



## Resource Allocation Sub (Policy and Resources) Committee

**Date:** FRIDAY, 17 DECEMBER 2021  
**Time:** 2.30 pm  
**Venue:** COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

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

**Enquiries:** Polly Dunn; [polly.dunn@cityoflondon.gov.uk](mailto:polly.dunn@cityoflondon.gov.uk)

### Accessing the virtual public meeting

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

<https://youtu.be/-O6XNI2D1G4>

A recording of the public meeting will be available via the above link following the end of the public meeting for up to one municipal year. Please note: Online meeting recordings do not constitute the formal minutes of the meeting; minutes are written and are available on the City of London Corporation's website. Recordings may be edited, at the discretion of the proper officer, to remove any inappropriate material.

**A joint lunch with the Community & Children's Services Committee will be served in the Guildhall Club at 1.15pm**

**John Barradell  
Town Clerk and Chief Executive**

# AGENDA

1. **APOLOGIES**
  
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
  
3. **MINUTES**  
To agree the public minutes and non-public summary of the Sub-Committee meeting held on 19 November 2021.  

**For Decision**  
(Pages 5 - 12)
  
4. **CAPITAL FUNDING UPDATE**  
Report of the Chamberlain.  

**For Decision**  
(Pages 13 - 26)
  
5. **COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND APPLICATIONS**  
Report of the Managing Director of the Bridge House Estate and Chief Charities Officer.  

**For Decision**  
(Pages 27 - 48)
  
6. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
  
7. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**
  
8. **EXCLUSION OF THE PUBLIC**  
MOTION – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of the Schedule 12A of the Local Government Act.

## **Part 2 – Non-Public Agenda**

9. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the Sub-Committee meeting held on 19 November 2021.

**For Decision**  
(Pages 49 - 52)

10. **CITY OF LONDON OPERATIONAL TENANTS - ARREARS UPDATE AND RENTAL SUPPORT**

Joint report of The Chamberlain and City Surveyor.

**For Information**  
(Pages 53 - 60)

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

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

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## RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Friday, 19 November 2021

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources) Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Friday, 19 November 2021 at 2.00 pm

### Present

#### Members:

Deputy Catherine McGuinness (Chair)	Christopher Hayward
Deputy Jamie Ingham Clark (Deputy Chairman)	Shravan Joshi
Deputy Keith Bottomley	Jeremy Mayhew
Anne Fairweather	Deputy Tom Sleigh
Tracey Graham	

#### In Attendance Virtually

Tijs Broeke  
Deputy James Thomson

#### Officers:

Caroline Al-Beyerty	- Chamberlain and Chief Financial Officer
Paul Double	- City Remembrancer
Gregory Moore	- Town Clerk's Department
Dianne Merrifield	- Chamberlain's Department
Paul Wilkinson	- City Surveyor
Emma Moore	- Chief Operating Officer
Sonia Virdee	- Chamberlain's Department
James Lee	- Central Grants Unit
Peter Young	- Corporate Property Group Director
Mark Jarvis	- Head of Finance
Sanjay Odedra	- Head of Media (Financial Services)
Leanne Murphy	- Town Clerk's Department

#### 1. APOLOGIES

Apologies were received from Tijs Broeke, Sir Michael Snyder, Karina Dostalova and Alderman Sir David Wootton.

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

There were none.

#### 3. MINUTES

**RESOLVED**, that the public minutes of the meeting held on 17 September 2021 be approved as an accurate record.

#### Matters arising

A Member raised a point of order, asking why agenda Item 12 was not being considered in public session as the content did not appear to be commercially

sensitive. The Chair advised that it was deemed appropriate for this report to be discussed in non-public as the decision might impact on the Schools fees.

The Town Clerk confirmed that, legally, the application of the Local Government Act 1972 did not apply to the Independent Schools and CoLAT so was not subject to the rules around transparency. As this was private business, it was deemed necessary to be considered in non-public session.

The following legal advice was also read by the Town Clerk for clarity:

The City of London Corporation is the proprietor of the Schools acting in its general corporate capacity, and their property is held as part of the City's Estate. The costs attributable to the running of the Schools are met from parents' fees and are otherwise funded from the City Corporation's own funds, City's Cash. The City Corporation is not acting in its capacity as a local authority as proprietor of any of the three independent Schools, which are classified under the Education Acts as being within the Independent sector.

The provisions of Part VA and Schedule 12A of the Local Government Act 1972 (Public Access to Meetings and Documents) do not apply to business of committees of the Court of Common Council in discharging the City Corporation's functions as proprietor of the three Schools. These statutory provisions only apply to the City Corporation in the discharge of its functions as a local authority and a police authority.

It was noted that the application of the Local Government Act was defined by whether a Committee was funded by City's Cash and City Fund. This distinction was often clear, but some committees had mixed functions and therefore subject to mixed funding. The Town Clerk confirmed that the City Corporation had discretion to apply or disapply conditions of Act, and whilst agendas could be split based on where these fit, the Policy & Resources Committee considered this matter in 2013 and 2016 and rejected this approach. Members acknowledged this would be complicated but felt it might be timely to reconsider this approach.

