



## Bridge House Estates Board

**Date:** TUESDAY, 13 SEPTEMBER 2022

**Time:** 11.00 am

**Venue:** COMMITTEE ROOMS, WEST WING, GUILDHALL / MICROSOFT TEAMS

**Members:** Deputy Dr Giles Shilson (Chair)  
Paul Martinelli (Deputy Chair)  
Deputy Henry Colthurst  
Deputy Simon Duckworth (Chief Commoner)  
Alderman Professor Emma Edhem  
Alderman & Sheriff Alison Gowman  
Judith Pleasance  
Deputy Henry Pollard  
Deputy Nighat Qureishi  
Deputy James Thomson

**Enquiries:** Joseph Anstee  
[joseph.anstee@cityoflondon.gov.uk](mailto:joseph.anstee@cityoflondon.gov.uk)

### Accessing the public meeting

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

<https://youtu.be/CvFp4WUGANA>

This meeting will be a hybrid meeting. 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.

**Lunch will be served in the Guildhall Club at 1.00pm.**

**John Barradell**  
Town Clerk

# AGENDA

## Part 1 - Public Agenda

### Governance and Strategy

1. **APOLOGIES**

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

3. **MINUTES**

To agree the public minutes and non-public summary of the meeting held on 6 July 2022.

**For Decision**  
(Pages 7 - 16)

4. **OUTSTANDING ACTIONS\***

Report of the Town Clerk

**For Information**  
(Pages 17 - 20)

5. **MANAGING DIRECTOR'S UPDATE REPORT**

Report of the Managing Director of Bridge House Estates (BHE)

*To be considered in conjunction with the non-public appendices at Item 15.*

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

6. **CHARITY COMMISSION REQUIREMENT TO REPORT ON SERIOUS INCIDENTS - REPORTING POLICY**

Report of the BHE & Charities Finance Director

**For Decision**  
(Pages 29 - 38)

### Finance

7. **UPDATE ON BHE CONTINGENCY FUNDS\***

Report of the BHE & Charities Finance Director

**For Information**  
(Pages 39 - 44)

**8. BUDGET MONITORING: 1 APRIL TO 31 JULY 2022**

Report of the BHE & Charities Finance Director

**For Information**

(Pages 45 - 52)

**Primary Object - Bridges**

**9. TOWER BRIDGE - INSTALLATION OF PERMANENT WORKING AT HEIGHT CONTROLS AND FABRIC IMPROVEMENTS (PHASE 1 - RESTING BLOCKS)**

Report of the Executive Director of Environment

**For Decision**

(Pages 53 - 82)

**10. TFL'S LONDON BRIDGE EXPERIMENTAL TRAFFIC RESTRICTION**

Report of the Executive Director of Environment

**For Decision**

(Pages 83 - 132)

**Investments**

**11. TREASURY MANAGEMENT STRATEGY 2022/23 - PROPOSED AMENDMENT**

Report of the Chamberlain

**For Decision**

(Pages 133 - 140)

**12. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD AND ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**

**13. EXCLUSION OF THE PUBLIC**

**MOTION** – With the Court of Common Council for the City Corporation as Trustee of Bridge House Estates (Charity No. 1035628) having decided to treat these meetings as though Part VA and Schedule 12A of the Local Government Act 1972 applied to them, it now be moved that the public be excluded from the meeting for the following items of business on the grounds that their consideration will in each case disclose exempt information of the description in paragraph 3 of Schedule 12A, being information relating to the financial and business affairs of any person (including the City Corporation as Trustee of the charity) which it would not be in the charity's best interests to disclose.

**For Decision**

## Part 2 - Non-Public Agenda

### Governance and Strategy

**14. NON-PUBLIC MINUTES**

To agree the non-public minutes of the meeting held on 6 July 2022.

**For Decision**  
(Pages 141 - 148)

**15. NON-PUBLIC APPENDICES: MANAGING DIRECTOR'S UPDATE REPORT**

*To be considered in conjunction with the report at Item 5.*

**For Information**  
(Pages 149 - 170)

**16. BRIDGE HOUSE ESTATES AND CITY OF LONDON POLICE INSTITUTIONAL SERVICE LEVEL AGREEMENT (SLA) PROGRESS**

Report of the BHE Chief Operating Officer

**For Decision**  
(Pages 171 - 178)

**17. PROPOSED FINAL BHE PRINCIPAL RISK REGISTER**

Report of the BHE Chief Operating Officer

**For Decision**  
(Pages 179 - 192)

### Primary Object - Bridges

**18. HIGHWAYS OVER THE CHARITY'S BRIDGES - TABLE OF FUNCTIONS**

Report of the BHE Chief Operating Officer

**For Information**  
(Pages 193 - 214)

### Ancillary Object - Charitable Funding

**19. DELEGATED AUTHORITY REQUEST: FUNDING APPLICATIONS OVER £500,000**

Report of the Managing Director of BHE

**For Decision**  
(Pages 215 - 218)

### Investments

**20. COLECHURCH HOUSE SE1 - PROPOSED REMOVAL OF PART REINSTATEMENT OF THE ELEVATED FOOTWAY**

Report of the City Surveyor

**For Decision**  
(Pages 219 - 228)



**21. DELEGATED AUTHORITY REQUESTS**

- a) **Delegated Authority Request: Horace Jones House and Bridgemasters House - Works to Address Historic Issues**

Report of the Managing Director of BHE and the City Surveyor

**For Decision**  
(Pages 229 - 238)

- b) **Delegated Authority Request: Commercial Settlement Offer for 30-34 New Bridge Street**

Report of the City Surveyor

**For Decision**  
(Pages 239 - 240)

**22. BHE: PERFORMANCE MONITORING OF PROPERTY INVESTMENT PORTFOLIOS TO 31ST MARCH 2022\***

Report of the City Surveyor

**For Information**  
(Pages 241 - 244)

**23. BHE: OUTSTANDING LEASE RENEWALS & RENT REVIEWS - 1ST JANUARY 2022 TO 30TH JUNE 2022\***

Report of the City Surveyor

**For Information**  
(Pages 245 - 248)

**24. BHE: RENTAL ESTIMATES MONITORING REPORT (JUNE 2022 QUARTER)\***

Report of the City Surveyor

**For Information**  
(Pages 249 - 254)

**25. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD AND ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

*NB: Certain non-contentious matters for information have been marked \* with recommendations anticipated to be received without discussion, unless the Chair or Committee Clerk has been informed that a Member has questions or comments prior to the start of the meeting.*

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## BRIDGE HOUSE ESTATES BOARD Wednesday, 6 July 2022

Minutes of the meeting of the Bridge House Estates Board held at Committee Rooms, Guildhall and via Microsoft Teams on Wednesday, 6 July 2022 at 11.00 am

### Present

#### Members:

Deputy Dr Giles Shilson (Chair)  
Paul Martinelli (Deputy Chair)  
Deputy Henry Colthurst  
Deputy Simon Duckworth (Chief Commoner)  
Alderman Professor Emma Edhem  
Alderman & Sheriff Alison Gowman  
Judith Pleasance  
Deputy Henry Pollard  
Deputy Nighat Qureishi

#### Officers:

David Farnsworth	- Managing Director of BHE
Simon Latham	- Chief Operating Officer, BHE
Karen Atkinson	- BHE & Charities Finance Director (representing the Chamberlain)
Amelia Ehren	- BHE
Chris Earlie	- BHE
Tim Wilson	- BHE
Sam Grimmett-Batt	- BHE
Catherine Mahoney	- BHE
Paul Dudley	- BHE
Deborah Cluett	- Comptroller & City Solicitor's Dept.
Anne Pietsch	- Comptroller & City Solicitor's Dept.
Ian Hughes	- Environment Department
Thomas Creed	- Environment Department
Nicholas Gill	- City Surveyor's Department
Richard Chamberlain	- City Surveyor's Department
Grace Rawnsley	- CAS Programme Team
Joseph Anstee	- Town Clerk's Department

The Chair welcomed all those in attendance to the meeting, including partners and members of the public participating via YouTube.

#### 1. **APOLOGIES**

Apologies for absence were received from Deputy James Thomson. Apologies for lateness were received from Alderman & Sheriff Alison Gowman.

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

There were no declarations.

3. **MINUTES\***

**RESOLVED** – That the public minutes and non-public summary of the meeting held on 27 April 2022 be agreed as a correct record.

Matters Arising

The Board resolved a vote of thanks to Alderman & Sheriff Alison Gowman for serving as Deputy Chair of the BHE Board and the Grants Committee from January 2022 to April 2022, also paying tribute to her commitment to the charity and considerable expertise on City Bridge Trust and BHE matters.

4. **OUTSTANDING ACTIONS\***

The Board received a list of outstanding actions for July 2022 and noted the updates provided.

**RESOLVED** – That the list of outstanding actions be noted.

5. **MANAGING DIRECTOR'S UPDATE REPORT**

The Board considered a report of the Managing Director of BHE providing an update on key areas of activity across the whole charity since the Board last met in April 2022 and outlining upcoming activities for the Board to note. The Managing Director of BHE introduced the report and drew Members' attention to the key points, including the positive performance of the visitor attraction at Tower Bridge. The Board was reminded that a training session on the City Bridge Trust (CBT) grant application and assessment processes would precede the September Board meeting.

The Chair advised that he would seek expressions of interest from Members for their participation in workshops to take forward the Brand Positioning Project following the meeting, adding that part of the Board's Strategic Away Half-Day would be allocated to this work.

**RESOLVED** – That the BHE Board, in the discharge of functions for the City Corporation as Trustee of Bridge House Estates (charity no. 1035628) and solely in the charity's best interests:

- i) Endorse the approach and next steps to the Brand Positioning Project as outlined;
- ii) Agree that the Chair shall seek expressions of interest or nominations from the Board to support with the next phase of the Brand Positioning Project through their participation in a series of workshops; and,
- iii) Note the further contents of the report.

6. **YEAR 1 Q4 UPDATE ON CLIMATE ACTION AND YEAR 2 PLANS**

The Board considered a report of the Executive Director of Innovation and Growth reporting the progress of Climate Action Strategy (CAS) actions at Quarter 4 of Year 1 in relation to BHE activities, summarising the plans for the upcoming year and requesting confirmation of funding needed for

implementation. The Executive Director of Innovation and Growth introduced the report, presenting the CAS update and drawing Members' attention to the key points. The very ambitious approach of BHE was highlighted.

**RESOLVED** – That the BHE Board, in discharge of functions for the City Corporation as Trustee of Bridge House Estates (Charity no. 10345628) and solely in the charity's best interests:

- i) Note the progress made in year 1 of the CAS programme as of Q4 results;
- ii) Note the overall achievement of the targets remains on track;
- iii) Note a total budget of £442,000 is required for the year 2 revenue expenditure requirements in the 22/23 financial year. £319,000 has been included in the 22/23 BHE budget, including £153,000 carried forward from 2021/22; and,
- iv) Approve the additional £123,000 of revenue funding for 22/23 from CAS contingency funds (funded by the CAS designated fund) to ensure adequate resources for planned work for BHE.

**7. BUDGET MONITORING: 1 APRIL TO 31 MAY 2022**

The Board received a report of the BHE & Charities Finance Director providing a financial update on BHE activities to 31 May 2022.

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

**8. UPDATE ON BHE CONTINGENCY FUNDS\***

The Board received a report of the BHE & Charities Finance Director providing the BHE Board with an update on the BHE Central Contingency balances held for 2022/23 and providing detail of new requests being made against these balances.

**RESOLVED** – That the BHE Board, in discharge of functions for the City Corporation as Trustee of Bridge House Estates (charity reg. no. 1035628) and solely in the charity's best interests:

- i) Note the BHE Contingency budgets currently held for 2022/23; and,
- ii) Note that £123,000 is requested from the CAS Contingency Fund, presented in Item 6 on the agenda to enable delivery of the revised Year 2 Programme.

**9. BLACKFRIARS BRIDGE PARAPET REFURBISHMENT AND BRIDGE REPAINTING - GATEWAY 5 ISSUE**

The Board considered a report of the Executive Director of Environment regarding the parapet refurbishment and repainting of Blackfriars Bridge. The Chair thanked officers for facilitating an interesting site visit, which had illustrated the significant detail involved in a highly-skilled project on this

Victorian bridge, and encouraged other Members to visit the site. The Executive Director of Environment then introduced the report, outlining the key points for Members and providing an update on the project. The Executive Director of Environment confirmed that an open invitation was extended to Members for site visits.

In response to a question from a Member, the Executive Director of Environment advised that inflationary pressures had been factored into the proposals, with Costed Risk Provision also requested to cover specific additional risks. The Executive Director of Environment confirmed that officers were confident that the work could be completed within the budget range. A Member suggested that the work could be filmed for promotional purposes and published online. The Executive Director of Environment responded that this had been considered, but would be challenging due to the nature of the work. However, officers would explore the best way to document and demonstrate the project. The Chair endorsed this and suggested that other promotional work for the projects and bridges be considered, such as a time capsule.

**RESOLVED** – That the BHE Board:

- i. Note the £415,892 saving made in the Value Engineering process;
- ii. Approve the increase to value of the Costed Risk Provision by £200,000 to allow for changes in the law, the full impact of which is still being quantified;
- iii. Approve the replacement of the existing Navigation Lights be added to the scope of the project, increasing the expected project cost by £50,000 (funding identified in the existing 50-year BHE Bridges Maintenance Plan budget); and
- iv. Agree that:
  1. A reduction in expected overall project cost of £165,892 be noted;
  2. The project budget remains at £14,716,540 (including risk) to reach the next project Gateway;
  3. The remaining approved Costed Risk Provision of £2,637,944 is retained and additional £200,000 (totalling £2,837,944) is approved (to be drawn down via delegation to Assistant Director Engineering); and
  4. The replacement of the Navigation Lights is approved to be completed as part of the project, which if approved will increase the overall expected cost of the project.

**10. TOWER BRIDGE HV SYSTEM REPLACEMENT AND INCREASING RESILIENCE - GATEWAY 5 PROGRESS\***

The Board received a report of the City Surveyor and the Managing Director of BHE regarding the refurbishment of the High Voltage (HV) and Low Voltage (LV) electrical infrastructure at Tower Bridge and increasing its power resilience (i.e., the secondary source of power in the event of a power failure).

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

**11. TFL'S BISHOPSGATE EXPERIMENTAL CLOSURE\***

The Board received a report of the Executive Director of Environment regarding the weekday timed closure (7am – 7pm, except buses and cycles) on Bishopsgate and Gracechurch Street to prevent their use as a through route for general traffic. The Board noted that the Experimental Traffic Order could have an impact on traffic across and around Tower Bridge and London Bridge, and that BHE could feed into the ongoing consultation in the usual way and as necessary to ensure the charity's interests are represented.

**RESOLVED** – That the contents of the report be noted as relevant to the Board's terms of reference.

**12. MINUTES OF THE GRANTS COMMITTEE OF THE BHE BOARD\***

**RESOLVED** – That the draft public minutes and non-public summary of the Grants Committee of the BHE Board meeting on 20 June 2022 be noted.

The Board congratulated Deputy Nighat Qureishi on her appointment as Deputy Chair of the Grants Committee, before the Deputy Chair of the Board reminded Board Members they were welcome to attend Committee meetings.

**13. ALLIANCE PARTNERSHIPS - LONDON LEGAL SUPPORT TRUST, ADVICE SKILLS DEVELOPMENT FUND (REF: 19437)**

The Board considered a report of the Managing Director of BHE requesting funding of £5 million to be awarded to London Legal Support Trust (LLST) [charity no: 1101906] over five years towards onward grant making under the Advice Skills Development Fund (ASDF) and towards the process of co-designing a funding programme, including overall administration costs of both activities (co-design and onward grant making) The Managing Director of BHE introduced the report and presented the application.

The Board was advised that the Grants Committee of the BHE Board had agreed to recommend a grant of £6 million to the Board for approval, rather than the £5 million originally recommended by officers, having concluded that this would be of substantive benefit. The Deputy Chair explained that the original application request had been for £7.5 million, with a £5million grant having been initially recommended by officers. However, the Grants Committee assessed the structure of the grant and the administrative costs and had concluded that an extra £1 million would facilitate £5 million in distribution of actual grant-funding.

