a variety of donors, which is appreciated. The application aligns well with the recommendations of the City Corporation's 'Fueling Creative Renewal' report and its wider cultural strategy. Funding is recommended as follows:

£154,640 over nine months towards salary, operational and related project costs at the NDT Broadgate creative hub.

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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Committee(s): Resource Allocation Sub Committee – for Decision Bridge House Estates Board – for Decision	Date(s): 19 November 2021 24 November 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
For Bridge House Estates (BHE), which outcomes in the BHE Bridging London 2020 – 2045 Strategy does this proposal aim to support?	1,2&3
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£2.654m (+ £30k reallocation of existing funding)
What is the source of Funding?	£2.612m from various City Fund Reserves, £36k from City's Cash reserves and £6k from BHE Unrestricted Income Fund. (+ £30k of City Fund reserves reallocated)
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 bid 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 an anticipated budget shortfall and to the release of funding post gateway approvals to allow schemes to progress.

The approved annual capital bids for 2020/21 currently total £84.9m of which £28.3m 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 granted in principle funding approval to bids with a current value of £82.8m of which draw-downs of £6.4m have been agreed. A schedule of the current 2021/22 allocations is included in Appendix 2 for information.

The Barbican Renewal project is currently progressing outside of the gateway process with an initial budget of £150k met from local risk. A top-up of £30k is now required to take the options work through to the end of the current financial year. In order to remain within existing provisions, the 'one-in, one-out' approach has been adopted to identify funding from savings on other bids. The central funding requirement for the Planning & Regulatory Services Casework Management System ('PRSCMS') project, agreed as part of the Fundamental Review, is some £220k lower than anticipated and therefore it is proposed to reallocate £30k of these savings to provide funding for the Barbican Renewal.

In addition, release of £2.654m to allow progression of the three schemes summarised in Table 1 (para 10) is now proposed. Funding for these schemes can be met from the provisions set aside from the reserves of the three main funds: £2.403m from the On Street Parking Reserve, £141k from CIL and £68k from revenue reserves (all City Fund), plus £36k from City's Cash general reserves and £6k from the Bridge House Estates Unrestricted Income Fund.

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. A review is underway and a report detailing any unallocated central funding provisions will be brought to committee for review following discussions taking place at the bi-lateral meetings in January 2022.

Recommendations

Resource Allocation Sub Committee Members are requested -

- (i) To agree to apply the 'one-in, one-out' approach to reallocate £30k from savings on the PRSCMS project to provide top-up funding to take the Barbican Renewal project through to the end of 2021/22.
- (ii) To review the schemes summarised in Table 1 and, particularly in the context of the current financial climate, to confirm their continued essential priority for release of funding at this time; and accordingly
- (iii) To agree the release of up to £2.648m for the schemes in Table 1 from the reserves of City Fund and City's Cash as appropriate, subject to the required gateway approvals.
- (iv) To note that in order to maintain sound financial discipline a review of unallocated central project funding provisions will be brought to Members following discussions taking place at the bi-lateral meetings in January 2022.

Bridge House Estates (BHE) Board Members are requested –

- (v) To agree the release of a £6k contribution towards the costs of progressing the Guildhall cooling plant replacement project to the next gateway, to be met from the Unrestricted Income Fund with funding previously approved within the 2021/22 budget.

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 BHE¹. 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.
4. Members are reminded of the two-step funding mechanism via the annual capital bid 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.

¹ Contributions from Bridge House Estates are limited to its share of corporate schemes such as works to the Guildhall Complex or corporate IT systems and are subject to the specific approval of the Bridge House Estates Board.

- Secondly, following scrutiny via the gateway process, to provide assurance of robust option appraisal, project management and value for money, RASC and/or BHE Board are asked to confirm that these schemes remain a priority for which funding should be released at this time.

Current Position

5. From the 2020/21 bid round, central funding of £84.9m is currently allocated for new capital bids across the three main funds. To date, £28.327m has been drawn down to allow 37 of these schemes to be progressed. A schedule of the current 2020/21 allocations is included in Appendix 1 for information.
6. Central funding of a further £82.8m across the three main funds for the 2021/22 new bids is currently allocated, of which drawdowns of £6.347m has been approved in respect of 10 schemes. A schedule of the 2021/22 allocations is included in Appendix 2 for information.

Proposals

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

7. 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.
8. The Barbican Renewal project is currently progressing outside of the gateway process with an initial budget of £150k met from local risk. A top-up of £30k is now required to take the options work through to the end of the current financial year. In order to remain within existing provisions, the 'one-in, one-out' approach has been adopted to identify funding from savings on other bids.
9. The central funding requirement for the Planning & Regulatory Services Casework Management System ('PRSCMS') project, agreed as part of the Fundamental Review, is some £220k lower than anticipated and therefore it is proposed to reallocate £30k of these savings to provide top-up funding for the Barbican Renewal.