Members discussed whether those participating virtually should be allowed to participate in the non-public discussions. Due to the size of the Sub-Committee, the Chair agreed for those Members joining virtually to be able to speak but not vote on this occasion.

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

The Sub-Committee 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:-

- Note the approved and rejected grants under delegated authority at a meeting of the CILNF Officer Panel in October 2021 (Appendix 1);
- Approve the grant recommended to 'New Diorama' at a meeting of the CILNF Officer Panel in October 2021 (Appendix 2);
- Note the current position of the CILNF with respect to funds available and upcoming reporting.

## 5. CAPITAL FUNDING UPDATE

The Sub-Committee received a report of the Chamberlain providing a Capital Funding Update.

**RESOLVED**, that Members:-

- 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;
- 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;
- 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;
- 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

## 6. CAPITAL FUNDING - PRIORITISATION OF 2022/23 ANNUAL CAPITAL BIDS - INITIAL REVIEW

The Sub-Committee considered a report of the Chamberlain regarding an initial review Capital Funding Prioritisation of 2022/23 Annual Capital Bids.

Members were informed that Senior Officers had debated and prioritised the bids into a traffic light system of Green (demonstrates the essential criteria), Amber (essential criteria less clear) and Red (does not demonstrate essential criteria/not essential to do now). The list had already been challenged by the Chair and Deputy Chairman who made some adjustments.

Members considered the proposed Green/Amber/Red Bids and approved them all. The following comments were made on individual bids on the Amber and Red lists:

- **Barbican Centre - Repairs to roof, expansion joint repairs and drainage and water systems** – it was felt a holistic approach to all works at the Centre, including the podium and the Renewal Project, was

needed. Members were happy for Officers to take additional time to explore this.

- **DCCS - Library Management System** – it was hoped a plan would be developed to maximise a single management system.
- **Walbrook Wharf Feasibility Study - 2027 & beyond** – this project was considered too premature to be Green. The Corporate Property Group Director felt it was deceptive to refer to the project post-2027 as Officers hoped to be ready with planning consent, a waste management system decision and aspiration to introduce rivers by 2027 at the latest. A plea was made to the Sub-Committee for some funding to be made available to move the project forward.

The Deputy Chairman, after having discussions with the Chair for CASC, thought it unlikely to incur increased costs if the project was delayed for a year, and Members were content provided it was Green by next year.

In response to queries, it was confirmed this was to undertake sufficient research next year into waste management and explore river freight potential along with surveys which required strategic direction to be agreed in light of ongoing maintenance and repairs to the current depot and net zero targets by 2027. Officers agreed to come back to the Sub-Committee with a revised and lower bid.

- **IT - Data Repository/Warehouse** – a Member noted the complexity of the subject and felt it would be helpful to invite Officers involved in individual projects to provide the Sub-Committee with relevant information, as often Members were only aware of issues and implications if the project fell within their own committee areas.

An Officer confirmed IT issues had been included within the TOM process and focus was given to what has to happen rather than what would be nice to happen. Officers agree to invite Chief Officers to the meeting considering Amber and Red projects.

- **Guildhall Complex Post Covid New Ways of Working - Stage 2 works and furniture** – Members acknowledged the difficulties as it was not yet clear where to aim. Officers confirmed the project had begun looking and the future of North and West wings of Guildhall, and clear direction on the shape of the project was still needed.
- **St Paul's Gyrotory** – the Chair read comments received in advance of the meeting from a Member who asked if a) Officers could split out the different elements of the Gyrotory project to get clarity on what costs and timeline for realisation is of each element; b) endorsement of the recommendation that a “minimal allocation to fund investigations to inform the central funding requirement” is approved to be signed off under delegated authority to ensure the process progresses whilst not yet moving into Green for 2022/23, and c) instruct Officers to engage



with developers of 81 Newgate Street and other local projects to get clearer understanding of the level of their financial contributions to improvements to the public realm. Members and Officers were supportive of the suggestions and approved the delegated authority.

- **St Paul's Cathedral Re-Lighting** – a Member noted that there were a number of upcoming important anniversaries plus other events with St Paul's at the heart of national events. Currently, half of the dome was not lit and there were general health and safety concerns. The Member asked if this could be considered as a Capital Bid, subject to necessary conditions, e.g. that it be made clear the revenue costs for lighting be borne from revenue at the Cathedral.

The Chair declared an interest in St Paul's noting that she sat on the Cathedral's Council.

Members discussed the informal agreement and questioned what the City Corporation's responsibilities were, the S106 obligations and why the Cathedral were not financing the costs as it was not a Corporation owned building and the Cathedral had its own funding stream. It was also noted that there were other funding options available including bids to the National Lottery Heritage Fund.