A Member voiced their concern regarding proportionality, and the sustainability of awarding sums of this size. Another Member sought clarification as to whether the grant would leverage additional funding from the rest of the sector. The Managing Director of BHE responded that the proposal was one part of the wider Alliance programme for which an allocation of £15 million of funding had been agreed, with this proposal being the largest grant over the longest period, and the amount per year therefore within the expected range. The Managing Director of BHE added that it had been communicated that the Alliance

partnerships were one-off programmes, but were likely to leverage funding from elsewhere as part of the Collaborative Action Recovery (CAR) work.

In response to a question from a Member, the Managing Director of BHE advised that some of the funding would go towards developing more sustainable structures in the legal support sector, noting that demand was unlikely to fall away. The Managing Director of BHE added that several funders already supported the sector, but BHE would maintain relationships and would be represented on the Advice Skills Development Fund Advisory Panel. Whilst there was a level of risk, other organisations were involved and the proposals sat within wider CAR work.

The Deputy Chair reiterated his support for the proposal and noted that outreach work would take place to recruit the experience needed for the programme. The Deputy Chair added that experience in this area would also help with unlocking statutory funding. The Chair added that this seemed to be an area where BHE could add value, and thanked Members for their comments, before seeking the Board's approval for the recommended £6 million grant, which was agreed.

**RESOLVED** – That the BHE Board agree a grant of £6 million over five years to London Legal Support Trust, per the terms recommended by the Grants Committee.

#### 14. **BHE INVESTMENTS WORKING GROUP - TERMS OF REFERENCE**

The Board considered a report presenting for approval to the BHE Board the proposed Terms of Reference of the Investment Working Group (IWG), as endorsed by the IWG. The Chair introduced the Item and congratulated Deputy Henry Pollard on his appointment as Chair of the IWG. The Board was advised that the IWG wanted BHE to demonstrate leadership in green and impact investing, and that funding was available should consultancy be required on investment matters.

A Member commented that the relationship with the wider City Corporation would be important in this area. The Board noted that representatives from relevant areas of the wider organisation would be invited to work with the IWG as necessary, and that it was hoped substantive recommendations could be brought to the Board before March 2023.

**RESOLVED** – That the BHE Board, in the discharge of functions for the City Corporation as Trustee of Bridge House Estates (charity no. 1035628) and solely in the charity's best interests:

- i) Agree the BHE Investment Working Group Terms of Reference as set out at Appendix 1; and
- ii) Note the proposed direction of travel to be adopted for the revised Investment Strategy Statement (ISS).



15. **BHE PROGRESS UPDATE - MINIMUM ENERGY EFFICIENCY STANDARDS & NET ZERO CARBON ACTION PLAN FOR INVESTMENT PROPERTY PORTFOLIO\***

The Board received a report of the City Surveyor summarising the progress of the Minimum Energy Efficiency Standards (MEES) & Net Zero Carbon Action Plan for the Investment Property Portfolio.

**RESOLVED** – That the BHE Board:

- i. Note the progress made with surveys, green leases and the recruitment of resource in support of the CAS Investment Property Group (IPG) project plan; and
- ii. Note the intended recruitment under officer delegated authority, in accordance with the budget already approved, of Capital Project Management Resources to ensure smooth progress of a pipeline of projects to achieve Energy Performance Certificate Grade B and “Carbon Net Zero”.

16. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD AND ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**

There was no other business.

17. **EXCLUSION OF THE PUBLIC**

**RESOLVED** – That with the Court of Common Council for the City Corporation as Trustee of Bridge House Estates (Charity No. 1035628) having decided to treat these meetings as though Part VA and Schedule 12A of the Local Government Act 1972 applied to them, the public be excluded from the meeting for the following items of business on the grounds that their consideration will in each case disclose exempt information of the description in paragraph 3 of Schedule 12A, being information relating to the financial and business affairs of any person (including the City Corporation as Trustee of the charity) which it would not be in the charity’s best interests to disclose.

18. **NON-PUBLIC MINUTES\***

**RESOLVED** – That the non-public minutes of the meeting held on 27 April 2022 be agreed as a correct record.

19. **BHE PRINCIPAL RISK REGISTER**

The Board considered a report of the BHE Chief Operating Officer.

20. **HIGHWAYS OVER THE CHARITY’S BRIDGES**

The Board considered a report of the Managing Director of BHE.

21. **TOWER BRIDGE FULL YEAR BUSINESS PERFORMANCE REPORT 2021/2022**

The Board received a report of the Managing Director of BHE.

22. **NON-PUBLIC MINUTES OF THE GRANTS COMMITTEE OF THE BHE BOARD\***  
**RESOLVED** – That the non-public minutes of the Grants Committee of the BHE Board meeting on 20 June be noted.
23. **CITY'S CASH & BRIDGE HOUSE ESTATES: WELLINGTON'S GLOBAL TOTAL RETURN FUND**  
The Board considered a report of the Chamberlain.
24. **FINANCIAL INVESTMENTS PERFORMANCE MONITORING TO 31 MARCH 2022\***  
The Board received a report of the Chamberlain.
25. **IMPACT OF CONSTRUCTION INFLATION ON BHE CONSTRUCTION PROJECTS**  
The Board received a report of the City Surveyor.
26. **BHE: 30-34 NEW BRIDGE STREET, EC4V 6BJ - GATEWAY 5 ISSUE**  
The Board considered a report of the City Surveyor.
27. **REFURBISHMENT OF ELECTRA HOUSE, 84 MOORGATE, EC2 - BHE - GATEWAY 5 ISSUE**  
The Board considered a report of the City Surveyor.
28. **BHE - TOWER CHAMBERS, 74 MOORGATE, LONDON, EC4 - DELEGATED AUTHORITY REQUEST**  
The Board considered a report of the City Surveyor.
29. **BHE - AIRSPACE LEASE OVER LAND AT TOWER BRIDGE ROAD & SHAD THAMES IN CONNECTION WITH DEVELOPMENT OF 226 TOWER BRIDGE ROAD**  
The Board considered a report of the City Surveyor.
30. **REVENUE OUTTURN 2021-22 - BRIDGE HOUSE ESTATES INVESTMENT PROPERTY\***  
The Board received a report of the City Surveyor.
31. **BHE - REVENUE WORKS PROGRAMME - 21/22 OUTTURN REPORT\***  
The Board received a report of the City Surveyor.
32. **BHE - ARREARS OF RENT AS AT MARCH 2022 QUARTER DAY MINUS 1\***  
The Board received a report of the City Surveyor.
33. **BHE - RENTAL ESTIMATES MONITORING REPORT (DECEMBER 2021 AND MARCH 2022 QUARTERS)\***  
The Board received a report of the City Surveyor.
34. **BHE - VACANT ACCOMMODATION UPDATE AS AT 1 JUNE 2022\***  
The Board received a report of the City Surveyor.

35. **BHE - ANNUAL VALUATION\***  
The Board received a report of the City Surveyor.
36. **BHE - QUARTERLY DELEGATED AUTHORITY UPDATES\***
- a) **Quarterly Delegated Authorities Update - 1 January 2022 to 31 March 2022**  
The Board received a report of the City Surveyor.
- b) **Quarterly Delegated Authorities Update - 1 April 2022 to 30 June 2022**  
The Board received a report of the City Surveyor.
37. **REPORT OF DECISIONS TAKEN UNDER DELEGATED AUTHORITY OR URGENCY\***  
The Board received a report of the Town Clerk.
38. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD AND ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**  
There were two items of other business.
39. **CONFIDENTIAL MINUTES\***  
**RESOLVED** – That the confidential minutes of the meeting held on 27 April 2022 be agreed as a correct record.

**The meeting ended at 12.36 pm**

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Chair

**Contact Officer: Joseph Anstee**  
**joseph.anstee@cityoflondon.gov.uk**

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**Bridge House Estates Board – Outstanding Actions, September 2022**

**Status Key**

**Green** = Complete, **Amber** = In progress, **Red** = Not yet started

Item	Date	Action	Officer Responsible	Target Completion Date	Actual Completion Date	Progress Update	Status
1.	27 April 2022	The Chamberlain, in conjunction with the City Surveyor to consider the required accounting treatment for the new 153 lease over Adelaide House, 1-5 Adelaide place and new lease over 226 Tower Bridge Road.	Nick Gill/ Karen Atkinson	2022	-	<p><u>Sep 2022</u>: Lease premiums for both properties to be reported to the Board at a future meeting.</p> <p><u>Jun 2022</u>: To be reported to the Board at a future meeting.</p>	
2.	16 February 2022	Present report to the BHE Board reviewing the charity's operational Treasury arrangements with the City Corporation.	Karen Atkinson	September 2022	-	<p><u>Sep 2022</u>: Detailed discussions have taken place regarding option of BHE having its own bank account. Due to bespoke nature of finance system currently in operation, recommended option is to include this in the specification for the Enterprise Resource Planning (ERP) system, with option further</p>	

						<p>considered alongside that project.</p> <p><u>Apr 2022:</u> Initial discussions &amp; investigations underway within the Chamberlain's Department to progress the matter.</p>	
3.	11 January 2022	Service Level Agreement between BHE and City of London Police	Simon Latham/ Anne Pietsch	Originally March 2022; revised to July 2022	-	<p><u>September 2022:</u> Report submitted to Board.</p> <p><u>Jun 2022:</u> Progress being made following the return of the BHE COO from Shared Parental Leave. Due to be completed by early Autumn.</p> <p><u>Apr 2022:</u> SLA awaiting detail being worked through by City of London Police (delay caused by change in staff).</p> <p><u>Feb 2022:</u> Development of SLA currently taking place – will provide further clarity about the policing services that BHE receives and financially contributes to.</p>	

						* <i>To be taken off outstanding action list for next meeting</i>	
4.	24 November 2021	Review of Transitional Investment Strategy Statement	Karen Atkinson/Simon Latham	December 2022	-	<p><u>Sep 2022:</u> IWG to consider draft on 26 September and consider timing for reporting to the BHE Board, either in November 2022 or February 2023.</p> <p><u>June 2022:</u> BHE Investment Working Group now established to progress the review.</p> <p><u>Apr 2022:</u> To be further reviewed following the anticipated grant of the Supplemental Royal Charter.</p>	

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<b>Committee:</b> Bridge House Estates Board	<b>Date:</b> 13 September 2022
<b>Subject:</b> Managing Director's Update Report	<b>Public</b>
<b>Which outcomes in the <i>BHE Bridging London 2020 – 2045 Strategy</i> does this proposal aim to support?</b>	1, 2 and 3
<b>Report of:</b> David Farnsworth, Managing Director of BHE	<b>For Decision</b>

## Summary

To support the Bridge House Estates Board (“the BHE Board”/ “the Board”) in the discharge of its functions, this regular report provides an update on key areas of activity across the whole charity since the Board last met in July 2022 and outlines upcoming activities for the Board to note.

Specifically, the report provides updates on: ongoing visitor attraction and maintenance activities at Tower Bridge; City Bridge Trust (CBT), including recruitment of the Chief Funding Director and Cost-of-Living Crisis response, programme updates in respect of LocalMotion, Anchor Programme, Alliance Partnerships, Bridge Programme and wider philanthropy; governance and strategy updates regarding the Board’s Strategic Away Half-Day, BHE Operating Model and Charity Commission Guidance; a Communications update covering the new website and brand project; Finance updates in respect of external audit, cashflow, business planning and budgeting, and the Investments Working Group, plus an update on financial investments. There are two appendices provided in the non-public section of the agenda, providing an update on Bridge security matters, and the quarterly monitoring report of investment consultants Mercer, for information.

## Recommendations

It is recommended that the Bridge House Estates Board, in the discharge of functions for the City Corporation as Trustee of Bridge House Estates (charity no. 1035628) and solely in the charity’s best interests:

- i) Note the contents of the report, including the non-public appendices at Item 15; and,
- ii) Agree that the BHE Annual Report and Financial Statements 2021/22 be referred to the Audit & Risk Management Committee (ARM) for review and recommendation to the BHE Board for approval.

## Main Report

### Bridge Updates

1. Bridge Maintenance - Ongoing maintenance and support of the five Thames bridges continues to progress as part of the 50-year Bridge Maintenance Plan. The BHE Board will continue to be updated on bridge engineering matters through ongoing reporting to the Board. As part of the City Corporation’s review of all capital projects to assess the impact of inflation and other cost pressures, major projects on the Bridges are being considered and any impacts will be reported back to the Board in due course.

2. Bridge Security - An update on Bridge security matters is provided in a non-public appendix at Item 15 of today's agenda.
3. Tower Bridge – The major High Voltage System Replacement Project, which commenced in December 2021, continues and is due for completion in January 2023. Various other works are progressing including the full condition survey of all areas of the Bridge, and a report for approval to deliver the first phase of working at heights improvements is presented to this committee. The six-monthly review of the works contained in the 50 Year Maintenance Plan, with the next five years held within the BHE Bridge Repairs Designated Fund, will be held in September with all internal departments providing services to Tower Bridge.
4. This summer, Tower Bridge commissioned artist Melissa Scott-Miller to paint the iconic views of London from Tower Bridge's West Walkway. Visitors to Tower Bridge have been able to watch her work, and families have taken part in art-themed activities throughout the summer. Melissa has also worked with City Bridge Trust grantee Arts Network, a community arts charity for adults with mental health support needs, to run Tower Bridge themed art workshops. Three of Melissa's completed pieces will be auctioned by Bonhams in the Modern British Sale on 2 November 2022 with the proceeds going to Arts Network.
5. Tower Bridge continues to perform better than expected with visitor figures at 124% of target year to date, rebounding from the effects of the pandemic quite positively. Retail and events streams of income are doing exceptionally well and are indicative of robust growth and optimistic customer sentiment. However, business levels are still at 60% of pre-pandemic figures (particularly looking at visitor numbers).

### **Funding Updates**

6. Chief Funding Director – An extensive recruitment campaign was initiated in June 2022 for the appointment of the Chief Funding Director. Following first stage interviews and assessments, the final interview panels will take place on 23 September 2022. The final panel will include the Chair of the Grants Committee, the Managing Director of BHE, an external peer from a London Foundation, and a senior representative from HR. The outcome of the recruitment campaign will be reported to the Board in the coming weeks, including an analysis of the process from a DEI perspective.
7. Cost-of-living Crisis and the Charitable Sector - Officers are working with sector partners to develop a cost-of-living proposal to the Grants Committee later in the month. The Board will be aware that UK households are experiencing the sharpest drop in living standards since records began in 1956. Inflation, already high (10.1%, August 2022, ONS), is due to rise further, with the Bank of England expecting 13% by year end and Goldman Sachs forecasting that it may be 22% in January 2023.
8. Regular pay growth of 4.7% (ONS, June 2022) and the 3.1% increase in benefits in Spring 2022 means an increasing gap between incomes and prices, leading to a cost-of-living crisis. The most vulnerable are being hit worst by the crisis because inflation in energy and food prices is especially high, and poorer households spend a greater proportionate share of income on these items. The Institute for Fiscal

Studies has calculated that August's 10.1% inflation rate materialised as an actual rate of 18% for the poorest households.