Current Requests for the Release of Funding

10. There are three schemes with 'in principle' funding approved as part of the capital bids that are progressing through the gateways for which release of £2.654m is now requested as summarised in Table 1, of which £2.403m directly relates to the Climate Action Strategy:

Table 1: Project Funding Requests	Next Gate-way	Capital Bid Round	City Fund	City's Cash	Bridge House Estates	Total
			£m	£m	£m	£m
Funding to progress to the next gateway						
Barbican and Golden Lane Healthy Streets	G3	2021/22	0.141			0.141
Guildhall Cooling Plant Replacement	G4	2020/21	0.068	0.036	0.006	0.110
Full Funding for Scheme Implementation						
Pedestrian Priority Programme (Climate Action)	G6	2021/22	2.403			2.403
Total Requested for Release of Funding			2.612	0.036	0.006	2.654

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

11. 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.
12. 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 1.
13. Additional approval of the BHE Board is required to release a £6k contribution towards the costs of progressing the Guildhall cooling plant replacement project to the next gateway, to be met from the Unrestricted Income Fund.

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. There is currently a significant number of schemes with either minimal or zero drawdowns against central funding allocations that were either agreed as part of the fundamental review or via the 2020/21 annual capital bids. Accordingly, a review is currently underway to identify any schemes that are not being actively progressed, to be reported following discussions taking place at the bi-lateral meetings. This will ensure that any unrequired funding is available to redirect 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 for projects progressing through the gateways, to allow them to progress.
16. Adopting the 'one-in, one-out' approach, the reallocation of £30k to provide top-up funding for the Barbican Renewal scheme is requested to be met from savings on the PRSCMS project (refer to paragraphs 7 - 9).
17. Requests for the release of £2.654m to allow three schemes to progress are set out in Table 1 (refer to paragraph 10 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 1, which were agreed via the 2020/21 and 2021/22 annual capital bids: £68k from City Fund general revenue reserves, £2.403m from the On Street Parking Reserve and £141k from CIL; £36k from City's Cash Reserves and £6k from the BHE Unrestricted Income Fund. It should be noted that the release of the £6k Bridge House Estates contribution is subject to the approval of the BHE Board.
19. 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 review of unallocated central funding provisions is underway which will be brought to committee for review following discussions taking place at the bi-lateral meetings.

Appendices

Appendix 1– 2020/21 Approved Bids

Appendix 2 - 2021/22 Approved Bids

Appendix 3 – Requests for Release of Funding – Scheme Details

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

Group Accountant, Capital

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Appendix 1

Approved Bids 2020/21						THIS REPORT	
Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Funding 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	2.542	-
Guildhall - North and East Wing Steam Generator replacement – including Art Gallery	0.744	0.396	0.060	1.200	0.002	0.002	-
Guildhall - West Wing - Space Cooling - Chiller Plant & Cooling Tower Replacement	1.860	0.990	0.150	3.000	4.433	0.279	0.110
Guildhall event spaces - Audio & Visual replacement / upgrade	-	0.330	-	0.330	0.330	0.045	-
Guildhall Yard - Refurbishment/ Replacement of Pavements	-	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	0.095	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 (ERP project)	2.654	2.949	0.295	5.898	6.768	0.554	-
I.T - Telephony replacement ***	0.873	0.343	0.034	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	1.150	-
Structural - Lindsey Street Bridge Strengthening	5.000	-	-	5.000	5.000	0.030	-
Structural - Dominant House Footbridge	1.025	-	-	1.025	1.025	0.287	-
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	0.185	0.185	-
Rough Sleeping - assessment hub	1.000	-	-	1.000	1.000	0.788	-
Rough Sleeping High Support Hostel - Option 3	0.500	-	-	0.500	0.500	0.355	-
Secure City Programme	15.852	-	-	15.852	15.852	4.116	-
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	1.740	-
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	-	-	-
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	0.699	-
Fire Safety - Frobisher Crescent, Barbican Estate (compartmentation) *	0.550	-	-	0.550	1.203	1.203	-
Fire Safety - Smithfield sprinkler head replacement and fire door replacement.	-	0.150	-	0.150	0.150	0.020	-
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	0.743	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	84.909	28.327	0.110

<u>Previous Funding Allocation</u>	89.038
Net reductions from previous reprioritisation exercise (September 2020)	- 4.032
* Reallocated from the 2021/22 annual bids and fundamental review schemes	- 0.653
* £0.500m of capital funding foregone in place of revenue funding solution (telephony/security)	- 0.500
*** £0.250m of capital funding foregone in place of a revenue funding solution (telephony/security)	- 0.250
	84.909