A Member advised that St Paul's had struggled during lockdown and was only back to 40% of donations experienced pre-pandemic. The Member also noted that the Corporation received a secondary income from people visiting the Cathedral.

Members were concerned by the vagueness of the agreement and the potential for the Corporation taking on responsibility for something that was not theirs. Whilst this was regarded as a good cause, Members felt that the project provided a luxury item for St Paul's and was not considered to be a sufficient responsibility to the City Corporation. Members requested more clarity, including the process for the potential S106 funding agreement and whether the City's capital investment should come from City's Fund when this was a private property, and were happy to put the bid on hold until this was provided.

It was agreed a fully thought-out plan with conditions was needed and Members agreed to give delegated authority to progress this work pending further information. Officers agreed to provide a report providing more detail and place the bid in a separate waiting room.

- **IT tech bids** - A Member observed that all tech funding bids were not capital bids. Officers confirmed this was an ongoing issue with IT being addressed by the TOM and required more investigative working. This would be changed later.
- **Hampstead Heath Pergola Oak Structures repair and replacement** – Members were informed that there were opportunities for fundraising at

this high-profile site and lots more that could be done including weddings. A Member requested that funding opportunities be revisited and that the City Corporation do more to support all fundraising opportunities and outreach.

**RESOLVED**, that Members: -

- 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;
- Agree that a minimal allocation to fund investigations to inform the central funding requirement for the St Paul's Gyratory is approved under delegated authority to the Town Clerk, in consultation with the Chair and Deputy Chairman, to ensure the process continues to progress;
- Agree that delegated authority be given to the Town Clerk, in consultation with the Chair and Deputy Chairman, to allow Officers to progress with work concerning St Paul's Cathedral Re-Lighting and explore options in more detail to present to Members whilst the bid is placed in a separate "waiting room".

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

The Sub-Committee noted a report of the Town Clerk concerning action taken between meetings.

**RESOLVED**, that the report be noted.

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

There were no questions.

9. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**  
The Chair gave thanks to Karina Dostalova who stepped down as a Member of the Court of Common Council, and subsequently the Sub-Committee, after the publication of the agenda.
10. **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.
11. **NON-PUBLIC MINUTES**  
**RESOLVED**, that the non-public minutes of the meeting of the Sub-Committee held on 17 September 2021 were agreed as a correct record.
12. **ALLOCATION OF THREE INDEPENDENT SCHOOLS FUNDING WITHIN THE SCHOOLS FUNDING MODEL**  
The Sub-Committee considered a joint report of the Director of Community & Children's Services and the Chamberlain regarding the Allocation of Three Independent Schools Funding within the Schools Funding Model.
13. **NON-PUBLIC REPORT OF ACTION TAKEN BETWEEN MEETINGS**  
The Sub-Committee received a report of the Town Clerk regarding non-public action taken between meetings.
14. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**  
There were no non-public questions.
15. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**  
There were no urgent items of non-public business.

**The meeting ended at 3.42 pm**

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Chairman

**Contact Officer: Leanne Murphy**  
**Leanne.murphy@cityoflondon.gov.uk**

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# Agenda Item 4

<b>Committee(s):</b> Resource Allocation Sub Committee – for Decision Bridge House Estates Board – for information	<b>Date(s):</b> 17 December 2021 11 January 2022
<b>Subject:</b> Capital Funding Update on Previously Approved Bids	<b>Public</b>
<b>Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?</b>	The schemes for which funding is now requested span across a range of corporate outcomes
<b>For Bridge House Estates (BHE), which outcomes in the BHE Bridging London 2020 – 2045 Strategy does this proposal aim to support?</b>	1,2&3
<b>Does this proposal require extra revenue and/or capital spending?</b>	Yes
<b>If so, how much?</b>	£518k(+ £229k reallocation of existing funding)
<b>What is the source of Funding?</b>	£467k from various City Fund Reserves and £51k from City’s Cash reserves. (+ £229k of City Fund and City’s Cash reserves reallocated)
<b>Has this Funding Source been agreed with the Chamberlain’s Department?</b>	Yes
<b>Report of:</b> The Chamberlain	<b>For Decision</b>
<b>Report author:</b> 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 £31.5m 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 Building Energy Management (BEMS) Phase1 scheme requires additional central funding of £229k following detailed technical surveys which revealed the need for previously unforeseen enabling works. To remain within existing provisions, the 'one-in, one-out' approach has been adopted to identify funding from savings on another bid. The central funding requirement for the Phase 1 Energy Reduction Programme has reduced significantly, mainly as a result of the successful bid for central government grant via the PSDS scheme. Therefore, it is proposed to reallocate £229k of these savings to provide funding for the BEMS project, with the remaining net saving of £246k being returned to the centre (£209k to City's Cash and £37k to BHE, see Table 1).

In addition, release of £518k to allow progression of the six schemes summarised in Table 2 (para 11) is now proposed. Funding for these schemes can be met from the provisions set aside from the reserves of City Fund and City's Cash: £75k from the On Street Parking Reserve, £127k from CIL and £120k from capital reserves (all City Fund), plus £51k from City's Cash general reserves.