9. High inflation comes at a time of economic vulnerability for many households, with almost 20% of UK adults holding less than £100 in savings. Data from Citizens Advice, YouGov and others shows rising demand for debt and advice support, more households voluntarily 'self-disconnecting' and living for days without heat, power, or hot water to manage costs, people in payment arrears to their energy provider, even before the fuel-intensive winter months arrive, and people reducing food purchases or missing meals despite being hungry. There is evidence of growing reliance on unsecured credit to cover essential living costs. Research from the Joseph Rowntree Foundation highlights particularly increased poverty risks for disabled people or families with a disabled family member and for lone-parent families.
10. Advice, food, and credit have been the earliest indicators of the current crisis, but City Bridge Trust (CBT) expect to see consequences across a wider range of social issues including domestic violence and mental health. There are concerns across CBT's funded caseload of pressures on staff to meet increased demand, at a time when organisational income is highly stressed, and how this will risk burnout amongst staff already stretched by the impact of the pandemic.
11. As a result of these cost pressures, CBT expect that charities will continue to face rapidly rising demand for services and a squeeze on the inputs that enable them to deliver these services. Inflation will erode the value of existing grants and contracts as well as increasing the costs of service delivery. The sector started this economic downturn in a weak position with depleted reserves from Covid-19. A Charity Commission survey in October 2021 found that two-thirds of organisations expected a threat to their own viability in 2022.
12. On 5 September, the new Prime Minister will be announced, from which point officers expect to receive further clarity on Government's proposed support measures. Officers will report details of CBT's work at the BHE Board November meeting and can circulate a copy of the September Grants Committee proposal once published.
13. LocalMotion - LocalMotion is a collaboration between CBT and five other funders, joining forces to tackle economic, environmental, and social inequality in six places, utilising the resources of all six funders and places to have an impact which is greater than the sum of its parts. The official website launched in July. CBT will provide Bridge Programme support to core group members of the LocalMotion place based in London (Enfield). This will include access to non-monetary capacity building support such as business planning, fundraising support, and access to learning resources.
14. Anchor Programme - The Anchor Programme is a £20m CBT grant programme to provide long-term core grants to London's voluntary and community sector anchor organisations working to deliver systemic change. The Social Innovation Partnership (TSIP) have been appointed as a learning partner to the programme, over the next two years.

15. Alliance Partnerships - On 6th July, the Racial Justice Fund and Disability Justice Fund launched. These are CBT collaborations with Trust for London distributing a total of £7m in the Capital.
16. Levelling Up Report - On 29 June 2022, Centre for London released phase one of its [Levelling Up Report](#), which was funded by both CBT and the City of London Corporation. The launch event was attended by Alderman and Sheriff Alison Gowman, alongside BHE officers.
17. Bridge Programme - CBT's "Funder Plus" offer, The Bridge Programme, connects CBT grant funded organisations with a range of free, non-financial support to help address a specific issue, whilst enhancing their capacity, resilience, and longer-term stability. The current pilot has been extended by six months to 30 September 2022, to allow more organisations already in the application pipeline to benefit from the programme. The evaluation of the programme, along with an internal review, will inform future direction for the programme and an update paper is planned for the September Grants Committee.
18. CBT Learning Visits - Thank you to Members and Co-opted Members of the BHE Grants Committee who have contributed time and feedback to a trial of Learning Visits with CBT funded organisations between March and July. Feedback included:

*"Visits [...allow] us to understand how some of the macro changes happening around us are impacting the work of organisations in specific sectors."*  
Co-opted Member of the BHE Grants Committee

*"Julia Mirkin has always worked hard to establish a balanced relationship with us and we have a good solid, mutually respectful relationship. This visit was no different. This type of relationship engenders trust, honesty and collaborative working. This is a lesson for other funders."*  
Funded Organisation
19. The learning has informed a new approach, which will be implemented by the Impact and Learning team. Officers believe the new approach will create useful learning for all stakeholders, support trusting relationships, help the ongoing journey to balance power between CBT and funded organisations, bring intangible benefits of funding to life, and enable CBT to role model for other funders.
20. In September, Members of the BHE Board and the Grants Committee (including co-opted Members) will be asked to complete a short survey with their availability, areas of interest and skills to share. Officers will use this to match them to a suitable learning visit from November onward, with pre-visit briefings and debriefs for those participating.
21. Philanthropy - As part of BHE efforts to raise the quality and scale of giving through its Joint Philanthropy Strategy, CBT have seconded a senior Funding Manager to serve as CEO for the Wembley National Stadium Trust (WNST) over a number of years, drawing on their longstanding experience within CBT. WNST distributes funding received from Wembley National Stadium Ltd to support community sports activities. WSNST income was severely affected by the closure of the stadium during

the pandemic but, with a return to activity in recent months, new grants are now being made albeit initially on a limited scale. A new [website](#) has been launched accordingly.

22. Many CBT alumni also form part of the Central Grants Unit which is doing excellent work to support greater consistency, rigour and impact in funding activities taking place across the City Corporation.

### **Governance and Strategy Updates**

23. BHE Board Strategic Away Half-Day – The BHE Board’s Strategic Away Half-Day for 2022 will be held on the afternoon of Monday 24 October, at Tower Bridge. Officers are currently liaising with the Chair and Deputy to Chair to plan the session, which is likely to focus on the branding work and work on the Investment Strategy. A final agenda and timings will be confirmed as soon as possible, and any pre-reading will be circulated in advance of the meeting. Travel from Guildhall can also be arranged for Members.
24. BHE Operating Model – Following the completion of Phase 1 of the BHE Target Operating Model (TOM) process, which focused on establishing a new Leadership Team for the charity, Phase 2 has been initiated to assess the wider resourcing needs of the charity. The process will help ensure that BHE has the appropriate resources to deliver its strategies and plans in the best interests of the charity, whilst operating as efficiently and effectively as possible. Whilst the BHE & Charities Finance Team has now completed its Phase 2 restructure, subject to recruitment (see paragraph 25 below), a phased approach may be required for other teams. However, it is currently anticipated that initial proposals will be presented to the BHE Board for consideration and approval in November 2022, with an aim to implement changes by the end of the financial year.
25. Following the Board’s approval in April 2022 for the new BHE & Charities Finance Team structure, the consultation period for the team concluded in July, and subsequently the team has now formally moved to be within the BHE Institution. Several appointments have now been confirmed, with Julia Megone formally appointed as Charities Technical & Strategic Finance Manager, and Nathan Omane and Helen Martins appointed as the Head of Finance and Business Partner: Funding, Philanthropy & Communications respectively following an internal recruitment exercise. The remaining 4.6FTE vacant roles will be advertised externally during September. As a result, the team currently has 3 Interims in place, with some duties relating to the Bridges continuing to be covered by the Financial Services Division within the Chamberlain’s Department until appointments have been made.
26. Charity Commission Guidance – As reported to the BHE Board earlier in the year, the new Charities Act 2022 will be introduced in the autumn this year. Whilst this information is relevant for the Board to know, it should be noted that many of the provisions in the Act apply differently to BHE due to the powers granted within the new Supplemental Royal Charter. Further details can be accessed on the Charity Commission website [here](#).

## Communications Updates

27. Website Update - The new BHE website is moving at pace and has moved into build stage, with an initial design of the homepage having been delivered and navigation almost finalised. The new homepage includes clear links to available funding (main call to action), BHE's work and impact, and non-financial support offering, a spotlight feature and latest BHE news, events and jobs. A third, penultimate round of testing with end users has been undertaken, with a final round of user-testing to begin in early September.
28. Brand Project Update - The Brand Positioning Working Group has been confirmed, with colleagues attending from across the organisation. The BHE Board and Grants Committee Members and officers have been invited to a recap session on Wednesday 14 September. This will be recorded and circulated to those unable to attend. Workshop dates have also been finalised and arranged for:
- a. Brand Positioning Workshop: Monday 19 September, 11:30 – 13:30
  - b. Brand Identity Workshop: Wednesday 12 October, 09:30 – 11:30
29. The outcomes of the Brand Positioning progress and research will then be presented at the Board's Strategic Away Half-Day in October for discussion.

## Finance Updates

30. External Audit - Crowe have been appointed as external auditor for BHE, City's Cash and the Natural Environment Charities/Sundry Trusts. Audit work on BHE financial activities has progressed well and is now substantially complete. To enable efficiencies to be achieved, where possible the audit of cross City Corporation activities - such as payroll, pensions and investments - is being undertaken the once, on behalf of all entities under audit. Significant work on these areas remains incomplete, with delays occurring due to capacity issues within the City Corporation.
31. For the audit work to be concluded satisfactorily and to enable Crowe to issue their audit opinion, it is recommended that the BHE Annual Report and Financial Statements 2021/22 be referred to the November 2022 Audit & Risk Management Committee (ARM) for review and recommendation to the BHE Board for approval. A draft copy of the Annual Report will be circulated to BHE Board Members ahead of ARM alongside the opportunity for Members to join a briefing session (which will be open to all Members, including those on this Board) on Monday 14 November at 10:30 – 11:30 (*further details will be circulated to all Members closer to the date*).
32. Cashflow - During 2021/22, the BHE & Charities Finance Team introduced regular cashflow reporting across all activities of BHE, with the aim of minimising the levels of cash held by the charity outside of BHE investments. In the final week of August, officers instructed the Treasury Team to liquidate £20m from one of the charity's fund managers, with that cash now required for our operations across the next few months. It is expected that a further £95m will be liquidated across this financial year, based upon latest forecasts provided by budget holders.

33. Investment Working Group (IWG) Update - Over the summer significant work has been undertaken within the Chief Operating Officer (COO) and Finance Directorates, planning for a workshop to be held in late September with the IWG alongside other key officers within the City Corporation. BHE have developed strong links with the Impact Investing Institute over this period, plus have worked collaboratively with several other charities who are at various stages of their journeys towards more impactful investing.
34. Business Planning & Budgeting (2023/24) - Work has commenced on business planning and budgeting for next year, with the COO/Finance Directorates working together to make this a joined-up activity for BHE. Whilst officers are working within the central timetable issued by the City Corporation for its other Funds, experience gained from previous years will be drawn upon, with the use of zero-based budgeting for the charity's financial plans. It should be noted that Phase 2 of the TOM for BHE will impact on these financial plans, which will be presented to the BHE Board in February 2023.

### **Investment Portfolio Updates**

35. Financial Investments - The market value of the BHE financial investments portfolio as at 30 June 2022 (the latest information available) is estimated to be £839m, which represents a decrease of £50m from the position as at 31 March 2022 (as reported at the Board's July meeting). The change in value over the quarter is largely driven by a decline in asset prices across financial markets, although £4.2m reflects cash distributions from the alternative assets' portfolio. The last quarter has been a challenging investment environment characterised by sharp increases in inflation and commodity prices, changing interest rate expectations and the continuing Russian/Ukraine war.
36. Within the portfolio, the impact of these changes is most visible in the growth-oriented areas of the portfolio including the global equity mandates managed by Baillie Gifford and C WorldWide, whilst the multi-asset managers have largely held their value. The overall asset allocation is designed to add value over the full economic cycle and therefore the value of the portfolio is expected to fluctuate in response to cyclical macroeconomic changes. As at 30 June 2022, the annualised absolute return of the portfolio over the past 12 months, 3 years and 5 years is -2.9%, +5.9% and 5.4% respectively. Since the last Board meeting, the Fund's investment in the Wellington Global total Return I(KY) fund has been transferred to its sister fund, the Global Total Return Fund – GBP T Share Class Accumulation Hedged, based in Luxembourg. Mercer's quarterly investment report is attached as Appendix 2 at Item 15 of today's agenda.
37. Social Investments: return on the charity's social investment commitments continue to be around 3.1% with a valuation of £8.6m. No new considerations are underway until such time as the charity has agreed a new social impact investment plan. Active social investment commitments are divided almost 60:40 between property and fixed income loans. The social impact themes currently supported include homelessness, domestic violence, young carers, LGBTQ+ migrants, and adults with learning disabilities. Since the last meeting of the BHE Board there has

been progress with two investments which have underperformed in recent years which officers can speak to in the meeting.

38. Property Investments – There are several reports on the agenda today which provide further information on BHE’s property investment portfolio.

## **Conclusion**

39. This report provides a high-level summary of activities across the whole charity’s operations and activities since the Board last met in July 2022. The Board is asked to note the content of the report and the progress made in each activity area over recent months. Further information on any of the updates given in this report can be provided to the Board either orally at the meeting, as a written circulation in advance, or as a follow-up action from the meeting.

## **Appendices**

- Appendix 1 (Non-Public) – Update on Bridge Security Matters
- Appendix 2 (Non-Public) – Quarterly Monitoring Report of Mercer

## **David Farnsworth**

Managing Director of Bridge House Estates

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<b>Committee</b>	<b>Date</b>
Bridge House Estates Board	13 September 2022
<b>Subject:</b> Charity Commission requirement to report on Serious Incidents - Reporting Policy	<b>Public</b>
<b>Which outcomes in the <i>BHE Bridging London 2020 – 2045 Strategy</i> does this proposal aim to support?</b>	<b>1, 2 and 3</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>Report of:</b> Karen Atkinson, The BHE & Charities Finance Director (representing The Chamberlain)	<b>For decision</b>
<b>Report Author:</b> Julia Megone, Charities Technical & Strategic Finance Manager	

### Summary

This report has been produced to provide the Bridge House Estates Board with an overview of the requirements to report Serious Incidents to the charities’ regulator, the Charity Commission for England and Wales. In particular, this report recommends the adoption of a formal policy for reporting and managing any Serious Incidents which might arise for the charity, and which will inform the exercise of delegated authority.

### Recommendation

It is recommended that Members, in the discharge of functions for the City Corporation as Trustee of Bridge House Estates (BHE, charity reg. no. 1035628) and solely in the charity’s best interests:

- i) Approve the Serious Incident Reporting Policy for adoption for BHE as set out in full at **Appendix 1**.

### Main Report

#### Background

1. All charities are required by the charities’ regulator, the Charity Commission for England and Wales, to report promptly, fully and frankly to them if a serious incident takes place within the charity. Responsibility for reporting serious incidents ultimately rests with the charity’s trustee(s).
2. The Charity Commission’s Guidance defines a serious incident as “an adverse event, whether actual or alleged, which results in or risks significant” impacts across the charity’s operations, stakeholders, finances, assets and reputation.<sup>1</sup> The definition goes on to clarify that in the context of this guidance, ‘significance’ must be assessed in context in relation to the individual charity.
3. Reflecting that a charity’s trustee/s remain ultimately responsible for the administration and management of their charity, including regulatory compliance, the Charity Commission’s Guidance on reporting serious incidents, which sets out Charity Commission requirements, states that it is the responsibility of a charity’s trustee(s) to determine what constitutes a serious incident, and which should

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<sup>1</sup> <https://www.gov.uk/guidance/how-to-report-a-serious-incident-in-your-charity#what-to-report>

therefore be reported. The trustee(s) may delegate responsibility for deciding which incidents should be reported, although as is the case with the exercise of all delegated authority, delegated decisions should be reported back to the trustee(s). The Charity Commission's Guidance states that these delegated decisions should be reported, particularly where incidents were 'borderline' and where consideration was given to reporting a serious incident but ultimately the decision was taken not to do so.

4. Determining whether a serious incident has arisen involves judgement and must be considered in light of the Charity Commission's Guidance and requirements, with particular reference to the key consideration as to whether the adverse event has an actual or potential 'significant' impact for the charity. A decision as to whether an event is actually or potentially 'significant' must be documented, whether or not it is ultimately reported to the Charity Commission.
5. The requirement to report to the Charity Commission allows it to:
  - a. ensure that trustees are complying with their duties *inter alia* to protect their charity's assets, reputation and people coming into contact with the charity, by identifying risks to their charity that have materialised and in taking appropriate steps to deal with them;
  - b. provide appropriate regulatory advice or guidance to trustees, or, in serious cases, use its statutory powers to protect a charity; and
  - c. assess risk to other charities, and provide trustees with appropriate information and advice.
6. In the last five years, BHE has reported one serious incident to the Charity Commission. Details of the incident were noted within a confidential session of the BHE Board; additional information can be provided on request.

### **Current position**

7. Reports of any serious incidents arising are made to the Charity Commission by an officer of the City Corporation. There is currently no formal internal process, with reliance instead placed on knowledge and awareness amongst key roles in the BHE Leadership Team and other professional City Corporation officers who support the charity.
8. In light of the Charity Commission's requirements for reporting on serious incidents, a formal policy for BHE has been prepared for approval and is included at **Appendix 1**.
9. The policy includes information to identify or classify any potential serious incident and a process map which can be used to determine whether any particular circumstance constitutes a reportable incident, and to identify the appropriate next steps in light of this decision. The policy will provide a clear and transparent framework for decision-making for the charity, including the exercise of delegated authority.
10. If the proposed policy is approved, appropriate training will be implemented to ensure knowledge and compliance with the proposed policy.

## **Conclusion**

11. The BHE Board are asked to approve the proposed policy for BHE for Serious Incident Reporting, setting out a clear framework to identify, assess, record and report any potential or actual Serious Incidents in line with the trustee's duties and associated Charity Commission Guidance.