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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	Latest Funding Allocation after Reprioritisation	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	0.120		
SVY - BEMS Upgrade Project-CPG Estate – Phase 1	0.507	0.375	0.022	0.904	0.904	0.451	
SVY - Smithfield Condenser Pipework Replacement		0.564		0.564	0.564		
CHB - IT SD WAN /MPLS replacement	0.320	0.145	0.035	0.500	0.500	0.050	
CHB - IT LAN Support to Replace Freedom Contract	0.096	0.043	0.011	0.150	0.150		
CHB - Libraries IT Refresh	0.220			0.220	0.220		
BBC - Barbican Centre - Catering Block Extraction	0.400			0.400	0.400		
High Profile Policy Initiative							
DBE - Secure City Programme Year 2	4.739			4.739	4.739	1.600	
SVY - Guildhall Complex Masterplan - initial feasibility and design work		0.350		0.350	0.350		
Statutory Compliance/Health and Safety							
DCCS - Fire Doors Barbican Estate*	20.000			20.000	19.597	0.275	
SVY - St Lawrence Jewry Church - Essential works (Top-Up Funding)		2.565		2.565	2.565	2.136	
SVY - Denton Pier and Pontoon Overhaul Works	1.000			1.000	1.000	0.05	
OSD - Hampstead Heath Swimming Facilities - Safety, Access and Security Improvements		0.755		0.755	0.755	0.064	
DBE - Public Realm Security Programme	1.238			1.238	1.238		
DBE - Beech Street Transportation and Public Realm project (Top-Up Bid)	0.900			0.900	0.900		0.141
MAN - Central Criminal Courts, Fire Safety and associated public address system (Top-up bid)	0.683			0.683	0.683		
MAN - Central Criminal Court Cell Area Ducting and Extract System Balancing	1.000			1.000	1.000		
SVY - Riverbank House, Swan Lane - repairs to foreshore river defence	0.500			0.500	0.500		
CHB - Public Services Network replacement	0.064	0.029	0.007	0.100	0.100		
GSMD - Guildhall School - Silk Street Ventilation Heating and Cooling		2.000		2.000	2.000		
GSMD - Guildhall School - Milton Court Correction of Mechanical Systems		0.600		0.600	0.600		
GSMD - Guildhall School - John Hosier Ventilation and Temperature Control		0.700		0.700	0.700		
CHB - IT Security**	0.192	0.087	0.021	0.300	0.000		
Spend to save with a payback < 5 years							
SVY - Energy Reduction Programme – Phase 2	0.194	0.181		0.375	0.375		
Sub-Total - Bids Fulfilling the Funding Criteria excluding	32.173	8.394	0.096	40.663	39.960	4.626	0.141
Climate Action :							
DBE - Public Realm (Pedestrian Priority)	6.050			6.050	6.050	0.051	2.403
OSD - Climate Action Strategy		2.120		2.120	2.120	0.690	
DBE - Embed climate resilience measures into Public Realm works (Cool Streets and Greening)	6.800			6.800	6.800	0.980	
SVY -Energy Efficiency / Net Zero Carbon - Investment Estate - City Fund	4.340			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	4.000		
SVY - Climate Action Strategy Projects CPG Operational Properties	11.723	7.138	0.649	19.510	19.510		
Sub-Total - Climate Action	32.913	9.258	0.649	42.820	42.820	1.721	2.403
Total Bids Fulfilling the Funding Criteria	65.086	17.652	0.745	83.483	82.780	6.347	2.544
Previous Funding Allocation				83.483			
* £0.403m reallocated as top-up funding for the Frobisher Crescent Fire Compartmentation Project (2020/21 Bid)				-0.403			
** £0.300m of capital funding foregone in place of a revenue funding solution (telephony/security)				-0.300			
Latest Funding Allocation				82.780			

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Requests for Release of Funding – Scheme Details

The following provides details of the three schemes for which approval to release central funding of up to £2.654m is now sought, as summarised in Table 1 of the main report.

(i) **Barbican and Golden Lane Healthy Streets – release of £141k of Beech Street funding to progress the scheme**

- The project objective is to improve air quality and the walking/cycling experience in the Barbican and Golden Lane area including additional greening. The Beech Street initiative is complementary to this scheme.
- The ‘in principle’ funding from central City Fund resources (CIL) was agreed as part of the 2021/22 capital bid for the Beech Street Transportation and Public Realm initiative on health and safety grounds.
- The request is for the release of up to £141k to develop options to the next gateway.