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.

### **Recommendations**

Resource Allocation Sub Committee Members are requested -

- (i) To agree to apply the 'one-in, one-out' approach to reallocate £229k from the central reserves of City Fund and City's Cash from the savings on the Energy Reduction Programme to provide top-up funding for the BEMS Phase 1 scheme.
- (ii) To note the net savings of £246k on the Energy Reduction Programme Phase 1 as summarised in Table 1, of which £209k relates to City's Cash.
- (iii) To review the schemes summarised in Table 2 and, particularly in the context of the current financial climate, to confirm their continued essential priority for release of funding at this time; and accordingly
- (iv) To agree the release of up to £518k for the schemes in Table 2 from the reserves of City Fund and City's Cash as appropriate, subject to the required gateway approvals.

- (v) 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 .

Bridge House Estates (BHE) Board Members are requested –

- (vi) To note the £37k contribution from BHE no longer required for the Energy Reduction Programme Phase 1 scheme.

## **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 BHE<sup>1</sup>. 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.

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<sup>1</sup> 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 is 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, £31.5m has been drawn down to allow 36 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 £8.9m has been approved in respect of 11 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 Building Energy Management System (BEMS) Phase 1 scheme was granted 'in principle' central funding approval of £904k as part of the 2021/22 capital bids. Detailed technical surveys have revealed the need for previously unforeseen enabling works involving upgrade of the IT network infrastructure to be undertaken, resulting in a cost increase of £406k for which a central funding top-up of £229k is now required (the remaining shortfall being met from existing CWP budgets). To remain within existing provisions, the 'one-in, one-out' approach has been adopted to identify funding from savings on another bid.
9. The Energy Reduction Programme (Phase 1) scheme was granted 'in principle' central funding of £978k as part of the 2020/21 capital bids. Following the successful bid for grant from central government, some of the original proposals are now part of the PSDS project and also additional S106 funding carbon offset funding has been identified, which has reduced the call on central funding by £708k. Of this sum, £233k has previously been reallocated to support the Guildhall Cooling Plant project and a further £229k is now proposed for reallocation to support the increase in the BEMS project - leaving a balance of £246k of central funding no longer required (£209k City's Cash and £37k BHE). Table 1 below summarises the position:



Table 1: Energy Reduction Programme (Phase 1)	City Fund	City's Cash	BHE	Total
	£000	£000	£000	£000
Original Funding Allocation	440	489	49	978
Reduced Central Funding now required	181	89	-	270
Surplus central funding	259	400	49	708
Previously reallocated to Guildhall Cooling Project	- 144	- 77	- 12	- 233
Reallocation to BEMS project ( <b>now requested</b> )	- 115	- 114	-	- 229
Central Funding no longer required	-	209	37	246

10. It should be noted that the central funding for the Energy Reduction Programme was agreed in principle on the basis of a 5-year payback - which the schemes remaining in scope are still targeting. However, whilst the BEMS scheme will not result in a 5-year payback, it is vital for ensuring the energy efficient operation of the sites and plays an important part in reducing our carbon footprint.

### Current Requests for the Release of Funding

11. There are six schemes with 'in principle' funding approved as part of the capital bids that are progressing through the gateways for which release of £518k is now requested as summarised in Table 2:

Table 2: Project Funding Requests	Next Gateway	Capital Bid Round	City Fund	City's Cash	Bridge House Estates	Total
			£000	£000	£000	£000
<b>Funding to progress to the next gateway</b>						
Wanstead Park Ponds	G4	Fundamental Review	-	51	-	51
* West Smithfield Area Public Realm	G4	Fundamental Review	75	-	-	75
** Secure City Programme: CCTV and Telecommunications	G5	2021/22	100	-	-	100
<b>Full Funding for Scheme Implementation</b>						
Tower Hill Play Area	G5	2021/22	120	-	-	120
** Highway Security HVM Area N	G6	2021/22	27	-	-	27
High Dependency Hostel for Rough Sleepers - Top-up	G5	2021/22	145	-	-	145
<b>Total Requested Release of Funding</b>			<b>467</b>	<b>51</b>	<b>-</b>	<b>518</b>
* On Street Parking Reserve (OSPR)						
** Community Infrastructure Levy (CIL)						

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

12. In accordance with step two of the capital funding mechanism, Members will wish to confirm that these schemes remain a priority for funding to be released at this time particularly in the context of the current financial climate.
13. The funding for these schemes can be met from the existing provisions set aside from the relevant reserves of City Fund and City's Cash as set out in Table 2.