## **Appendices**

- Appendix 1 – Bridge House Estates Policy on Serious Incident Reporting

## **Julia Megone**

Charities Technical & Strategic Finance Manager

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# Bridge House Estates: Serious Incident Reporting Policy

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**Adopted: [Insert date]**

## Introduction and Scope

1. This policy provides a clear and transparent framework to assist charity decision-making in identifying, assessing, recording and reporting an actual or potential serious incident, as required by the Charity Commission's published Guidance<sup>1</sup> on serious incident reporting.
2. The responsibility to report a serious incident to the Charity Commission ultimately rests with a charity's trustee(s), and for Bridge House Estates ("BHE"/ "the charity") (Charity Reg. No. 1035628), this responsibility has been delegated by the Court of Common Council of the City of London Corporation ("City Corporation") as charity trustee to the BHE Board (under the ultimate oversight of the Court). Authority may also be delegated to City Corporation officers, who are accountable to the BHE Board (and ultimately to the Court). Being accountable to the BHE Board (and the Court), the Managing Director of BHE has overall strategic oversight for operational risk management for BHE as relevant to the implementation of this policy, in consultation with relevant professional colleagues.
3. The purpose of this policy is to clearly and transparently set out a framework for BHE to ensure compliance with the Charity Commission requirement to identify, assess, record and, where relevant, report actual or potential serious incidents, consistent with related duties of a trustee to protect their charity's assets, reputation and the people who come into contact with the charity. This policy does not cover consequential operational management actions for resolution of matters arising from serious incidents identified through the implementation of this policy.
4. This policy supersedes any former process or policy for BHE for reporting Serious Incidents to the Charity Commission.

## Background

5. BHE is an unincorporated charitable trust. The City Corporation, acting by the Court of Common Council, is the corporate trustee of BHE ("the Trustee"), and the charity is administered by the City Corporation in accordance with the law, the charity's own governing documents, and the City Corporation's usual procedures and governance framework. As charity trustee, the City Corporation has a legal obligation to always act in the best interests of BHE.
6. The primary object of BHE is to maintain and support five bridges crossing the River Thames – London Bridge, Blackfriars Bridge, Southwark Bridge, Tower Bridge and Millennium Bridge.
7. A cy-près charity scheme of 1995 permits income surplus to that required for the bridges in each year to be used for other charitable purposes for the general benefit of the inhabitants of Greater London (this is known as the charity's "ancillary object"). The income surplus is distributed in accordance with a policy agreed by the Court of Common Council following consultation. The current such policy is

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<sup>1</sup> How to report a serious incident in your charity - Guidance for charity trustees about serious incidents: how to spot them and how to report, published 2 June 2014 (updated 14 June 2019), [How to report a serious incident in your charity - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/how-to-report-a-serious-incident-in-your-charity)

“Bridging Divides”, delivered in the name of City Bridge Trust (CBT) – the charity’s ‘funding arm’.

8. The City Corporation has various charity trustee duties in respect of BHE, including a duty to protect BHE’s assets, reputation, and those who come into contact with the charity, and thus a responsibility to report to the Charity Commission promptly, frankly and fully on any serious incidents that arise within the charity in accordance with the Charity Commission’s Guidance and associated requirements. It is a responsibility of trustees of all charities in England and Wales to ensure that any serious incident that takes place within a charity is reported to the Charity Commission, and that appropriate action is taken by trustees to deal with the serious incident.

### **Reporting Serious Incidents**

9. A Serious Incident is defined by the Charity Commission (in its guidance for trustees<sup>2</sup>) as an “adverse event that results in, or risks, significant
  - a. harm to people who come into contact with your charity through its work
  - b. loss of your charity’s money or assets
  - c. damage to your charity’s property
  - d. harm to your charity’s work or reputation”.
10. The main categories of reportable incident, as set out by the Charity Commission, are those that arise in connection with a charity or its work. These might relate to:
  - a. protecting people or safeguarding issues;
  - b. financial crimes;
  - c. large unidentifiable donations or suspicious activity using charity funds;
  - d. other significant financial loss;
  - e. any links to terrorism or extremism that are discovered;
  - f. other significant incidents such as data breaches, issues arising with partner organisations that affect the charity, or insolvency.
11. The Guidance refers to any reportable matter needing to be ‘significant’ and requires that the charity’s trustee(s) make a determination as to what qualifies as significant, or delegate responsibility for doing so to the charity’s management team, with subsequent reporting back to the trustee(s), including in instances where a decision was made not to report. Records supporting this determination should be retained.
12. Full and frank disclosure of what actually happened, and what the charity is doing to address the issue must be provided. Follow-up reports should be submitted if there are any material changes to the facts originally provided, or any other significant developments.
13. Reports must be made online and should be submitted promptly. The guidance states that reporting should be “as soon as is reasonably possible after it happens, or immediately after your charity becomes aware of it”. The charity’s annual return

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<sup>2</sup> Ibid.

to the Charity Commission (a regulatory requirement) requires a declaration that all serious incidents have been reported. The annual return cannot be submitted until this declaration is made. Providing false or misleading information to the Charity Commission is an offence under section 60 of the Charities Act 2011. Further, the Charity Commission's Guidance highlights that they might treat a failure to report a serious incident that subsequently comes to light as mismanagement by the trustee which might also prompt regulatory action, particularly if further abuse or damage has arisen following the initial incident.

14. When a report is submitted, the individual making the submission should provide information including their own contact details, details of any other organisations the incident might have been reported to (e.g. the police) and confirm that the trustee/s have been made aware of the incident.
15. In addition to the above reporting requirements, a charity's auditors should also be informed of any reported serious incidents in the year, as they have their own requirements to consider and report on any relevant matters of interest to UK charity regulators.<sup>3</sup>

### **Criteria**

16. As set out in paragraphs 9 and 10 above, the Charity Commission provide a number of criteria for assessing whether an adverse event should be considered a serious incident that requires reporting to the Charity Commission. Reference should be made to this guidance throughout the assessment and decision-making process, should any potentially adverse event be identified.
17. The assessment of what constitutes an adverse event resulting in or risking "significant" impacts for BHE is a matter of judgement. The assessment should take into account the size of BHE's assets and/or the impact on its staff, operations, and/or reputation at the time of the adverse event in reaching a recommendation.
18. There are therefore no specific criteria which must be met that would make a particular incident reportable. Instead, a decision must be made, and decisions, actions and recommendations recorded, with reference to a judgement on the significance of any event to BHE.

### **Approvals**

19. For BHE, responsibility for making a recommendation as to whether a particular scenario or issue constitutes a significant matter belongs to the BHE Managing Director (BHE MD). The BHE & Charities Finance Director (BHE & Charities FD) and BHE Chief Operating Officer (BHE COO) should provide a summary of the incident and discuss with the BHE MD who will decide on the final recommendation.
20. A determination as to what constitutes a 'significant' matter is the responsibility of the trustee, which responsibility may be delegated. The BHE MD will consult with

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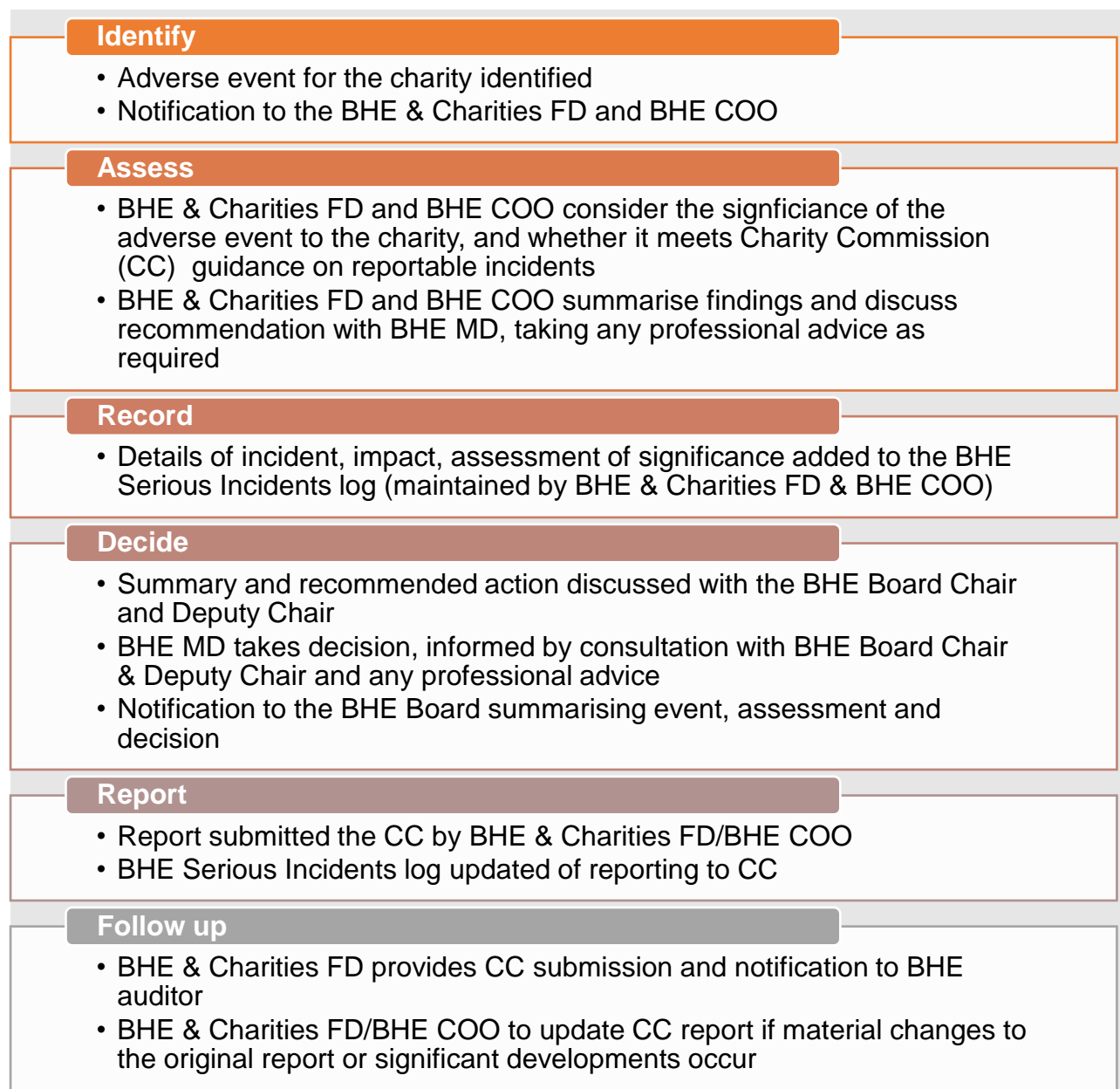
<sup>3</sup> <https://www.gov.uk/government/publications/reporting-relevant-matters-of-interest-to-uk-charity-regulators>



the Chair and Deputy Chair of the BHE Board as to whether an adverse event is reportable before taking a decision under delegated authority to submit any report to the Charity Commission. The BHE Board will be formally notified at its next meeting of any decision made to report a serious incident to the Charity Commission, and all potential reportable incidents will be recorded in a confidential log which can be reviewed on request by Members of the BHE Board at any time.

21. Following a decision to report, the BHE & Charities FD and BHE COO should coordinate reporting to the Charity Commission, any other relevant bodies, and any follow up reporting as required. They will further be responsible for liaising with BHE colleagues to take action in response to the incident.

## Process Map



## **Accountability and discretion**

22. This policy is intended to ensure that the process for decision-making and reporting Serious Incidents to the Charity Commission is compliant with the Charity Commission's Guidance and requirements, and supports the effective discharge of the obligations placed upon the City Corporation as trustee to protect the charity's assets, reputation and those who come into contact with the charity. The process map above should be followed in each instance, and a record of all determinations should be retained on a log of serious incidents, held by the BHE COO, and available for any member of the BHE Board to review at any time.

## **Monitoring**

23. The application of this policy will be monitored by the BHE Board and kept under regular review. Any changes to the policy will require approval from the BHE Board.

## **Notifications**

24. To notify the charity of a potential serious incident, correspondence should be sent to both the BHE COO and the BHE & Charities FD and marked as 'confidential'.

<b>Committee:</b> Bridge House Estates Board	<b>Date:</b> 13 September 2022
<b>Subject:</b> Update on BHE Contingency Funds	<b>Public</b>
<b>Which outcomes in the <i>BHE Bridging London 2020 – 2045 Strategy</i> does this proposal aim to support?</b>	<b>All</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>Report of:</b> Karen Atkinson, BHE & Charities Finance Director (representing The Chamberlain)	<b>For information</b>
<b>Report Author:</b> Sachin Shah, BHE Transformation Project Accountant	

## Summary

This report provides an update on the Bridge House Estates (BHE) Central Contingency balances held for 2022/23. It further provides detail of new requests being made against these balances.

Since the last report to the Board in July 2022, three bids have been approved under delegated authority:

1. £47k for the IT Managed Service transition project, enabling IT services to be moved back in-house.
2. £43k additional amount for the proposed pay review for staff across BHE.
3. £72k relating to the finalised TOM proposal for the BHE and Charities Finance Team.

## Recommendations

It is recommended that Members, in discharge of functions for the City Corporation as Trustee of Bridge House Estates (charity reg. no. 1035628) and solely in the charity's best interests:

- i) Note the BHE Contingency budgets currently held for 2022/23 (para 4); and,
- ii) Note that a total of £162k has been approved under delegated authority for the three items included in the summary above.

## Main Report

### Background

1. The annual budgets prepared by departments for the activities of BHE that are within their responsibility do not hold any contingencies. The budgets directly overseen by the BHE Board include central contingencies to meet unforeseen and/or exceptional items that may be identified across the range of activities undertaken by the charity. Requests for allocations should demonstrate why the costs cannot, or should not, be met from existing provisions.
2. BHE's Central Contingency budget for 2022/23 is £850k.

3. In addition to the above Central Contingency, the BHE budget includes specific provisions for various activities as listed below, with further details stated in **Appendix 1**:
  - a. Joint projects with the City Corporation
  - b. Apprentice salaries
  - c. Climate Action Strategy
  - d. Investment Properties – refurbishment of void spaces
  - e. Inflationary increases on revenue expenditure

### Current position

4. The uncommitted balances that are currently available for 2022/23 are set out in the table below:

2022/23 BHE Contingency Funds - uncommitted balances 13 September 2022							
	Central Provision	Apprentice costs	Joint Projects with City Corporation	Investment Properties - refurbishment of void spaces	Climate Action Strategy	Inflationary increases	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Contingencies:</b>							
2022/23 Provision approved	850	142	50	500	500	1,259	3,301
<b>Total Provision</b>	<b>850</b>	<b>142</b>	<b>50</b>	<b>500</b>	<b>500</b>	<b>1,259</b>	<b>3,301</b>
Previously agreed allocations @ July 2022	(43)	(27)	-	-	(123)	(120)	(313)
Approved under delegated authority post 5 July 2022	(119)	-	-	-	-	(43)	(162)
<b>Total commitments</b>	<b>(162)</b>	<b>(27)</b>	<b>0</b>	<b>-</b>	<b>(123)</b>	<b>(163)</b>	<b>(475)</b>
<b>Uncommitted balances @ 13 September 2022</b>	<b>688</b>	<b>115</b>	<b>50</b>	<b>500</b>	<b>377</b>	<b>1,096</b>	<b>2,826</b>

The amounts which are pending approval are detailed in **Appendix 1** of this paper, alongside detail of amounts previously approved either by this Board or under delegated authority.

5. The TOM proposal for the BHE & Charities Finance Team, as approved by the BHE Board in April 2022, included total additional staff related costs of £44k - £75k for 2022/23. With recruitment for new roles now in progress, there is more clarity on the actual costs required, which total £72k. This approved amount is funded from the Contingency Fund Central Provision.
6. In May 2022 approval under urgency was granted by the Town Clerk, in consultation with the Chair and Deputy Chair of the Board, for the value of the original pay offer – estimated to be £120k by the Human Resources team. Following detailed calculations undertaken by the BHE & Charities Finance Team, the estimated overall cost of the proposed pay offer across BHE amounted to £163k, allocated to the Inflationary Increases Contingency Fund.
7. The additional request over and above the previously approved £120k at £43k was approved under delegated authority in July 2022.
8. Discussions with unions over the pay award are ongoing. A further update will be provided to the Board at the conclusion of these discussions, should there be any changes to the amounts previously approved from the Contingency Fund.