(ii) **Guildhall Cooling Plant Replacement - release of £110k to progress the scheme**

- This project is to provide a long-term solution to meet the cooling needs of the Guildhall Complex in the most cost effective and environmentally efficient way.
- The ‘in principle’ funding for this scheme was approved as part of the 2020/21 capital bids to be met from the reserves of the three main funds on an apportioned basis. The essential need to replace the current end of life system is readily apparent, particularly for the occupants of the West Wing.
- This request is for a drawdown of £110k to reach the next gateway which includes a sum of £6k from the Bridge House Estates Unrestricted Income Fund for which separate approval from the Bridge House Estates Board is required.

(iii) **Pedestrian Priority Programme – release of up to £2.403m to deliver the Phase One interventions of the Climate Action Strategy scheme**

- This is a three- year programme implementing pedestrian priority schemes to enhance the comfort and safety of people walking in the square mile.
- The ‘in principle’ funding of £6m over three years was approved as part of the 2021/22 capital bids for the delivery of the Climate Action Strategy, to be met from the On-Street Parking Reserve. A sum of £51k has previously been released to reach the current gateway.
- This request is for approval to drawdown a further sum of £2.403m to meet the cost of delivering the Phase 1 interventions. This involves the issuing of experimental traffic orders to determine whether certain temporary measures delivered through the Covid19 City Streets programme can be retained and to make them permanent in appropriate cases.

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Committee(s)	Dated:
Resource Allocation Sub Committee Policy and Resources Committee Bridge House Estates Board	19 November 2021 16 December 2021 24 November 2021
Subject: Capital Funding – Prioritisation of 2022/23 Annual Capital Bids - Initial Review	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	These capital bids span all 12 outcomes of the Corporate Plan to some degree
Does this proposal require extra revenue and/or capital spending?	No decisions about specific commitments are required at this stage
If so, how much?	£
What is the source of Funding?	All <u>central</u> funding sources of the three main funds could be impacted
Has this Funding Source been agreed with the Chamberlain's Department?	
Report of: The Chamberlain	For Decision
Report author: Dianne Merrifield, Group Accountant (Capital)	

Summary

In this third annual capital bid round, there are 47 live bids amounting to **£61.9m**. Most of the submissions have been classified as essential and identified against one of the agreed prioritisation criteria. Based on the narrative supporting the bids, an assessment of how essential these schemes appear from a corporate perspective has been undertaken using a RAG rating approach - resulting in £24.3m green, £29.3m amber and £8.4m red.

To set these bids in to some context, £89m of capital bids were originally approved in principle via the 2020/21 annual capital bid process and £83.5m via the 2021/22 bid round. However, these annual levels of bids were considered to be exceptional and unsustainable on an ongoing basis alongside the other current financial priorities and pressures such as the major projects and balancing of the revenue budgets.

Accordingly, through discussions at the Resource Allocation Sub Committee Awayday, the following upper limits of funding for new bids was proposed for City Fund and City's Cash:

- £20m for City Fund (incorporating bids to be funded from the On-Street Parking Reserve, Community Infrastructure Levy and central capital/revenue reserves)
- £10m for City's Cash from general reserves.

This level of funding is broadly in line with the average level of centrally funded schemes over previous years.

The Bridge House Estates funding requirement for these centrally funded schemes is limited to the appropriate share of corporate IT and Guildhall office-related projects and therefore the amounts involved are usually relatively modest.

The initial assessment, which has been determined in consultation with senior officers, has resulted in the current level of green bids, at £24.3m, falling within these limits. Subject to feedback from Members and providing those bids remain within the £30m overall limits, it is therefore proposed that funding for the green bids be approved in principle for 2022/23, to be incorporated into the medium-term financial plans. It is further proposed that amber and red bids are not funded in this annual round, but with amber bids to be placed on a reserve list in the event that headroom in the provisions for green bids is identified.

For Bridge House Estates, the total share of corporate schemes rated as green amounts to £0.1m, which can be accommodated from the balances on the unrestricted income fund. These schemes have senior officer and member oversight and will be taken to the November BHE Board for approval including any updates from this meeting.

Recommendation(s)

Members are asked to:

- Note the total value of City Fund and City's Cash bids amounting to £61.9m against a target upper limit of £30m (excl BHE).
- Review the initial RAG rating of £24.3m green, £29.3m amber and £8.4m red contained in the appendices (determined in consultation with senior officers).
- Agree that, subject to Member feedback, funding for the green bids be incorporated into the medium-term financial plans, providing they remain within the £30m overall limits for City Fund and City's Cash and remain at a similar modest level for Bridge House.
- Agree in principle that bids with a final RAG rating of amber and red be deferred.
- Agree that amber-rated bids be placed on a reserve list to be progressed in the event that funding headroom is identified.
- Note that the final decision on the green-rated bids for inclusion in the 2022/23 draft budgets will be confirmed at the joint meeting of RASC and the service committee and Bridge House Estates Board chairmen in January 2022.

Main Report

Background

1. Members have agreed the necessity for effective prioritisation of capital and SRP projects, with central funding allocated in a measured way via the annual capital bid process by applying 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:

- 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.