## 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 £229k to provide top-up funding for the BEMS (Phase 1) scheme is requested to be met from savings on the Phase1 Energy Reduction Programme (refer to paragraphs 7 - 10). A net reduction of £246k in central funding for the Energy Reduction Programme is also to be noted (£209k City's Cash and £37k BHE).
17. Requests for the release of £518k to allow six schemes to progress are set out in Table 2 (refer to paragraph 11 and appendix 3).
18. The funding for these schemes can be met from the existing provisions set aside from the relevant reserves of City Fund and City's Cash as set out in Table 2, which were agreed via the fundamental review, 2020/21 and 2021/22 annual capital bids: £245k from City Fund capital reserves, £75k from the On Street Parking Reserve and £127k from CIL, plus £51k from City's Cash Reserves.
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)

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## Appendix 1

Approved Bids 2020/21						THIS REPORT	THIS REPORT	
Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Fundng Allocation After Re- prioritisation	Release of Funding Previously agreed	Reallocation of Funding now requested	Release of Funding now requested
<b>Critical End of Life Replacement</b>								
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	0.389		-
Guildhall event spaces - Audio & Visual replacement / upgrade	-	0.330	-	0.330	0.330	0.045		-
Guildhall Yard - Refurbishment/ Replacement of Paviments	-	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		-
<b>Fully or substantially reimbursable</b>								
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	-		-
<b>High Profile Policy Initiative</b>								
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		0.145
Secure City Programme	15.852	-	-	15.852	15.852	7.174		-
<b>Statutory Compliance/Health and Safety</b>								
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	-		-
<b>Spend to save with a payback &lt; 5 years</b>								
Energy programme of lighting and M&E upgrade works (Phase 1)	0.440	0.489	0.049	0.978	0.743	0.050	0.475	-
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	-	-		-
<b>Total Approved Funding Bids</b>	<b>69.492</b>	<b>18.646</b>	<b>0.900</b>	<b>89.038</b>	<b>84.909</b>	<b>31.495</b>	<b>0.475</b>	<b>0.145</b>

Previous Funding Allocation	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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## Appendix 2

Approved Bids 2021/22				THIS REPORT	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	Reallocation of Funding now requested	Release of Funding now requested
<b>Critical End of Life Replacement</b>								
OSD - Tower Hill Play Area Replacement Project	0.120			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	0.229	
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			
<b>High Profile Policy Initiative</b>								
DBE - Secure City Programme Year 2	4.739			4.739	4.739	1.600		0.100
SVY - Guildhall Complex Masterplan - initial feasibility and design work		0.350		0.350	0.350			
<b>Statutory Compliance/Health and Safety</b>								
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			0.027
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 toreshore 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			
<b>Spend to save with a payback &lt; 5 years</b>								
SVY - Energy Reduction Programme – Phase 2	0.194	0.181		0.375	0.375			
<b>Sub-Total - Bids Fulfilling the Funding Criteria</b>	<b>32.173</b>	<b>8.394</b>	<b>0.096</b>	<b>40.663</b>	<b>39.960</b>	<b>4.767</b>	<b>0.229</b>	<b>0.247</b>
<b>Climate Action :</b>								
DBE - Public Realm (Pedestrian Priority)	6.050			6.050	6.050	2.454		
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			
<b>Sub-Total - Climate Action</b>	<b>32.913</b>	<b>9.258</b>	<b>0.649</b>	<b>42.820</b>	<b>42.820</b>	<b>4.124</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Bids Fulfilling the Funding Criteria</b>	<b>65.086</b>	<b>17.652</b>	<b>0.745</b>	<b>83.483</b>	<b>82.780</b>	<b>8.891</b>	<b>0.229</b>	<b>0.247</b>

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 six schemes for which approval to release central funding of up to £518k is now sought, as summarised in Table 2 of the main report.

(i) Wanstead Park Ponds – release of £51k to progress the scheme

- The project was established primarily to address the risk of flood from the ponds at Wanstead Park.
- The ‘in principle’ funding from central City’s Cash reserves was agreed as part of the fundamental review in order to comply with our statutory responsibilities.
- The request is for the release of a further £51k to progress the detailed options appraisal.

(ii) West Smithfield Area Public Realm - release of £75k to progress the scheme

- This project is to provide new public spaces and improved environment in West Smithfield.
- The ‘in principle’ central funding from City Fund reserves (OSPR) was approved as part of the fundamental review in respect of the elements which are dependencies of the Major Projects in the area – the Museum Relocation and Markets consolidation.
- This request is to draw down £75k to finalise designs and to salvage historic paving materials for re-use, subject to the approval of the gateway 3 issue report.

(iii) Secure City Programme: CCTV and telecommunications – release of £100k to progress the scheme

- CCTV and telecoms is one of the five workstreams within the Secure City Programme, which seeks to establish a stable security platform and capability which is commensurate with the needs of modern day security and services across the City.
- The ‘in principle’ central funding from City Fund reserves (CIL) was agreed as part of the annual capital bids as the current surveillance capability is largely beyond end of life and no longer fit for purpose.
- This request is for approval to draw down £100k from the sum agreed as part of year 2 bid to undertake the detailed design work required to reach the next gateway, subject to the approval of the gateway 3/4 report.