9. The July Contingency Fund update to the Board noted that a request for the IT Managed Service transition project, enabling IT services to be moved back in-house, was in the process of being drafted. The request has since been completed and BHE's share of the cost is calculated to be £47k, approved under delegated authority and allocated from the Central Provision.
10. At the time of preparing this report, there is early consideration being given to the possibility of a further request for an allocation from the Contingency Funds as noted within paper 16 within the non-public section of the agenda.

### **Corporate & Strategic Implications**

11. Strategic implications: The provision of a suitable contingency budget held by the BHE Board as outlined in this paper support the aims and objectives of BHE's overarching strategy, *Bridging London 2020 – 2045*.
12. Resource implications: nil.
13. Legal implications: nil.
14. Equalities implications: nil.
15. Financial implications: The contingency funds noted within this report are an approved element of the 2022/23 budget held by BHE. Applications to utilise these funds do not therefore create additional demand from the reserves held by the charity.
16. Climate implications: nil
17. Security implications: nil

### **Conclusion**

18. The BHE Board are asked to note the current contingency budgets held by BHE, and the amounts approved under delegated authority, amounting to a total of £162k referenced in paragraphs 5 to 9 of this report.

### **Sachin Shah**

BHE Transformation Project Accountant

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## **Appendix 1 – BHE Contingency Funds 2022/23**

### **BHE Central Provision**

<b>Date Approved</b>	<b>Approval method</b>	<b>Description</b>	<b>Activity</b>	<b>Amount £000</b>	<b>Balance £000</b>
10/03/2022		2022/23 provision			850
		<b>Total provision</b>			<b>850</b>
27/04/2022	Committee	Tower Bridge Project Coordinator	Tower Bridge Operations	43	
27/06/2022	Delegated authority	IT Service Transition Project		47	
01/09/2022	Delegated authority	Funding requirement for the approved TOM proposal	BHE and Charities Finance Team	72	
		<b>Total allocations</b>			<b>162</b>
		<b>Uncommitted balance</b>			<b>688</b>

### **Apprentice costs provision**

<b>Date Approved</b>	<b>Approval method</b>	<b>Description</b>	<b>Activity</b>	<b>Amount £000</b>	<b>Balance £000</b>
10/03/2022		2022/23 provision			142
27/04/2022	Committee	1 x Business Administration Apprentice	BHE Admin	27	
		<b>Uncommitted balance</b>			<b>115</b>

### **Joint Projects with City Corporation**

<b>Date Approved</b>	<b>Approval method</b>	<b>Description</b>	<b>Activity</b>	<b>Amount £000</b>	<b>Balance £000</b>
10/03/2022		2022/23 provision			50
		<b>Uncommitted balance</b>			<b>50</b>

### **Investment Properties - refurbishment of void spaces**

<b>Date Approved</b>	<b>Approval method</b>	<b>Description</b>	<b>Activity</b>	<b>Amount £000</b>	<b>Balance £000</b>
10/03/2022		2022/23 provision			500
		<b>Uncommitted balance</b>			<b>500</b>

### **Climate Action Strategy**

<b>Date Approved</b>	<b>Approval method</b>	<b>Description</b>	<b>Activity</b>	<b>Amount £000</b>	<b>Balance £000</b>
10/03/2022		2022/23 provision			500
06/07/2022	Committee	CAS accelerated year 2 programme		123	
		<b>Uncommitted balance</b>			<b>377</b>

### **Inflationary increases**

<b>Date Approved</b>	<b>Approval method</b>	<b>Description</b>	<b>Activity</b>	<b>Amount £000</b>	<b>Balance £000</b>
10/03/2022		2022/23 provision			1,259
18/05/2022	Under urgency	BHE pay awards estimate		120	
05/07/2022	Delegated authority	Additional BHE pay awards estimate		43	
		<b>Total allocations</b>			<b>163</b>
		<b>Uncommitted balance</b>			<b>1,096</b>

<b>Total uncommitted balance</b>					<b>2,826</b>
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The 2022/23 BHE Contingency Fund provision is comprised of:

- a) £50k for joint projects with the City Corporation, held to enable smooth decision making for cross-cutting City Corporation projects that affect all three funds, enabling the Finance Committee to consider the impact of the total request. The BHE Board approves its portion of any such joint project.
- b) £142k for the salaries of 4 apprentice posts. Staff can complete a form to apply for funding from the BHE Apprentices Contingency Fund, to be endorsed by

their department Director and with final approval being made by the Managing Director of BHE.

- c) £500k of revenue spend relating to the Charity's Climate Action Strategy. This will be funded from the Strategy's overall designated fund of £15m, created following Court approval in March 2022.
- d) £500k to allow for the refurbishment of premises during void periods to improve the property's energy rating and maximise the appeal and therefore the income from potential tenants. These funds will only be utilised if voids increase during the year from that within the original budget.
- e) With current levels of UK inflation higher than in recent years, potential inflationary increases of up to 5% for all BHE operational spend, amounting to £1.3m is provided for. This is consistent with the approach taken for inflationary increases to all funds across the City Corporation. BHE teams will be invited to apply for funds to cover the cost of inflationary increases in their budgets later in the financial year once impacts become apparent.



<b>Committee:</b>	<b>Date:</b>
Bridge House Estates Board	13 September 2022
<b>Subject:</b> Budget Monitoring: 1 April to 31 July 2022	<b>Public</b>
<b>Which outcomes in the <i>BHE Bridging London 2020 – 2045 Strategy</i> does this proposal aim to support?</b>	<b>All</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>Report of:</b> Karen Atkinson, The BHE & Charities Finance Director (representing The Chamberlain)	<b>For information</b>
<b>Report Author:</b> Sachin Shah, BHE Transformation Project Accountant	

## Summary

This report provides a financial update on Bridge House Estates (BHE) activities to 31 July 2022. The charity has generated income of £14.2m to date compared to the budget of £13.7m. The £0.5m positive income variance arises mainly from the improved performance within Tower Bridge tourism and a shortfall in Investment Property income as explained in paragraphs 2 to 4 of this report.

Expenditure to date is £24.5m, reflecting a £4.7m under spend against budget. The under spend largely relates to charitable funding due to delays across various strands, including the Anchor Programme, Collaborative Action for Recovery and Grants Test and Discover, detailed in paragraph 8 of this report.

## Recommendations

The Bridge House Estates Board is recommended to:

- i) Note the contents of this report.

## Main report

1. This paper reports on the financial position of BHE up to 31 July 2022. Key information is summarised within a financial dashboard summary at **Appendix 1**, with the Statement of Financial Activities at **Appendix 2**. The financial information includes the year-to-date variances, full year budget targets and the latest forecast position for the year.

## Income

2. Income for Tower Bridge tourism activities is £2.6m at the end of July 2022, £1m greater than budget. Visitor numbers are 24% up compared to budget, a trend that at present is expected to continue.
3. Given the better-than-expected Tower Bridge tourism income in the first four months of the year, the forecast is now increased to £6.2m. Whilst including an element of caution, the forecast reflects an increase to the visitor target by 42% with more visitors, customers and clients than originally predicted by industry

bodies such as London & Partners and the Association of Leading Visitor Attractions.

4. Property investments income, at £11.4m, is £0.6m behind budget. Rental income is lower than expected due to voids relating primarily to Salisbury House. This will be partly mitigated by an expected receipt of £400k for the early surrender of a lease later in the year. Following the latest reforecast, income for the year is now marginally higher than budget due to updates to the expected voids and rent-free periods. Quarterly reforecasts will continue to be produced throughout the year, with the latest rental forecast quarterly report presented at agenda item 24 in this meeting.

## **Expenditure**

5. Charitable activity expenditure on the repair and maintenance of bridges is £4.9m to date, reflecting an under spend of £1m compared to budget. This is led by a change in the timeline for the completion of the replacement of the high voltage system at Tower Bridge, as updated at the July 2022 Board meeting. Due to the global shortage in acquiring materials, the project is now expected to conclude in April 2023.
6. As a result of the above delay, there is a knock-on impact to the start dates of other budgeted projects at Tower Bridge, particularly the CO2 fire system replacement which is now expected to commence in the new financial year. The forecast expenditure for the year has been reduced by £3.4m to reflect the updated programme.
7. Within other key projects, the Southwark Bridge Approach Spans refurbishment is due to conclude this year, with the Blackfriars Bridge refurbishment planned to complete in August 2024 - including savings of £200k anticipated due to value engineering in materials.
8. Grant commitments and associated costs are £15.1m at the end of July 2022, an under spend of £2.2m in comparison to budget. Following review, these commitments for the year are now forecast at £55.6m, a reduction of £46.9m compared to budget which is now deferred to be committed within the next three financial years. This is due to delays across various strands, including the Anchor Programme where following consultation with the sector, the start date for funding commitments has been delayed. The launch of the Collaborative Action for Recovery has been delayed due to the time taken to build funding plans and to appoint partners taking longer than anticipated. The Grants Test and Discover strand spend is delayed with further internal planning being undertaken as to how this programme is to be resourced.
9. Expenditure in other departments is broadly on target with budget. At Tower Bridge in light of the increased revenue forecast for the year, a number of projects are now being considered for approval. These include projects that were deferred during the pandemic, alongside those that will support further income generation.

## Funds

10. Total charity funds are forecast to be £1,742.9m at the end of this financial year, an increase of £52.5m from the latest approved budget. The unaudited balance for total funds at the end of 2021/22 was £1,720.2m.
11. Work continues on the audit of the financial statements for 2021/22, which commenced in June. **Appendix 1** includes the latest unaudited figures for last year.
12. The revised 2022/23 forecast includes an increase to the provision for bridges replacement within the designated fund due to the continuing rising inflation levels and subsequent impact to the cost of materials.
13. As a result of the reduced in-year forecast for grant commitments, the grant-making designated fund balance increased accordingly, with the majority of this spend now deferred across 2023 to 2026.
14. An update on the Contingency Fund balances held is presented at agenda item 7 of this meeting. BHE holds a total of £2.8m in contingency for 2022/23 at this point.
15. The charity's free reserves, the part of the unrestricted funds that is freely available to spend on the charity's objects, is projected to continue to remain above the minimum target of £90m. Considering the level of uncertainty in the external environment, it is prudent to maintain this approach.

## Conclusion

16. The updated forecast reflects an increase of £2.3m to the charity's budgeted income for the year and a decrease of £50.2m in expenditure, resulting in a net change of £52.5m.
17. Included in the updated forecast is the reduction of the 2022/23 grant commitments and associated costs, deferred to the next three financial years, and delays in the sourcing of materials in the High Voltage replacement project at Tower Bridge. These are the key factors impacting the original budgeted spend for the year.
18. The ongoing war in Ukraine and its consequences on soaring global energy costs and impact to financial markets will continue to require regular reviews and reforecasting throughout the year to enable an understanding of the impact of changes across charity funds held.

## Appendices:

- Appendix 1 – Financial Reporting Dashboard at 31 July 2022
- Appendix 2 – Statement of Financial Activities at 31 July 2022

## Sachin Shah

BHE Transformation Project Accountant

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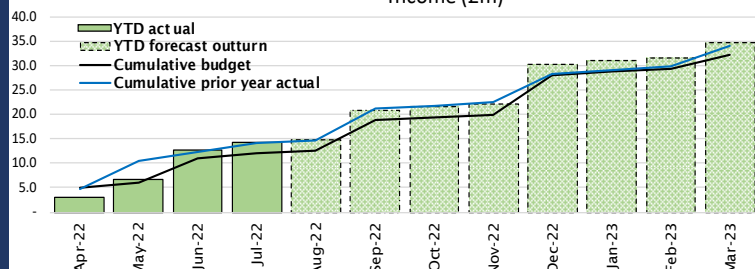
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# FINANCIAL DASHBOARD

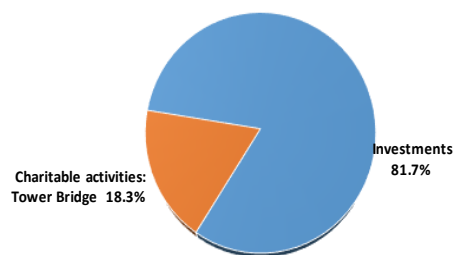
## Bridge House Estates

July 2022

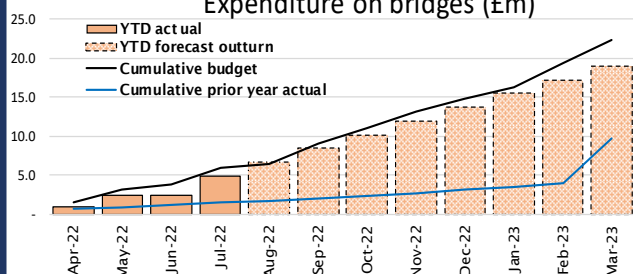
Income (£m)



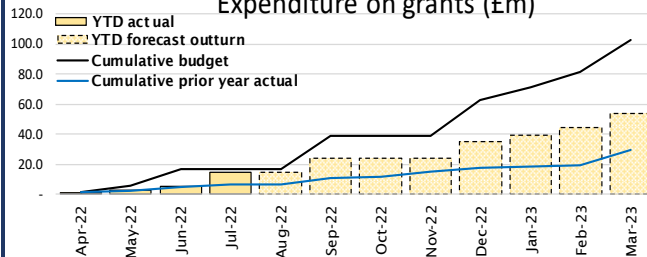
Income mix - YTD actual



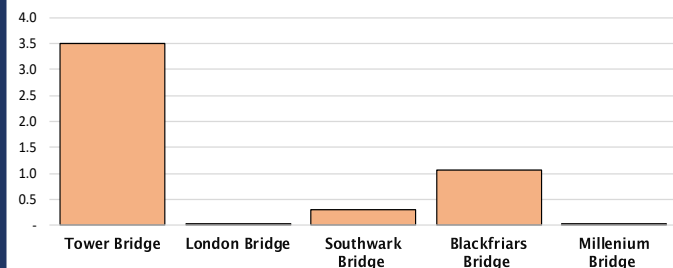
Expenditure on bridges (£m)



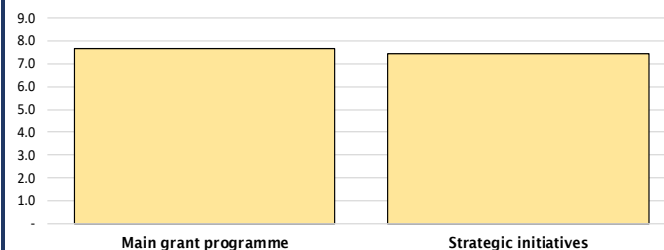
Expenditure on grants (£m)



YTD expenditure by bridge (£m)



YTD grant spend breakdown (£m)



### Balance sheet summary

Assets/liabilities:	YTD actual (£m)
Fixed assets	1,794.0
Current assets	12.8
Total liabilities	(96.9)
<b>Net assets</b>	<b>1,709.9</b>
Charity funds:	
Permanent endowment funds	1,029.9
Restricted funds	0.3
Unrestricted income funds	679.7
<b>Total charity funds</b>	<b>1,709.9</b>

### Income & expenditure summary

	YTD actual (£m)	YTD budget (£m)
Income	14.2	13.7
Expenditure	(24.5)	(29.2)
<b>Subtotal</b>	<b>(10.3)</b>	<b>(15.5)</b>
Gains/(losses)	-	-
<b>Net movement in funds</b>	<b>(10.3)</b>	<b>(15.5)</b>

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## Appendix 2 – Statement of Financial Activities