In addition, bids in support of the Climate Action Strategy are to be allowed a degree of priority, subject to affordability.

- 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 or City's Cash. 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, together with schemes wholly funded from external grants, and tenant/developer contributions e.g. under S278 agreements and most S106 deposits.
- 4. In view of the various current financial pressures arising from the pandemic and other high priority initiatives, Chief Officers were requested to submit bids for only the most critical and essential schemes for the 2022/23 bid round.

Current Position

- 5. Departments have submitted their bids for central funding from 2022/23 which they consider necessary to deliver business plans. It should be noted that whilst these schemes are to be started during 2022/23, costs are anticipated to be incurred over the medium term as the lead-in time for projects mean that they routinely span across more than one financial year.
- 6. There are 47 live bids amounting to £61.9m, most of which have been classified as essential and identified against one of the agreed prioritisation criteria. Based on the narrative supporting the bids, an assessment of how essential these schemes appear from a corporate perspective has been undertaken using a RAG rating approach where:

Green = demonstrates the essential criteria

Amber = essential criteria less clear

Red = does not demonstrate essential criteria/not essential to do now.

- 7. The table below shows the outcome, with £24.3m green, £29.3m amber and £8.4m red.

	Green	Amber	Red	Total
	£000	£000	£000	£000
Critical End of Life Replacement	5,280	10,030	3,065	18,375
Statutory Compliance/Health and Safety	7,784	-	2,774	10,558
High Profile Policy Initiative	11,236	19,120	-	30,356
Other	-	100	2,500	2,600
	24,300	29,250	8,339	61,889

Listings of the projects within each of the green, amber and red categories are attached in the appendix, together with a brief commentary on each to inform the red/amber/green rating.

8. This analysis has been determined in consultation with senior officers, with particular discussion around the amber and red rated bids to ensure consistency and consensus of approach. For example, during discussions the top-up bid for the Guildhall Masterplan feasibility (£1.15m) was moved to green as completion was considered essential to inform the potential of this major initiative, whilst the Hampstead Heath Pergola bid (£1.5m) was moved to red to reflect the proposed external funding approach.

Affordability

9. To set these bids in to some context, £89m of capital bids were approved in principle via the 2020/21 annual capital bid process and £83.5m via the 2021/22 bid round. However, bids of this magnitude were considered to be exceptional and unsustainable on an ongoing basis alongside the other current financial priorities and pressures such as the major projects and balancing of the revenue budgets.
10. Accordingly, through discussions at Resource Allocation Sub Committee Awayday, the following target allocations of funding for new bids was proposed:
 - £20m for City Fund (incorporating bids to be funded from the On-Street Parking Reserve, Community Infrastructure Levy and central capital/revenue reserves
 - £10m for City's Cash from general reserves.
11. In order to further assess affordability, bids have been identified against the relevant funding source as summarised below:

	Green	Amber	Red	Total
City Fund:	£000	£000	£000	£000
-OSPR	3,450	18,320	1,000	22,770
-CIL	7,533	-	-	7,533
-Capital	2,211	8,670	3,827	14,708
-Revenue	1,947	496	-	2,443
City Fund	15,141	27,486	4,827	47,454
City's Cash	9,044	1,670	3,487	14,201
BHE	115	94	25	234
Total	24,300	29,250	8,339	61,889

12. The following analysis shows the level of green bids against the individual target funding allocations:

	Funding Targets	Green Bids	Headroom
	£000	£000	£000
City Fund	20,000	15,141	4,859
City's Cash	10,000	9,044	956
BHE	N/A	115	N/A
	30,000	24,300	5,815

This headroom allows a degree of flexibility to take on board Member feedback and comments arising from the joint meeting of RASC and service committee chairmen, or other urgent needs that may arise in 2022/23.

13. As a consequence, it is therefore proposed that bids with a final RAG rating of amber and red will not be funded at this time, although amber schemes will be placed on a reserve list, to be progressed in the event that funding headroom is identified.

14. Bridge House Estates funding towards these centrally funded schemes is limited to the appropriate share of corporate IT and Guildhall office-related projects and therefore the amounts involved are usually relatively modest. The total share of such corporate, green-rated bids amounts to £0.1m, which can be accommodated from the balances on the unrestricted income fund following approval by Bridge House Estates Board.

Next Steps

15. Based on the current assessment, it is proposed that the green bids be modelled in the draft medium term financial plans to inform the 2022/23 budget proposals (Amber and red bids to be deferred).