(iv) Tower Hill Play Area – release of £120k to implement the scheme

- This project is for the refurbishment of the play area at Tower Hill gardens to ensure its equipment and safety surfacing are fit for purpose and meet current safety standards.
- The total estimated cost of the scheme is £195k, of which £75k is being met from a S106 contribution and the balance of £120k from central City Fund reserves. The ‘in principle’ central funding was agreed as part of the 2021/22 capital bids on health and safety grounds, as the equipment has reached end of life.

- This request is for the release of up to £120k, of which £16k is required now and the balance subject to the approval of the gateway 5 report by the Chief Officer.
- (v) Highway Security: Hostile Vehicle Mitigation (HVM) Location N – release of £27k to implement the scheme
- In response to the continuing terrorist threat, a security programme to address the vulnerability of key high priority crowded spaces was established which includes this 'Location N'.
  - 'In principle' central funding from City Fund reserves (CIL) was agreed as part of the 2021/22 capital bids to meet the costs of the HVM measures for the remaining locations.
  - The total estimated cost of delivering these measures is £76k, of which £49k is to be funded from existing budgets for the advance purchase of equipment, leaving the balance of £27k to be drawn down to meet costs of installation.
- (vi) High Dependency Hostel for Rough Sleepers – release of additional £145k top-up to deliver the scheme
- This project is to establish a full-time high support hostel for those sleeping rough who have complex needs. The facility is being delivered by a third-party provider with the City acting as grant funder for the fit-out.
  - 'In principle' central funding of up to £500k from City Fund reserves was agreed as part of the 2020/21 annual capital bids process for the delivery of the high priority strategy to address rough sleeping in the City.
  - Approval to the release of £355k has previously been agreed – a further top up of £145k is now requested following an increase in the cost of the fit-out. It should also be noted that a potential contribution from the GLA towards construction costs may reduce the call on central funds.

**17/12/21 RASC**

# Agenda Item 5

<b>Committee(s):</b> Resource Allocation Sub (Policy and Resources) Committee – For decision	<b>Dated:</b> 17/12/2021
<b>Subject:</b> Community Infrastructure Levy Neighbourhood Fund – Applications for Approval	<b>Public</b>
<b>Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?</b>	1, 2, 3, 4, 7, 10
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>N</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain’s Department?</b>	<b>N/A</b>
<b>Report of:</b> Managing Director of the Bridge House Estate and Chief Charities Officer	<b>For Decision</b>
<b>Report author:</b> 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.

## Recommendation

Members are recommended to:

1. To approve the grant recommended to 'The World Reimagined Limited' at a meeting of the CILNF Officer Panel in October 2021 (**Appendix 1**)
2. To approve the grant recommended to 'Temple Bar Trust' at a meeting of the CILNF Officer Panel in October 2021 (**Appendix 1**).
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 December 2021, the neighbourhood portion of the City CIL stood at £5.3 million in available funds.
9. Since the launch of the City CILNF, Members and Officers have worked together to commit £2,006,409 in funding to City communities.
10. As of 22 November 2021, the CILNF is temporarily paused to new applications in excess of £50,000 in order to carry out its statutory reporting and public consultation obligations. It is anticipated that the fund will resume acceptance of applications over £50,000 in Spring 2022.
11. The City CILNF is currently processing an application pipeline of £5,099,142. It is not anticipated that this entire pipeline will be fully funded.

Funds committed to date	Funds available	Current pipeline
£2,006,409	£5,373,849	£5,099,142

12. 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.
13. At its meeting in October 2021 the CILNF Officer Panel considered six applications. Members considered four of those applications at a meeting of this committee in November 2021. **Appendix 1** outlines two grants which Members of the Committee are now asked to approve at this meeting in December.

## **Corporate & Strategic Implications**

14. 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.
15. 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.
16. 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.
17. 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.
18. Volunteering programme: Projects funded by the CILNF may provide volunteering opportunities which can be offered to Officers via the Corporate Volunteering programme if and when appropriate.
19. Delivery of the Fund will be through existing staff resources in Departments. Staff resource requirements will be met through allocation of some of the City CIL funds set aside by statute to cover administration costs.

## **Conclusion**

20. Community Infrastructure Levy legislation requires local authorities to reserve between 15% and 25% of CIL receipts for neighbourhood funding. Where there is no recognised parish or town council or neighbourhood forum, the local authority will retain the neighbourhood fund but must spend it on infrastructure which meets community needs. The local authority must consult the community on how these funds will be used.
21. The Neighbourhood Fund application process is managed by the City Corporation's Central Grants Unit, with officers assessing applications and providing support to Committee in the consideration of larger applications. The administrative cost incurred in operating the Fund is recoverable from the 5% of City CIL funds allowed to cover such costs in Regulations. The programme launched on 1 September 2020.