1 April - 31 July 2022	Statement of Financial Activities								2021/22 full year draft actual (unaudited) £m	2022/23 forecast vs 2021/22 draft actual (unaudited) variance £m
	2022/23 year to date			original budget £m	2022/23 full year			forecast vs budget variance £m		
	actual £m	latest approved budget £m	actual vs budget variance £m		latest approved budget £m	forecast £m	forecast vs budget variance £m			
Grant income	-	-	-	0.1	0.1	0.1	-	0.2	(0.1)	
Charitable activities - Tower Bridge	2.6	1.6	1.0	4.1	4.1	6.2	2.1	3.1	3.1	
Investment income:										
- Property Investments	11.4	12.0	(0.6)	24.5	24.5	24.6	0.1	26.2	(1.6)	
- Financial Investments	0.1	0.1	-	2.9	3.0	3.0	-	3.9	(0.9)	
- Interest receivable	-	-	-	0.1	0.1	0.1	-	0.1	-	
- Social Investment income	0.1	-	0.1	0.2	0.2	0.2	-	0.2	-	
Total Investment income	11.6	12.1	(0.5)	27.7	27.8	27.9	0.1	30.4	(2.5)	
Other income	-	-	-	0.3	0.3	0.4	0.1	0.4	-	
<b>Total income</b>	<b>14.2</b>	<b>13.7</b>	<b>0.5</b>	<b>32.2</b>	<b>32.3</b>	<b>34.6</b>	<b>2.3</b>	<b>34.1</b>	<b>0.5</b>	
Raising funds:										
- Property Investments	(1.8)	(2.8)	1.0	(8.6)	(9.1)	(9.1)	-	(8.4)	(0.7)	
- Financial Investments	-	-	-	(6.0)	(6.0)	(6.0)	-	(6.9)	0.9	
Total expenditure on raising funds	(1.8)	(2.8)	1.0	(14.6)	(15.1)	(15.1)	-	(15.3)	0.2	
Charitable activities:										
- Repair & maintenance of bridges	(4.9)	(5.9)	1.0	(22.4)	(22.4)	(19.0)	3.4	(9.8)	(9.2)	
- Tower Bridge tourism	(1.6)	(1.6)	-	(5.3)	(5.3)	(5.7)	(0.4)	(4.7)	(1.0)	
Grants to voluntary organisations	(15.1)	(17.3)	2.2	(102.5)	(102.5)	(55.6)	46.9	(29.9)	(25.7)	
Grant & social investment costs	(1.1)	(1.6)	0.5	(6.0)	(6.2)	(5.9)	0.3	(4.6)	(1.3)	
Total expenditure on charitable activities	(22.7)	(26.4)	3.7	(136.2)	(136.4)	(86.2)	50.2	(49.0)	(37.2)	
Other expenditure - pension costs	-	-	-	(1.1)	(1.1)	(1.1)	-	(2.3)	1.2	
Other expenditure - uncommitted contingency	-	-	-	(3.3)	(2.8)	(2.8)	-	-	(2.8)	
<b>Total expenditure</b>	<b>(24.5)</b>	<b>(29.2)</b>	<b>4.7</b>	<b>(155.2)</b>	<b>(155.4)</b>	<b>(105.2)</b>	<b>50.2</b>	<b>(66.6)</b>	<b>(38.6)</b>	
<b>Net income/(expenditure)</b>	<b>(10.3)</b>	<b>(15.5)</b>	<b>5.2</b>	<b>(123.0)</b>	<b>(123.1)</b>	<b>(70.6)</b>	<b>52.5</b>	<b>(32.5)</b>	<b>(38.1)</b>	
Gains/(losses) on investments/pension scheme	-	-	-	93.3	93.3	93.3	-	109.5	(16.2)	
Net movement in funds	(10.3)	(15.5)	5.2	(29.7)	(29.8)	22.7	52.5	77.0	(54.3)	
Funds brought forward at 01 April	1,720.2	1,536.4	183.8	1,675.0	1,720.2	1,720.2	-	1,643.2	77.0	
Total funds carried forward	<b>1,709.9</b>	<b>1,520.9</b>	<b>189.0</b>	<b>1,645.3</b>	<b>1,690.4</b>	<b>1,742.9</b>	<b>52.5</b>	<b>1,720.2</b>	<b>22.7</b>	
<b>Funds of the charity:</b>										
Endowment funds				1,077.3	1,079.9	1,079.9	-	1,030.1	49.8	
Restricted funds				-	0.3	0.3	-	0.5	(0.2)	
Designated funds:										
- Bridges repairs				36.0	35.9	39.0	3.1	56.2	(17.2)	
- Bridges replacement				161.2	183.5	205.2	21.7	191.2	14.0	
- Grant-making				133.1	136.1	183.2	47.1	210.3	(27.1)	
- Social investment fund				21.9	21.9	21.9	-	21.7	0.2	
- Climate action				9.5	14.5	14.5	-	15.0	(0.5)	
- Property dilapidations/service charges				0.4	0.4	0.5	0.1	0.4	0.1	
Total designated funds				362.1	392.3	464.3	72.0	494.8	(30.5)	
General funds				249.3	261.3	232.6	(28.7)	219.8	12.8	
Pension reserve				(43.4)	(43.4)	(34.2)	9.2	(25.0)	(9.2)	
Total general funds				205.9	217.9	198.4	(19.5)	194.8	3.6	
<b>Total charity funds</b>				<b>1,645.3</b>	<b>1,690.4</b>	<b>1,742.9</b>	<b>52.5</b>	<b>1,720.2</b>	<b>22.7</b>	
Free reserves				205.9	217.9	198.4	(19.5)	194.8	23.1	
Minimum free reserves				90.0	90.0	90.0	-	90.0	-	

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<b>Committees:</b>	<b>Dates:</b>
Bridge Houses Estates Board - For Decision	13 September 2022
<b>Subject:</b> Tower Bridge - Installation of Permanent Working at Height Controls and Fabric Improvements (Phase 1 - Resting Blocks)	<b>Gateway 1-5 Authority to Start Work</b> Regular
<b>Unique Project Identifier:</b> 12367	
<b>Report of:</b> Director of Tower Bridge	<b>For Decision</b>
<b>Report Author:</b> Jamie Bottono, Operations Manager, Tower Bridge	
<h1 style="margin: 0;">PUBLIC</h1>	

## Recommendations

<p><b>1. Approval track, next steps and requested decisions</b></p>	<p><b>Project Description:</b> To install permanent work at height controls and fabric improvements within the north and south resting block areas at Tower Bridge (the Bridge) which includes fall arrest systems, metalwork repairs, timber floorboards replacement/ modifications, and associated repairs and decorations.</p> <p>The Bridge has an ongoing project to review all its technical tasks and activities especially in areas where working at height is required. A specialist Working at Height Consultant was appointed in 2019 and identified a number of initial concerns which have been addressed by temporary solutions to allow for essential maintenance/ works to be continued. Permanent solutions have been identified to ensure compliance with the relevant regulations and the Bridge team are working through these with City Surveyors to deliver.</p> <p>The works to the resting blocks are the first phase and solutions are currently being worked on for a number of other critical areas which will need to be progressed by priority.</p> <p><b>Next Gateway:</b> Gateway 6 Outcome Report</p> <p><b>Next Steps:</b></p> <p>To proceed with placing the works with 3RS Engineering Limited.</p>
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	<p><b>Requested Decisions:</b></p> <ol style="list-style-type: none"> <li>1. That the total estimated cost of the project at <b>£328,520</b> (excluding risk), which is already provided for in the Bridge House Estates (BHE) 50 Year Maintenance Fund for 2022/ 23, is approved,</li> <li>2. That a Costed Risk Provision of <b>£11,000</b>, which is already provided for in the BHE 50 Year Maintenance Fund for 2022/ 23 (to be drawn down via delegation to Chief Officer) is approved, and</li> <li>3. Approve the use of 3RS Engineering Limited as per the recommended option.</li> </ol>																				
<p><b>2. Budget</b></p>	<table border="1" data-bbox="528 658 1422 1449"> <thead> <tr> <th data-bbox="528 658 847 801">Item</th> <th data-bbox="847 658 1007 801">Reason</th> <th data-bbox="1007 658 1230 801">Funds/ Source of Funding</th> <th data-bbox="1230 658 1422 801">Cost (£)</th> </tr> </thead> <tbody> <tr> <td data-bbox="528 801 847 981">Works</td> <td data-bbox="847 801 1007 981">Project Cost</td> <td data-bbox="1007 801 1230 981">BHE Bridges Repair Designated Fund</td> <td data-bbox="1230 801 1422 981">308,520</td> </tr> <tr> <td data-bbox="528 981 847 1160">Consultants Fees</td> <td data-bbox="847 981 1007 1160">Project Cost</td> <td data-bbox="1007 981 1230 1160">BHE Bridges Repair Designated Fund</td> <td data-bbox="1230 981 1422 1160">20,000</td> </tr> <tr> <td data-bbox="528 1160 847 1339">Costed Risk Provision</td> <td data-bbox="847 1160 1007 1339">Project Cost</td> <td data-bbox="1007 1160 1230 1339">BHE Bridges Repair Designated Fund</td> <td data-bbox="1230 1160 1422 1339">11,000</td> </tr> <tr> <td data-bbox="528 1339 847 1449"><b>Total</b></td> <td data-bbox="847 1339 1007 1449"></td> <td data-bbox="1007 1339 1230 1449"></td> <td data-bbox="1230 1339 1422 1449"><b>339,520 (incl. risk)</b></td> </tr> </tbody> </table> <p data-bbox="528 1487 1437 1563"><b>Costed Risk Provision requested for this Gateway: £11,000</b> (as detailed in the Risk Register – Appendix 2)</p>	Item	Reason	Funds/ Source of Funding	Cost (£)	Works	Project Cost	BHE Bridges Repair Designated Fund	308,520	Consultants Fees	Project Cost	BHE Bridges Repair Designated Fund	20,000	Costed Risk Provision	Project Cost	BHE Bridges Repair Designated Fund	11,000	<b>Total</b>			<b>339,520 (incl. risk)</b>
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<b>Total</b>			<b>339,520 (incl. risk)</b>																		
<p><b>3. Governance arrangements</b></p>	<ul style="list-style-type: none"> <li>• City Surveyor (Project Manager),</li> <li>• Jamie Bottono, Operations Manager, Tower Bridge</li> <li>• Chris Earlie, Director of Tower Bridge,</li> <li>• Simon Latham, Chief Operating Officer,</li> <li>• BHE Board</li> </ul>																				
<p><b>4. Progress reporting</b></p>	<p>Monthly updates to be provided via Project Vision and any project changes will be sought by exception via Issue Report to BHE Board.</p>																				

## Project Summary

<b>5. Context</b>	<ol style="list-style-type: none"><li>1. In 2019 Tower Bridge staff engaged with the City Corporation's Health Safety and Wellbeing Manager (People) to review the site and work activities undertaken by the in-house maintenance team.</li><li>2. A number of recommendations were received including engaging a Work at Height Consultant to carry out a full site audit to identify improvements, assist with training, rescue planning and safe systems of work.</li><li>3. Under the Working at Height Regulations, to prevent death and injury caused by a fall from height, employers must ensure that any work at height activity is properly planned, supervised, and carried out by competent persons. This includes having the correct infrastructure and equipment for working at height as well as rescue plans in place should there be an incident.</li><li>4. The consultant was initially engaged for a 6-month period and produced a summary report identifying improvements in a number of areas.</li><li>5. The critical priorities were immediately addressed via introduction of temporary measures and working with the consultant to ensure that essential maintenance tasks could continue.</li><li>6. An action plan and work tracker was produced including physical controls/ improvements, fabric improvements, additional specialist PPE, task specific training and rescue, and a request for funding was raised with BHE.</li><li>7. During the initial review it was apparent that dealing with a listed Victorian operational engineering structure, which does not consider the modern environment nor specific health and safety requirements, would be complex and challenging, especially where introduction of physical improvements was required.</li><li>8. Any physical works require planning approval and the areas identified have logistical issues with access and planning of activities around other projects. It is also critical that works are delivered in a safe manner, as well as ensuring the Bridge remains operational.</li><li>9. There was also the need to deliver appropriate work at height training for specific areas to the existing work force and to accommodate this around operational needs.</li><li>10. In addition, the consultant identified that there is a requirement to have rescue plans in place for all areas where work at height is undertaken (for in-house staff as well as external maintenance contractors).</li></ol>
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11. To achieve all of this the consultant was retained and over the past years has assisted with inputting into design of physical improvements, documenting safe systems of working, and providing training for both access and rescue.
12. This has benefitted all staff and our operation by embedding a strong health and safety culture with particular emphasis on the working at height aspect.
13. The Bridge staff have also instructed the City Surveyor to manage the programme of physical improvements which have been prioritised accordingly.
14. However, this has proved challenging due to using the City Corporation's nominated contractors who, as they do not have the specialist knowledge, have struggled to respond to the Bridge's specific requirements.
15. Staff have spent a number of months liaising with them including site visits which have incurred additional staff time and resources, but they failed to address our requirements. It was evident that they did not have the specialist skills and needed to appoint a sub-contractor, however, their contractor had difficulty addressing our concerns and failed to provide assurance that they could provide a suitable solution. Another contractor declined due to the very specialist nature and difficult site conditions.
16. Staff therefore reviewed the position in August 2021, and suggested an alternative route where Tower Bridge staff, the Working at Height Consultant, the appointed Bridge Consultant Engineers, and City Surveyors agree the design and solution. Once this is signed off, a specialist company, 3RS Engineering Limited, who have a long association with the Bridge delivering engineering solutions should be approached.
17. All parties agreed that this was a more efficient approach and good progress has been made with the resting block solution.
18. 3RS Engineering Limited have significant experience working on Tower Bridge over many years delivering works in severely restricted operational areas including the resting blocks.
19. They are fully familiar with our operations including site safety, working at height requirements and have always co-operated and worked with us to find appropriate solutions where needed.
20. Their technical ability and standard of work is always of high quality, and they have proven history with delivering a number of specialist engineering works including the upper and lower buffers refurbishment, resting block surveys,

	<p>pivot shaft inspection, nose bolt repairs and replacement steel plate flooring in the machinery rooms.</p> <p>21. Following the initial request to submit a quotation, 3RS responded in a timely manner and were able to price the works based on their extensive time on the Bridge, experience, and knowledge. This has been reviewed and confirmed that it captures all the works designed and specified.</p> <p>22. Given the time and lack of progress from the original route to procure these works an alternative had to be identified. It is therefore beneficial to place the works directly with 3RS given their association with the Bridge and works previously undertaken.</p> <p>23. Procurement has been consulted and their response is contained with the PT8 Report.</p>
<b>6. Brief description of project</b>	<p>1. To install permanent work at height controls and fabric improvements within the north and south resting block areas which includes fall arrest systems, metalwork repairs, timber floorboards replacement/ modifications, and associated repairs and decorations.</p>
<b>7. Consequences if project not approved</b>	<p>1. Temporary measures will remain in place which will need to be regularly checked and maintained as well as replaced due to the environment. This will lead to a reduction in planned maintenance due to restrictions in place which can lead to failure of critical components during a bridge lift.</p> <p>2. The poor condition of the timber and steelwork will remain, and the area will continue to present a significant risk with only specialist access permitted.</p> <p>3. Rescue of incapacitated persons will be severely hampered by restrictions of movement and access and lack of appropriate fixed aids.</p> <p>4. Not fulfilling our responsibility of appropriately maintaining a listed structure and deterioration of the fabric will continue.</p>
<b>8. SMART project objectives</b>	<p>1. The ability to continue providing bridge lifts during the works, for which we have a statutory duty to undertake.</p> <p>2. To fully comply with current health and safety, and working at height regulations by bringing the area up to current standards.</p> <p>3. Improve access and environment to a restricted operational space for staff to work safely with appropriate working at height infrastructure.</p>
<b>9. Key Benefits</b>	<p>1. Improved access arrangements for in-house staff and nominated contractors and ensuring that rescue can be effected in the event of an emergency.</p>

	<p>2. All of the timber and steelwork in poor condition will be replaced/ treated/ redecorated therefore being maintained as part of our responsibilities.</p> <p>3. Fulfilling our duty to maintain an important asset of the City of London and the most famous bridge in the world.</p>
<b>10. Project category</b>	1. Health and safety
<b>11. Project priority</b>	A. Essential
<b>12. Notable exclusions</b>	N/A