16. Next steps will be to take on board member feedback with confirmation of the green-rated bids via the joint meeting of RASC and service committee and Bridge House Board chairman in January 2022

Conclusion

17. In this third annual capital bid round, there are 47 live bids amounting to **£61.9m**. Most of the submissions have been classified as essential and identified against one of the agreed prioritisation criteria. Based on the narrative supporting the bids, an assessment of how essential these schemes appear from a corporate perspective has been undertaken using a RAG rating approach - resulting in £24.3m green, £29.3m amber and £8.4m red.
18. A target allocation of £30m (£20m City Fund and £10m City's Cash) for the 2022/23 capital bids was agreed at the Resource Allocation Sub Committee Awayday. At £24.3m, the current level of green rated bids falls within these limits, also allowing a degree of flexibility to take on board Member feedback and comments arising from the joint meeting of RASC and service committee chairmen.
19. Recommendation bids with a final rating of amber and red will not be funded at this time, although the amber list schemes will be placed on a reserve list to be progressed in the event that any funding headroom is identified.

Report author

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Group Accountant, Capital

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T: contact via Teams whilst working from home

Appendices: Green/Amber/Red Bids

2022/23 Annual Bids - Initial Assessment Green

Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m
Critical end of life replacement:				
BEMS Upgrade Phase 2 - Heathrow Animal Reception Centre and various OS sites at Epping	0.150	0.100	-	0.250
IT - Members IT refresh (to align with new personal device roll-out for staff)	0.192	0.087	0.021	0.300
IT - Managed Service re-provisioning (one-off costs due to end of current contract)	0.320	0.145	0.035	0.500
IT - Corporate Managed Print Service (one-off costs due to end of current contract)	0.032	0.015	0.004	0.050
IT - Server Upgrade/replacement	0.064	0.029	0.007	0.100
Mansion House - essential roof repairs	-	0.330	-	0.330
OS Hampstead Heath - Parliament Hill Athletics Track Resurfacing	-	2.000	-	2.000
Guildhall School - Repairs to roof, expansion joint repairs and drainage and water systems (subject to holistic approach for highwalks, Barbican and School)	-	1.750	-	1.750
Health and Safety/Statutory Compliance:				
Fire Safety - Guildhall Complex Fire Stopping all basement and plant areas	0.202	0.210	0.008	0.420
Fire Safety - Baynard House Car Park Sprinklers Replacement (remaining floors)	0.250	-	-	0.250
Central Criminal Court: Cells Ventilation - Top-Up bid to meet full scope of statutory requirements. (£1m bid agreed in principle as part of the 2021/22 capital bid round.)	1.000	-	-	1.000
OS Epping Forest - COVID-19 Path Restoration Project	-	0.250	-	0.250
OS Queen's Park Play Area and Sandpit replacement of equipment	-	0.055	-	0.055
Barbican Centre - Replacement of Central Battery Units for Emergency Lighting system	0.280	-	-	0.280
Guildhall School - Rigging infrastructures in Milton Court Concert Hall	-	0.460	-	0.460
Guildhall School - Safe technical access and working at height - Silk Street Theatre	-	0.345	-	0.345
Smithfield Market - Glass Canopy Overhaul	-	0.300	-	0.300
Smithfield Market - East Poultry Avenue Canopy Repairs and Remedial Works	-	0.600	-	0.600
Smithfield Car Park - Ceiling Coating and Damp Works		1.050		1.050
Beech Street Transportation and Public Realm project top-up to deliver permanent air quality and associated public realm improvements following successful experiment.	2.500	-	-	2.500
DCCS - Social Care Case Management System	0.144	-	-	0.144
IT - Building Management System Wired Network to maximise efficiencies of new BEMS systems	0.083	0.038	0.009	0.130
High Priority Policy:				
Secure City Programme - Year 3	8.936	-	-	8.936
IT Security	0.128	0.058	0.014	0.200
Guildhall Complex Masterplan - Redevelopment of North and West Wing Offices (top-up)		1.150		1.150
Bank Junction Improvements: All Change at Bank - top-up to cover inflation risk of delivering the minimal scheme	0.700	-	-	0.700
IT - HR System Portal required in advance of the new ERP system delivery	0.160	0.073	0.017	0.250
Total Green Funding Bids	14.383	4.589	0.048	19.020

Total 27 (of 47)