## **Appendices**

Appendix 1 – Assessment Pack

Appendix 2 – CIL Neighbourhood Fund Policy

## **Background Papers**

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

### **James Lee**

Community Infrastructure Levy Neighbourhood Fund Programme Manager

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# Community Infrastructure Levy Neighbourhood Fund

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Assessment Pack – December 2021

James Lee & Jack Joslin

## COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND

**The World Reimagined Limited (ref. 18837)**

**Amount requested: £100,000**

**Amount recommended: £100,000**

**Purpose of grant request: Bring TWR's programme around the Transatlantic Slave Trade and its impact to the CoL, featuring a sculpture trail; education & community programme; and events.**

**Type of cost: Revenue and Capital**

**Ward(s) benefitting: *City Wide***

### **The Applicant**

The World Reimagined Limited (WR) is a registered Charity (1195223). The Charity was registered with the Charity Commission in 2021 and was formerly constituted as a charitable project and restricted fund under the auspices of Prism The Gift Fund. The WR has been established since 2019 and is a national art education project that looks to transform how we understand the Transatlantic Slave Trade and its impact on our lives.

### **Background and detail of proposal**

The WR will see trails of large globe structures in cities across the UK in the summer of 2022, created by artists to bring to life the impact of the Transatlantic Slave Trade. The globe designs will be conceived by Yinka Shonibare CBE. The trails will be the centre of a broader education and engagement programme, with hundreds of schools, community groups, sporting, and cultural institutions across the country. The trails of globes will be in publicly accessible locations in cities across the UK, they will be connected by a digital platform that will match education with pathways to join the conversation, highlighting further sculptures, events and organisations doing important work in this space.

The WR are seeking funding from the CILNF as it believes the historic nature of the City of London means that its own story and success is inextricably interwoven with the Transatlantic Slave Trade and its impact. WR wish to work with the City of London to bring the project to the square mile, this would include:

- A trail of 10 Globes to be hosted in the Square Mile for 10 weeks between May-July 2022
- The WR Education programme
- A Tailored experience on the digital platform, speaking to the City's History
- Opportunities for community engagement around creating an inclusive City

The Education Programme that will run alongside the project will be offered to all schools within the City of London and schools that fall under the City of London Academy Trust. WR will deliver teaching training days and work with schools to develop their own Globe Sculptures on a subsidised basis. These sculptures will be hosted in indoor setting in the local community during the campaign encouraging

people to visit the larger sculpture trail in the City. WR will also look to engage residents, working and visitor communities with the history on the City in a way that is forward-looking towards creating a more inclusive City.

The WR initiative has already gained City partners across the UK and has several London Boroughs involved. If approved this project would be connected to a large scale National cultural project. Funding from the CILNF is being requested to support the revenue and capital costs of delivering the sculpture trail and wrap around education and community programmes. The Charity have already secured significant funding for the wider National Programme from Sky and Esme Fairbairn.

### Financial Information

WR were originally conceived as a restricted fund under the auspices of the Prism the Gift Fund, an approach taken by some new Charities. WR operated this way until 2021 and therefore do not have a full set of accounts. The Draft and Forecast below outline significant growth as the Charity build up to the Nationwide event in 2022. Significant fundraising activity is expected, with most of that budget spent in 2022/23, including a proportion of the reserves. To date WR have raised 61% of the budget required to deliver the National event. The Charity has robust procedures in place and an experienced staff team that can manage the growth and development.

Year end as at 31 March	2021	2022
	Forecast	Budget
	£	£
<b>Income &amp; expenditure:</b>		
Income	118,712	2,536,500
Expenditure	(36,777)	(1,065,322)
<b>Surplus/(deficit)</b>	<b>81,935</b>	<b>1,471,178</b>
<b>Reserves:</b>		
Total restricted	60,000	993,000
Total unrestricted	21,935	560,113
<b>Total reserves</b>	<b>81,935</b>	<b>1,553,113</b>
Of which: free unrestricted	21,935	560,113
Reserves policy target	9,194	266,331
Free reserves over/(under) target	12,741	293,783

### Recommendation

This project is ambitious and is part of a large-scale national programme. The project will have wide reach to City Communities including, workers, residents, school children and visitors. It is hoped that this will be a significant attraction for visitors to the City and has a compelling and relevant message re-framing the discourse on the Transatlantic Slave Trade. From assessment it was clear that WR are well connected and have the experience to deliver a project like this at scale. The project has now also been assessed by the City Arts Initiative Panel who will be recommending it for support in January. Full Funding is recommended for this important project.

**£100,000 to fund the World Reimagined Sculpture Trail in May 2022.**

## COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND

**Temple Bar Trust (ref. 18843)**

**Amount requested: £250,000**

**Amount recommended: £250,000**

**Purpose of grant request: To provide an educational programme for the local community, children and visitors, based in the refurbished Temple Bar and adjoining accommodation in Paternoster Lodge.**

**Type of cost: Revenue**

**Ward(s) benefitting: *Bread Street Ward***

### **The Applicant**

The Temple Bar Trust (TBT) is a company limited by guarantee (company number 11584511) that was established by (but exists separately to) the Worshipful Company of Chartered Architects. TBT has a specific focus on supporting diversity in the architectural profession and promoting architecture to a wider public.