### Options Appraisal

<b>13. Overview of options</b>	<ol style="list-style-type: none"> <li>1. To do nothing would increase the risk of a major failure of bridge lifting components, due to restricted access for maintenance, and could lead to serious impact on the ability to undertake bridge lifts and therefore not fulfil our statutory responsibility.</li> <li>2. This is a maintenance project to install compliant permanent work at height infrastructure/ systems within the resting block areas which includes metalwork, fall arrest systems, timber modifications, and repairs and decorations.</li> <li>3. The initial approach to delivering this work using framework contractors highlighted that due to the specialist nature of the works and difficult site conditions they were reluctant to quote. One contractor used a sub-contractor who, as mentioned, struggled to meet our requirements despite a number of lengthy discussions and time spent with Tower Bridge staff visiting the area.</li> <li>4. Given the time already taken, and the additional 'management costs' in trying to progress this work via this route, it is recommended to use an engineering contractor who has significant experience of the operations of the Bridge and proven delivery of quality work previously undertaken.</li> </ol>
<b>14. Risk</b>	<p><b>Overall project risk: Low</b></p> <p>The project is considered low risk as it is to install permanent work at height controls and fabric improvements within the north and south resting block areas which includes fall arrest systems, metalwork repairs, timber floorboards replacement/modifications, and associated repairs and decorations.</p> <p>Further information available within the Risk Register (Appendix 2) and Options Appraisal.</p>

### Resource Implications

<b>15. Total estimated cost</b>	<p>To install permanent work at height controls and fabric improvements within the north and south resting block areas which includes fall arrest systems, metalwork repairs, timber floorboards replacement/ modifications, and associated repairs and decorations.</p> <p><b>Total estimated cost (excluding risk): £328,520</b></p> <p><b>Total estimated cost (including risk): £339,520</b></p>								
<b>16. Funding strategy</b>	<p>Is the funding confirmed: <b>All funding fully guaranteed</b></p>	<p>Who is providing funding: <b>Internal - Funded wholly by BHE's own resource</b></p>							
	<p><b>Recommended option</b></p>								
	<table border="1"> <thead> <tr> <th data-bbox="531 741 1161 808">Funds/Sources of Funding</th> <th data-bbox="1161 741 1382 808">Cost (£)</th> </tr> </thead> <tbody> <tr> <td data-bbox="531 808 1161 976">Project Costs - BHE Bridges Repair Designated Fund, detailed within the 50 year repairs and maintenance plan for 2022/ 23</td> <td data-bbox="1161 808 1382 976">£328,520 (excl. risk)</td> </tr> <tr> <td data-bbox="531 976 1161 1137">Costed Risk Provision - BHE Bridges Repair Designated Fund, detailed within the 50 year repairs and maintenance plan for 2022/ 23</td> <td data-bbox="1161 976 1382 1137">£11,000</td> </tr> <tr> <td data-bbox="531 1137 1161 1234" style="text-align: right;"><b>Total</b></td> <td data-bbox="1161 1137 1382 1234"><b>£339,520</b> (incl. risk)</td> </tr> </tbody> </table>		Funds/Sources of Funding	Cost (£)	Project Costs - BHE Bridges Repair Designated Fund, detailed within the 50 year repairs and maintenance plan for 2022/ 23	£328,520 (excl. risk)	Costed Risk Provision - BHE Bridges Repair Designated Fund, detailed within the 50 year repairs and maintenance plan for 2022/ 23	£11,000	<b>Total</b>
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<b>Total</b>	<b>£339,520</b> (incl. risk)								

### Appendices

<b>Appendix 1</b>	Project Briefing
<b>Appendix 2</b>	PT8 – Tender Award Report
<b>Appendix 3</b>	Risk Register
<b>Appendix 4</b>	Photographs of proposals, existing temporary control measures and condition of fabric

### Contact

<b>Report Author</b>	Jamie Bottono
<b>Email Address</b>	jamie.bottono@cityoflondon.gov.uk
<b>Telephone Number</b>	020 7940 8391

**Options appraisal table.***Delete option numbers as appropriate*

	<b>Option 1</b>	<b>Option 2</b>
<b>1. Design Summary</b>	Do Nothing	To install permanent work at height controls and fabric improvements within the north and south resting block areas which includes fall arrest systems, metalwork repairs, timber floorboards replacement/ modifications, and associated repairs and decorations.
<b>2. Scope and exclusions</b>	<ul style="list-style-type: none"> <li>There will be no access/ working at height improvements nor works to fabric.</li> </ul>	<ul style="list-style-type: none"> <li>This project is within the resting block area only.</li> </ul>
<b><i>Project Planning</i></b>		
<b>3. Programme and key dates</b>	Not Applicable	<ul style="list-style-type: none"> <li>An initial programme for the autumn 2022 had been suggested, however, this is subject to committee approval and contracts being in place. <ul style="list-style-type: none"> <li>Sept 22 - Committee approval,</li> <li>Oct 22 - Agreement of contracts,</li> <li>Nov 22 - Start on site,</li> <li>March 23 - Completion</li> </ul> </li> </ul>
<b>4. Delivery Team</b>	Not Applicable	City Surveyor, Tower Bridge Operations, Aecom (City of London's appointed Bridge Engineers),



	<i>Option 1</i>	<i>Option 2</i>
		Level 4 Consulting (Working at Height Consultant).
<b>5. Risk implications</b>	<p>Overall project option risk: High</p> <ul style="list-style-type: none"> <li>Increased risk of a failure of bridge components due to reduction in maintenance.</li> <li>Continued deterioration of historic fabric and failure to maintain the asset.</li> </ul>	<p>Overall project option risk: Low</p> <ul style="list-style-type: none"> <li>The project is considered low risk as the works are to deliver improvements for access and maintenance tasks.</li> <li>3RS are familiar with all areas of the Bridge and will use the temporary systems in place to carry out the works.</li> </ul>
<b>6. Benefits</b>	<ul style="list-style-type: none"> <li>None.</li> </ul>	<ul style="list-style-type: none"> <li>Introduction of modern work at height controls to improve safe systems or working.</li> <li>Repairs and decorations to fabric in an operational space which has not been undertaken for a number of years.</li> <li>Can be delivered in a timely fashion by a contractor fully familiar with the Bridge with minimal impact on bridge operations.</li> </ul>
<b>7. Disbenefits</b>	<ul style="list-style-type: none"> <li>Continued lack of modern work at height controls.</li> <li>Continued use of temporary measures which need regular maintenance by a specialist.</li> </ul>	<ul style="list-style-type: none"> <li>Any impact on bridge operations will be managed and 3RS are used to working around our operational requirements eg. bridge lifts, events.</li> <li>May discover other issues once fabric is removed.</li> </ul>
<b>8. Stakeholders and consultees</b>	<ul style="list-style-type: none"> <li>BHE (Tower Bridge, COO Directorate),</li> <li>Environment Department,</li> <li>City Surveyors,</li> </ul>	

	<b>Option 1</b>	<b>Option 2</b>
	<ul style="list-style-type: none"> <li>BHE Finance Directorate (50-year plan maintained by the Financial Services Division),</li> <li>Comptroller and City Solicitor.</li> </ul>	
<b>Resource Implications</b>		
<b>9. Total estimated cost</b>	Not Applicable	£339,520 (incl. risk)
<b>10. Funding strategy</b>	Not Applicable	Funding for this project is included in the BHE Bridge Repairs Designated Fund, detailed within the 50 Year Maintenance Plan for 2022/ 23.
<b>11. Estimated capital value/return</b>	Not Applicable	
<b>12. Ongoing revenue implications</b>	There is on-going provision in the BHE Bridge Repairs Designated Fund, detailed within the 50 Year Maintenance Plan for 2022/ 23, through breakdown and other targeted funds which are reviewed annually.	
<b>13. Investment appraisal</b>	Not Applicable	
<b>14. Affordability</b>	Not Applicable	There is provision in the BHE Bridge Repairs Designated Fund, detailed within the 50 Year Maintenance Plan for 2022/ 23.
<b>15. Procurement strategy/route to market</b>	Not Applicable	Undertake sub-PCR2015 procurement (minimum three quotes) exercise to identify a suitable contractor.
<b>16. Legal implications</b>	"Pursuant to The Corporation of London (Tower Bridge) Act 1885, the City (as trustees of BHE) is required to: (i) to maintain and repair the bridge (s.62) and (ii) open the bridge for navigation of vessels which would otherwise	

	<b>Option 1</b>	<b>Option 2</b>
	<p>be prevented, delayed or interfered with, and cause it to be continuously open at or about the time of high water as the Conservators (now PLA) shall from time to time direct. (s.29).</p> <p>If we were unable to undertake bridge lifts the City could be subject to possible claims for breach of statutory duty in the event an injured party suffers loss due to their passage along the river being obstructed.</p>	
<b>17. Corporate property implications</b>	Not Applicable	<p>The proposals in this report meet key objectives of the Corporate Property Asset Management Strategy;</p> <ul style="list-style-type: none"> <li>Operational assets remain in a good, safe and statutory compliant condition.</li> <li>Operational assets are fit for purpose and meet service delivery needs.</li> </ul>
<b>18. Traffic implications</b>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>19. Sustainability and energy implications</b>	None	
<b>20. IS implications</b>	None	
<b>21. Equality Impact Assessment</b>	<ul style="list-style-type: none"> <li>An equality impact assessment will not be undertaken.</li> </ul>	
<b>22. Data Protection Impact Assessment</b>	The risk to personal data is less than high or non-applicable and a data protection impact assessment will not be undertaken.	
<b>23. Recommendation</b>	Not recommended	Recommended

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# Project Briefing

Project identifier			
<b>[1a] Unique Project Identifier</b>	<A unique project number will travel with the project, and will incorporate a Department lead, within. Will be generated via Project Vision by CPO after CPB>	<b>[1b] Departmental Reference Number</b>	N/A
<b>[2] Core Project Name</b>	Tower Bridge - Installation of Permanent Working at Height Controls and Fabric Improvements (Phase 1 - Resting Blocks)		
<b>[3] Programme Affiliation</b> <i>(if applicable)</i>	This is Phase 1 of a number of working at height improvements which are being addressed by priority. Due to the specific type of work, location, timings, resources and other activities/ projects on the Bridge, each phase has to considered how best to deliver and where opportunities allow these will be 'packaged'.		

Ownership	
<b>[4] Chief Officer has signed off on this document</b>	David Farnsworth (DATE)
<b>[5] Senior Responsible Officer</b>	Simon Latham
<b>[6] Project Manager</b>	Chris Herbert

Description and purpose
<b>[7] Project Description</b>
To install permanent work at height controls and fabric improvements within the north and south resting block areas at Tower Bridge (the Bridge) which includes fall arrest systems, metalwork repairs, timber floorboards replacement/ modifications, and associated repairs and decorations.
<b>[8] Definition of Need: What is the problem we are trying to solve or opportunity we are trying to realise (i.e. the reasons why we should make a change)?</b>
The Bridge has an ongoing project to review all its technical tasks and activities especially in areas where working at height is required. A specialist Working at Height Consultant was appointed in 2019 and identified a number of initial concerns which have been addressed by temporary solutions to allow for essential maintenance/ works to be continued. Permanent solutions have been identified and the Bridge team are working through these with City Surveyors to deliver.
Under the Working at Height Regulations, to prevent death and injury caused by a fall from height, employers must ensure that any work at height activity is properly planned, supervised, and carried out by competent persons. This includes having the correct infrastructure and equipment for working at height as well as rescue plans in place should there be an incident.

The works to the resting blocks are the first phase and solutions are currently being worked on for a number of other critical areas which will need to be progressed by priority.

**[9] What is the link to the City of London Corporate plan outcomes?**

- [1] People are safe and feel safe.
- [2] People enjoy good health and wellbeing.
- [8] We attract and nurture relevant skills and talent.
- [9] Our spaces are secure, resilient, and well-maintained.

**[10] What is the link to the departmental business plan objectives?**

- Work with other CoL Depts to realise major projects, including the entire overhaul of the Bridge's High Voltage system, replacement of Bridge controls hardware, implement permanent solutions following the extensive Working at Heights review, and mitigate their potential negative effects on the tourism business and day-to-day operations. Collaborate in taking forward works and projects which arise out of the upcoming condition survey being carried out by the City Surveyor.
- Fulfilling our duty to maintain an important asset of the City of London and the most famous bridge in the world.

**[11] Note all which apply:**

<b>Officer:</b> Project developed from Officer initiation	Y	<b>Member:</b> Project developed from Member initiation	N	<b>Corporate:</b> Project developed as a large scale Corporate initiative	N
<b>Mandatory:</b> Compliance with legislation, policy and audit	Y	<b>Sustainability:</b> Essential for business continuity	Y	<b>Improvement:</b> New opportunity/ idea that leads to improvement	Y

**Project Benchmarking:**

**[12] What are the top 3 measures of success which will indicate that the project has achieved its aims?**

<These should be impacts of the activity to complete the aim/objective, rather than 'finishes on time and on budget'>>

- 1) To fully comply with current health and safety, and working at height regulations by bringing the area up to current standards.
- 2) Improve access and environment to a restricted operational space for staff to work safely with appropriate working at height infrastructure.
- 3) Fulfilling our duty to maintain an important asset of the City of London and the most famous bridge in the world.

**[13] Will this project have any measurable legacy benefits/outcome that we will need to track after the end of the 'delivery' phase? If so, what are they and how will you track them? (E.g. cost savings, quality etc.)**

These works will improve access and provide a fully compliant working environment for staff and contractors to undertake essential operational maintenance.

**[14] What is the expected delivery cost of this project (range values)[£]?**

£319,520

**[15] Total anticipated on-going revenue commitment post-delivery (lifecycle costs)[£]:**

There is on-going provision in the BHE Bridge Repairs Designated Fund, detailed within the 50 Year Maintenance Plan for 2022/ 23, through breakdown and other targeted funds which are reviewed annually.
<b>[16] What are the expected sources of funding for this project?</b>
Funding for this project is included in the BHE Bridge Repairs Designated Fund, detailed within the 50 Year Maintenance Plan for 2022/ 23.
<b>[17] What is the expected delivery timeframe for this project (range values)? Are there any deadlines which must be met (e.g. statutory obligations)?</b>
October 2022 - March 2023

<b>Project Impact:</b>	
<b>[18] Will this project generate public or media impact and response which the City of London will need to manage? Will this be a high-profile activity with public and media momentum?</b>	
No	
<b>[19] Who has been actively consulted to develop this project to this stage? &lt;(Add additional internal or external stakeholders where required) &gt;</b>	
Chamberlains: Finance	Officer Name: Karen Atkinson
Chamberlains: Procurement	Officer Name: James Carter
C & CS	Officer Name: Sean Austin
HR	Officer Name: N/A
Communications	Officer Name: N/A
Corporate Property	Officer Name: Steven Chandler
External	N/A
<b>[20] Is this project being delivered internally on behalf of another department? If not ignore this question. If so: Please note the Client supplier departments. Who will be the Officer responsible for the designing of the project? If the supplier department will take over the day-to-day responsibility for the project, when will this occur in its design and delivery?</b>	
Client	Department: Bridge House Estates
Supplier	Department: City Surveyor
Project Design Manager	Department: City Surveyor, Tower Bridge
Design/Delivery handover to Supplier	Gateway stage: Before Project Proposal

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## PT8 - Tender Award Report

This document is used to summarise the procurement process



<b>Report Title</b>	<b>Tower Bridge - Installation of Permanent Working at Height Controls and Fabric Improvements (Phase 1 - Resting Blocks)</b>
<b>Report Author</b>	<b>James Carter</b>
<b>Report Date</b>	15 <sup>th</sup> August 2022
<b>Procurement Reference</b>	N/A

<b>Key Area</b>	<b>Outcome</b>
<b>Purpose of Report</b>	To seek approval for the recommended award of contract for the provision of Installation of Permanent Working at Height Controls and Fabric Improvements (Phase 1 - Resting Blocks) at Tower Bridge
<b>Tender Process</b>	Sub-FTS Quotes exercise
<b>Proposed Provider</b>	3RS Engineering Ltd
<b>Cost (inc. VAT)</b>	£308,520
<b>Potential Risks</b>	Checks on supplier insurance, health & safety, LLW and responsible procurement have not been confirmed, however it is assumed these have been conducted by City Surveyors when sourcing the provider.

### Detailed Summary

#### 1. Summary

Details of what needs to be approved and a list of key areas covered by the report

The purpose of this report is to recommend a contractor to undertake the installation of permanent work at height controls and fabric improvements within the north and south resting block areas at Tower bridge which includes fall arrest systems, metalwork repairs, timber floorboards replacement/ modifications, and associated repairs and decorations.