2022/23 Annual Bids - Initial Assessment Amber

Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Commentary /why is this Amber
Critical end of life replacement:					
Central Criminal Court - Lighting to South Wing Courts	2.000	-	-	2.000	This was rated as amber in 2021/22 bid round -no significant change since last year. Replacement lighting will be LED - information regarding possible climate action benefits are not currently available.
Barbican Centre - Repairs to roof, expansion joint repairs and drainage and water systems	5.000	-	-	5.000	A holistic approach is required to resolve the long-standing issues with the highwalks, Barbican Centre and Guildhall School. Query re exclusion from Barbican Renewal scope.
Barbican and Golden Lane Healthy Streets and Zero Emissions Zone	2.000	-	-	2.000	The aim is to extend the benefits of the Beech Street air quality etc improvements to the surrounding area encompassing the wider Barbican and Golden Lane area. Need to see the Beech Street benefits delivered before committing additional central funding.
Guildhall Humidification Plant replacement - remaining areas	0.470	0.490	0.020	0.980	The essential areas of the Guildhall are covered by the PSDS grant - the remaining areas were deemed non-essential. Need clarity on Guildhall Masterplan before progression.
DCCS - Library Management System	0.050	-	-	0.050	This bid includes £30k of existing staff costs which results in a net bid for £20k of central funding. Such a sum should be accommodated within existing local risk budgets.
High Priority Policy:					
Walbrook Wharf Feasibility Study - 2027 & beyond	0.350	-	-	0.350	Essential need to start this exercise now is not clear.
IT - Robotic automation: funding to undertake scoping exercise to drive process design to support Robotics and automation	0.032	0.015	0.004	0.050	Whilst this bid appears complementary to the ERP project the essential need is not clear.
IT - Data Repository/Warehouse	0.192	0.087	0.021	0.300	The aim is to fulfil an organisation need for infrastructure to clean and contain data that can be easily accessed and used to make better decisions and may offer opportunities to commercialise data. Amber as the essential need unclear.
Guildhall Complex Post Covid New Ways of Working - Stage 2 works and furniture	1.008	1.050	0.042	2.100	Whilst new ways of working are a high priority, the model has yet to be agreed alongside the Guildhall Masterplan and therefore this bid appears premature.
St Paul's Gyrotory	16.320	-	-	16.320	Whilst there are considerable benefits to this scheme (road safety, air quality etc), the extent of the central funding requirement is overstated in this bid as significant external developer contributions are envisaged. Consideration of a minimal allocation to fund the investigations to inform the central funding requirement may be appropriate at this stage.
Other:					
IT - Application rationalisation funding to undertake scoping exercise to eliminate duplicate software applications	0.032	0.015	0.004	0.050	Whilst this is a sensible forward thinking suggestion, it is not a good fit with the current essential prioritisation criteria. The request is for funding to consider the art of the possible.
IT - CRM development for Markets	0.032	0.015	0.004	0.050	Business need for a cross-market customer relationship management system to manage stakeholder/customer contacts, with the potential to generate income from the product with other wholesale markets in the UK. Not a good fit with current essential prioritisation criteria .
Total Amber Funding Bids	27.486	1.671	0.094	29.250	
Total 12 (of 47)					

2022/23 Annual Bids - Initial Assessment Red

Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Commentary /why is this Red
Critical End of Life Replacement					
Heating Replacement – Mayors and City of London Court	-	1.350	-	1.350	This court is due to move to the new court at Fleet Street and a capital receipt is included in the Salisbury Square funding Strategy. We need to develop the disposal strategy in order to determine whether a new heating system represents sound VFM.
Walbrook Wharf Full Replacement of Phase 2 Heating & Cooling System	0.735	-	-	0.735	An appropriate asset management strategy needs to be in place which depends on plans for the future of Walbrook Wharf.
IT - Libraries IT Refresh (top-up bid)	0.280	-	-	0.280	This is a request for top-up on the £220k agreed in principle as part of the 2021/22 bids. Feedback is that the increases in scope/cost are in the nature of 'nice to haves' rather than essentials.
Barbican Centre - Replace live streaming infrastructure	0.700	-	-	0.700	There is a strong likelihood of securing external funding for this work, negating the essential need for central funding.
Health and Safety					
65 Basinghall - Switch Room - Asbestos and Live Electrical Equipment Removal, and Water Ingress Solution	0.612	0.637	0.025	1.274	These works were proposed to unused areas in 65 Basinghall Street on the assumption that it is required for the JCCR - this has not been confirmed. Options for the Guildhall Masterplan may overtake the need to undertake these works in isolation.
Hampstead Heath Pergola Oak Structures repair and replacement	-	1.500	-	1.500	This scheme is to be used as a pilot for raising external funding to deliver improvements on the Open Spaces, negating the need for central funding.
Other					
St Paul's Cathedral Re-Lighting	1.500	-	-	1.500	Since 1966, there has been an informal arrangement whereby the maintenance of the external lighting system and running costs are the responsibility of the Corporation. The annual running costs of £25k would reduce to £10k if implemented (a 100 year payback on the proposed City investment of £1.5m). Efforts to continue to raise additional external funding (including from the Church) in accordance with the previously agreed external funding strategy should be pursued to support the existing pledge of £500k. There is also a possibility to secure developer funding through S106 obligations on future developments in the vicinity.
Healthy Streets Minor Schemes Programme	1.000	-	-	1.000	This request is for a general provision to undertake numerous ad-hoc minor improvements (<£50k) on-street, to address road safety etc issues, many of which previously would have been funded through TfL programmes or local risk. Should be looking to external funding (S278 etc) and local risk budgets for such minor schemes.
Total Red Funding Bids	4.827	3.487	0.025	8.339	
Total 8 (of 47)					