### **Background and detail of proposal**

The applicant is seeking funding to pay the salary and on-costs for an 'Education Officer' that will devise and deliver an educational programme for the local community, children and visitors, based in the refurbished Temple Bar (Grade I Listed) and adjoining accommodation in Paternoster Lodge.

The programme of work will include talks focusing on architecture, the City and its heritage for both professionals and students. TBT will also deliver a programme of activities that will be offered to school children, university students and apprentices. This will be developed further from the successful virtual programme already being provided by TBT during the Covid-19 pandemic.

A key part of this work will involve efforts to promote greater diversity within the architectural profession. TBT are seeking to work with educational groups, organisations and charities with similar aims and maintain a close relationship with them to help achieve this aim. TBT have a real commitment to addressing this issue, which is reflected in their proposed monitoring framework which pays close attention to the gender and ethnicity of beneficiaries.

The applicant's delivery plans are detailed, sensible and clear. TBT outlines how the Education Officer will work with schools; tertiary education; apprenticeships and deliver their own series of talks in partnership with the Livery Schools Link, the City Centre and Blueprint for All (formerly the Stephen Lawrence Trust) to help deliver its aims. TBT intends to leverage its professional links and the Temple Bar itself to promote London as an important centre of architectural practice. Whilst some of the work will be aimed at architectural professionals, there will also be a strong offer for

schools, with the Temple Bar being offered as a free space with free educational resources for schools visiting the City to use. This is an offer that the Education Officer will help to target at the 'unusual suspects' by identifying and working with schools who do not normally access this sort of provision: all ultimately with the aim of encouraging a more diverse pipeline of future talent into the architecture profession.

Throughout the pandemic, TBT saw continued demand for their activities, with over 2000 views of their programme of talks that were available to the public during the course of the pandemic. It is clear that TBT is a well-regarded institution and well placed to deliver this work.

## Financial Information

Income for 2021 has fallen dramatically as a result of the pandemic, which has led to TBT receiving no income from donations that would normally have been collected from the in-person events held at Temple Bar (worth £71,000 in 2020). The rest of TBT's income is derived from the sponsorship of events held and membership fees.

The applicant has very low operating expenditure with no members of staff and no significant financial commitments. This is set to change in the 2021/22 financial year when TBT takes over the lease for a new base of operations in the City. Should this grant be approved, it would represent the first member of staff for TBT. The governance of TBT has experience in managing staff through roles held outside of TBT and have factored in the associated costs of employment as part of this grant request. Whilst the current reserves policy is somewhat vague, the applicant has committed to updating it to ensure that it includes SORP compliant detail and reflects their future expenditure plans should this grant be approved.

It should be noted that TBT had some difficulty in providing reliable financial forecast information and the 2022 budget may be subject to some variation. Whilst it is concerning that the applicant struggled to provide reliable budget information, the fact that their signed accounts portray a healthy financial position means that the CILNF are happy to manage this risk by placing conditions on the grant.

Year end as at 30/09	2020	2021	2022
	Signed Accounts	Forecast	Budget
	£	£	£
<b>Income &amp; expenditure:</b>			
Income	120,921	9,699	37,776
- % of Income confirmed as at	100%	100%	0%
Expenditure	(13,746)	(19,025)	(101,660)
Total surplus/(deficit)	<b>107,175</b>	<b>(9,326)</b>	<b>(63,884)</b>
Split between:			
- Restricted surplus/(deficit)	0	0	0
- Unrestricted surplus/(deficit)	107,175	(9,326)	(63,884)
	<b>107,175</b>	<b>(9,326)</b>	<b>(63,884)</b>
<b>Free unrestricted reserves:</b>			
Free unrestricted reserves held at year end	170,615	161,289	97,405

## **Recommendation**

Whilst this grant would provide TBT's first and only member of staff, the experience of TBT's trustees can give a level of confidence and assurance that the post would be managed and directed appropriately. This grant would provide a valuable additional resource to help TBT develop their existing work with a range of audiences to drive greater diversity in the architectural profession: ultimately working to the benefit of the City and all of London.

The focus on supporting schools is a welcome part of this application and will do much to drive a renewed interest in the Square Mile's unique architectural heritage amongst future generations.

There is some uncertainty over the applicant's budgeting and forecasting but this risk can be managed by placing a condition on the grant and working closely with the applicant to improve their financial reporting process.

**£250,000 over five years (£50,000; £50,000; £50,000; £50,000; £50,000) to provide an educational programme for the local community, children and visitors, based in the refurbished Temple Bar and adjoining accommodation in Paternoster Lodge.**

**As a condition of the grant, following the first year of funding (£50,000), subsequent years of funding will only be released following review by the CILNF team and receipt of satisfactory financial reporting from TBT.**

# 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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