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Committee(s) Resource Allocation Sub Committee	Dated: 19/11/2021
Subject: Report of Action Taken	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	See each item
Does this proposal require extra revenue and/or capital spending?	N/A – please refer to the specific urgency reports
If so, how much?	As above
What is the source of Funding?	As above
Has this Funding Source been agreed with the Chamberlain's Department?	As above
Report of: The Town Clerk	For Information
Report Author: Polly Dunn, Senior Committee and Member Services Officer	

Summary

This report advises Members of action taken by the Town Clerk since the last meeting of the Sub-Committee, in consultation with the Chair and Deputy Chairman, in accordance with Standing Order Nos. 41(a) and (b).

Recommendation:

- That Members note the report.

Main Report

Urgent Authority – Local Implementation Plan Funded Schemes 2021 [29 July 2021]

1. TfL funding has been severely constrained over the last and current financial years, and funding has been released on short timescales. TfL have acknowledged the difficulty of planning and programming to short timescales. TfL funding is ringfenced to projects and schemes agreed in the LIP. Given the short timescale from TfL in April and the small amount of funding the decision was made at Director level to allocate to projects in progress already in the LIP programme, otherwise funding would have been lost.
2. Table 1 shows the proposed allocations as submitted to TfL in June 2021 (incorporating the funding agreed in April 2021). Table 1 also includes: funding requested for Principal Road Renewal £230,000 and funding already secured under the Mayor's Air Quality Fund £150,000

Table 1: Transport for London Grants confirmed and requested for FY 2021/22	
	Amount (£)
London Streetspace Programme - Cycling	47,000
Corridor, Neighbourhoods & Supporting Measures	381,300
Local Transport Funding	9,995
Liveable Neighbourhoods	651,000
Central London Cycling Grid	60,000
Principal Road Renewal	230,000
Mayors Air Quality Fund	180,000
TOTAL	1,559,295

3. It was requested that the spending plan be approved. Members were asked to approve the allocation up to the maximum in the submission given the requirement to complete spending by December 2021. Where appropriate, project spending is also subject to the usual Gateway reporting approvals process. Should further funds become available, these allocations will be decided under delegated authority as the amount is not anticipated to exceed the usual LIP allocation.

Action Taken

4. That the Town Clerk, in consultation of the Chair and Deputy Chairman of Policy & Resources and Resource Allocation Sub Committee:
 - Approve the allocations up to the maximum set out in table 1 of the report, for the year 2021/22.
 - Delegate authority to the Director of the Built Environment in consultation with the Chair and Deputy Chairman of the Planning & Transportation Committee and the Chairman and Deputy Chairman of the Streets & Walkways Sub Committee to allocate any additional funds which are made available by TfL in 2021/22 financial year.
 - Delegate authority to the Director of the Built Environment to reallocate the TfL grant between the approved LIP schemes should that be necessary during 2021/22 up to a maximum of £150,000.

Delegated Authority – Community Infrastructure Levy Neighbourhood Fund (CILNF) [4 August 2021]

5. At its meeting in May 2019, the Policy & Resources Committee agreed a delegated authority policy for applications to the Community Infrastructure Levy Neighbourhood Fund (CILNF). It was agreed a proportion of applications would be determined under delegated authority, 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 Panel
6. The CIL Neighbourhood Fund Officer Panel met on 27 July 2021 and approved two grants, for Learning through the Arts, and Repowering Limited respectively. As they are for amounts between £25,000 and £50,000, they should therefore be agreed by the Town Clerk, in consultation with the Chair and Deputy Chairman of the Resource Allocation Sub Committee.

Action Taken

7. That the Town Clerk, in consultation with Chair and Deputy Chairman of the Resource Allocation Sub-Committee, approve the following grants to the CILNF:

Learning Through the Arts (ref. 18614)

£49,984 over two years (£24,992; £24,992) to provide a series of children and family workshops for residents using multiple art forms from African drumming to Storytelling during the school breaks and holidays.

Repowering Limited (ref. 18838)

£33,660 over two years (£26,877; £6,783) to support the capital costs for a 50kWp solar array to be installed on the Middlesex Street Estate and towards a two-year Community Champion role.

Conclusion

8. Any reports relating to the contents of this update are available on request from the clerk, polly.dunn@cityoflondon.gov.uk

Polly Dunn

Senior Committee & Member Services Officer

Town Clerk's Department

E: polly.dunn@cityoflondon.gov.uk

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