#### 2. Recommendations

Details of who the contract is to be awarded to, proposed contract term, extensions, and other relevant details

Following an exercise to seek quotes for a contractor to undertake the works, the recommendation is to award the contract to 3RS Engineering Ltd.

#### 3. Current Service Provision

Details of current supplier, contract arrangements, expiry dates and potential exit issues.

Not applicable – there is no current service provision in place for these works.

#### 4. Evaluation Summary

Overview of the tender process including SQ and ITT outcomes; evaluation criteria and weighting, evaluation outcomes including overview of the top 3 ranked suppliers.

The City's nominated contractors for minor works, Wates and Sykes, were both approached to submit quotes to undertake the works. Unfortunately, this proved to be a protracted process and ultimately neither supplier were able to undertake the works without sub-contracting. As a result, a quote was sought directly by City Surveyors from 3RS Engineering Ltd, who have a good understanding of Tower Bridge and have been considered by City Surveyors and Tower Bridge to be suitable to undertake the works. This satisfies the City's Procurement Code in terms of seeking 3 quotes for works of this value, however it should be noted this was not undertaken in consultation with Commercial Service.

**5. Savings, efficiencies and benefits**

Pricing overview, including cost type (fixed cost, schedule of rates etc) and cashable and non-cashable savings achieved.

Agreed Pre-tender Baseline:	£350,000 (initial funding request)	Contract Cost:	£308,520
-----------------------------	------------------------------------	----------------	----------

Due to a lack of quotes received it has not been possible to ascertain if the costs provided by 3RS Engineering offer value for money. To avoid additional costs and risk associated with placing this as a design and build with a single contractor we have designed this 'in-house' with consultant's input. 3RS did provide 2no options (steel or stainless steel) and following consultation the CS recommended steel which is the cheaper of the 2no options. As this is health and safety in an operational area close to water, we are not identifying savings as this has the potential to impact on quality of the improvements, although we have gone for the quote within our original funding request which have been provided for in the BHE Bridge Repairs Designated Fund.

**6. Lessons Learnt**

City Surveyors and Tower Bridge should consider undertaking wider market testing for future requirements. Commercial Service Team must be engaged prior to seeking quotes for future externally sourced works, in accordance with the City's Procurement Code. There is too much reliance on a select few 'specialist' suppliers who, without being market tested, are not being required to consider costs and as such it is not possible to ascertain if competitive prices are being achieved. City Surveyors / Tower Bridge should also recognise the additional checks and assurances that are completed when undertaking procurement via the Commercial Service team.

**7. Contract Management Plan**

Details of persons managing the contract covering roles and responsibilities of individual staff.

The contract will be managed by City Surveyors and Tower Bridge

**8. Approval Sign Off**

<b>Name of Approver</b>	Jamie Bottono
<b>Position</b>	Operations Manager, Tower Bridge
<b>Date approved</b>	17/08/2022
<b>Approver comments</b>	The relevant checks regarding insurance, health & safety, LLW and responsible procurement have been undertaken and will be further verified as part of the contract preparations.

**9. Appendices**

**City of London: Projects Procedure Corporate Risks Register**

Project name: Tower Bridge - Installation of Permanent Working at Height Controls and Fabric Improvements (Phase

Unique project identifier: TBC

Total est cost (exc risk) £308520

Corporate Risk Matrix score table

PM's overall risk rating	Low
Avg risk pre-mitigation	6.0
Avg risk post-mitigation	6.0
Red risks (open)	0
Amber risks (open)	2
Green risks (open)	0

	Minor impact	Serious impact	Major impact	Extreme impact
Likely	4	8	16	32
Possible	3	6	12	24
Unlikely	2	4	8	16
Rare	1	2	4	8

Costed risks identified (All)

£11,000.00	4%
------------	----

Costed risk as % of total estimated cost of project

Costed risk pre-mitigation (open)

£11,000.00	4%
------------	----

" "

Costed risk post-mitigation (open)

£10,000.00	3%
------------	----

" "

Costed Risk Provision requested

£11,000.00	4%
------------	----

CRP as % of total estimated cost of project

- (1) Compliance/Regulatory
- (2) Financial
- (3) Reputation
- (4) Contractual/Partnership
- (5) H&S/Wellbeing
- (6) Safeguarding
- (7) Innovation
- (8) Technology
- (9) Environmental
- (10) Physical

Number of Open Risks	Avg Score	Costed impact	Red	Amber	Green
0	0.0	£0.00	0	0	0
0	0.0	£0.00	0	0	0
0	0.0	£0.00	0	0	0
0	0.0	£0.00	0	0	0
0	0.0	£0.00	0	0	0
0	0.0	£0.00	0	0	0
0	0.0	£0.00	0	0	0
0	0.0	£0.00	0	0	0
2	6.0	£11,000.00	0	2	0
0	0.0	£0.00	0	0	0

Issues (open)	0
All Issues	0

Open Issues  
All Issues

Extreme	Major	Serious	Minor
0	0	0	0
0	0	0	0

Cost to resolve all issues (on completion)	£0.00
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Total CRP used to date	£0.00
------------------------	-------





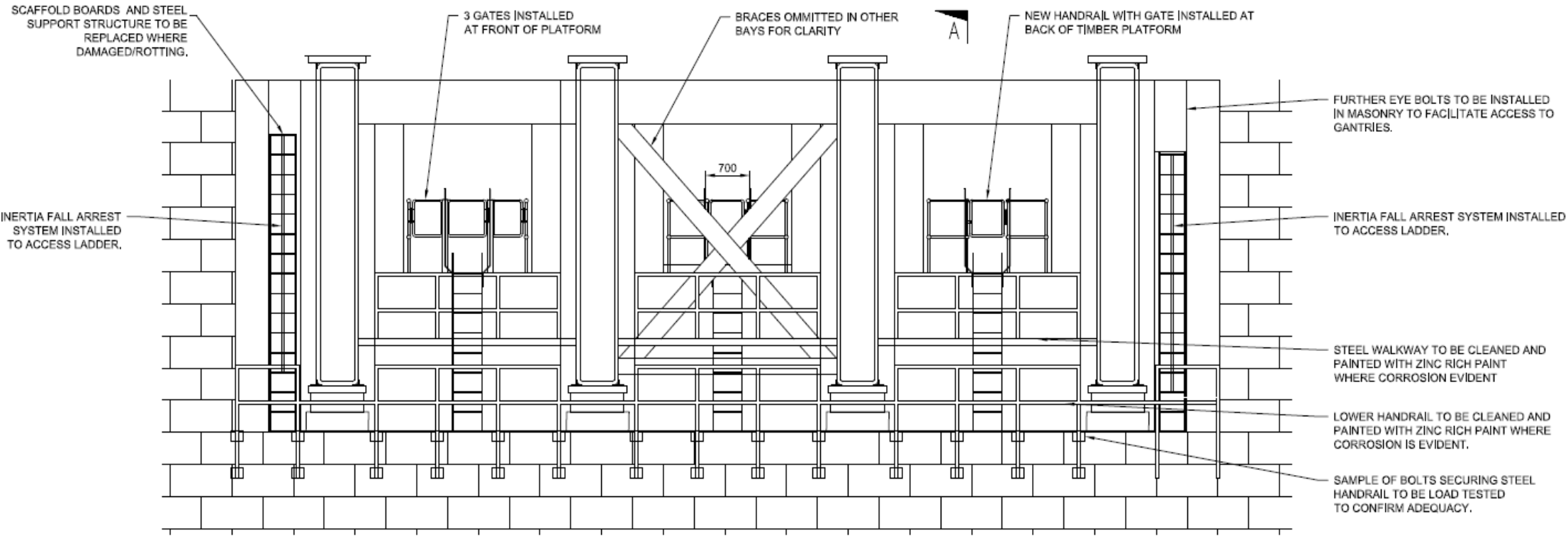
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## Appendix 3

### Location of Resting Blocks

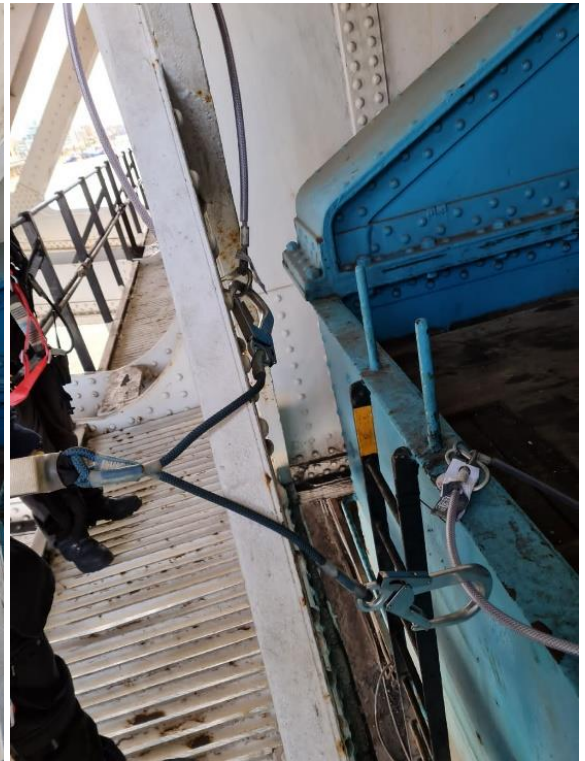
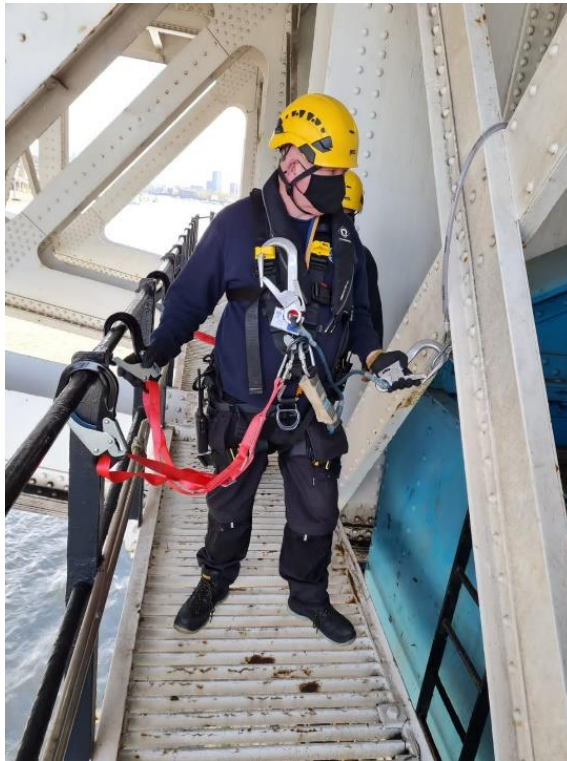
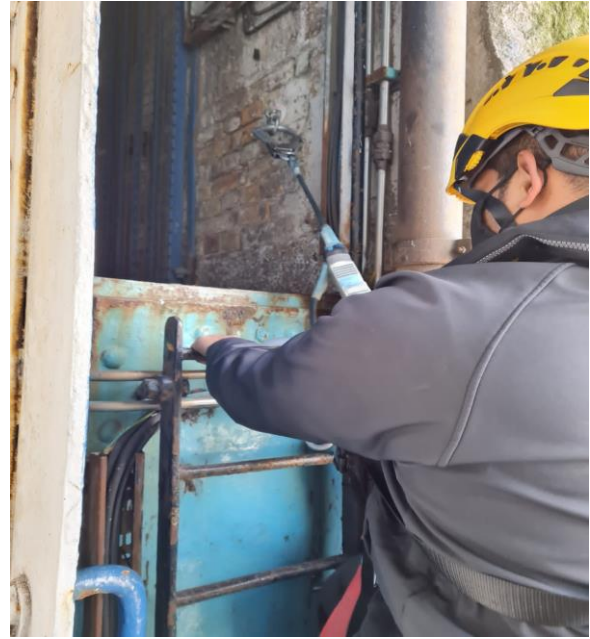
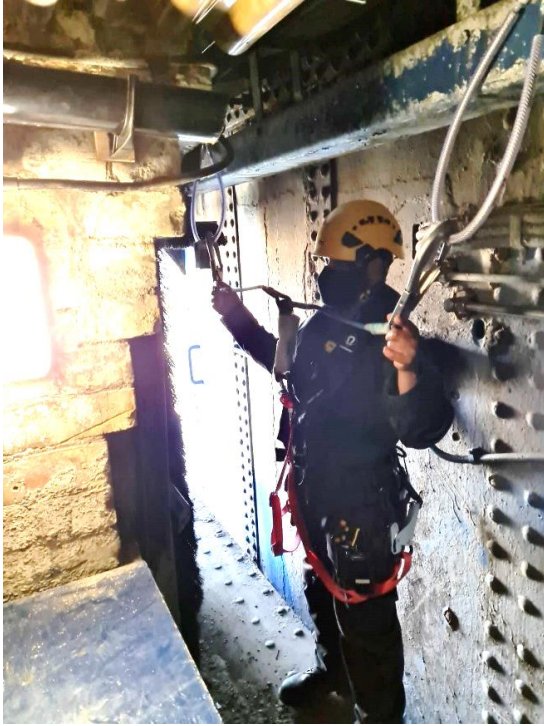


### Work at Height Infrastructure, Metalwork and Timber Proposals

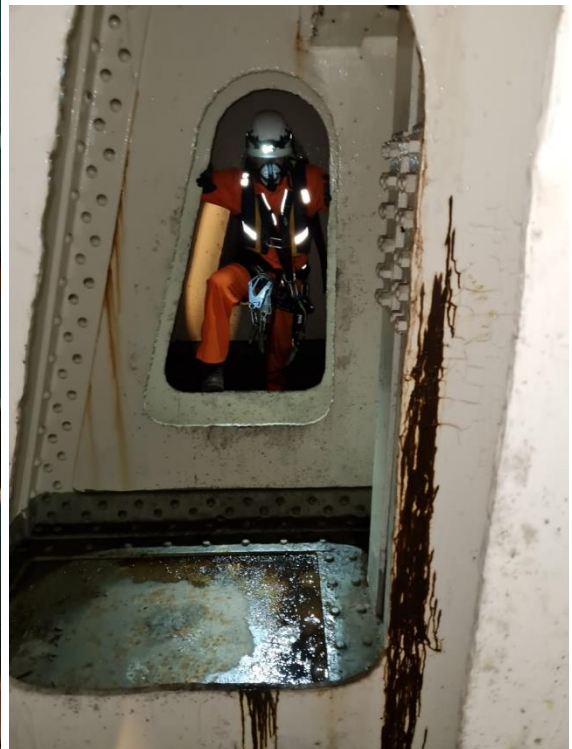
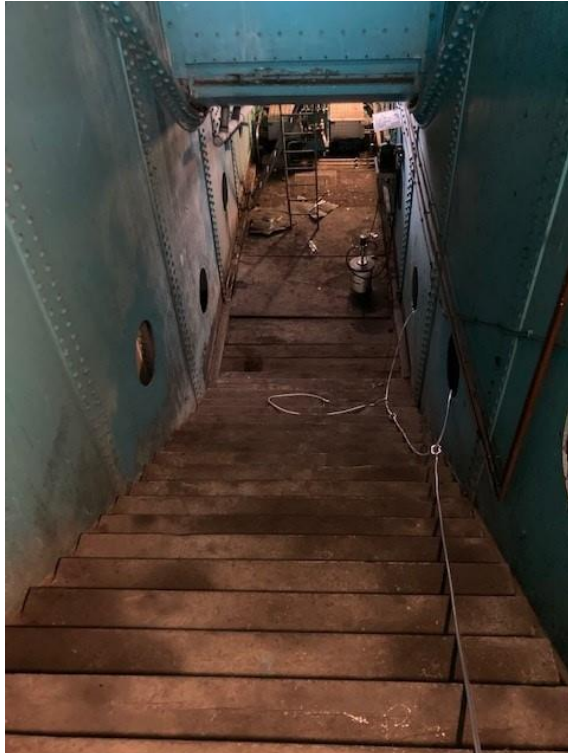
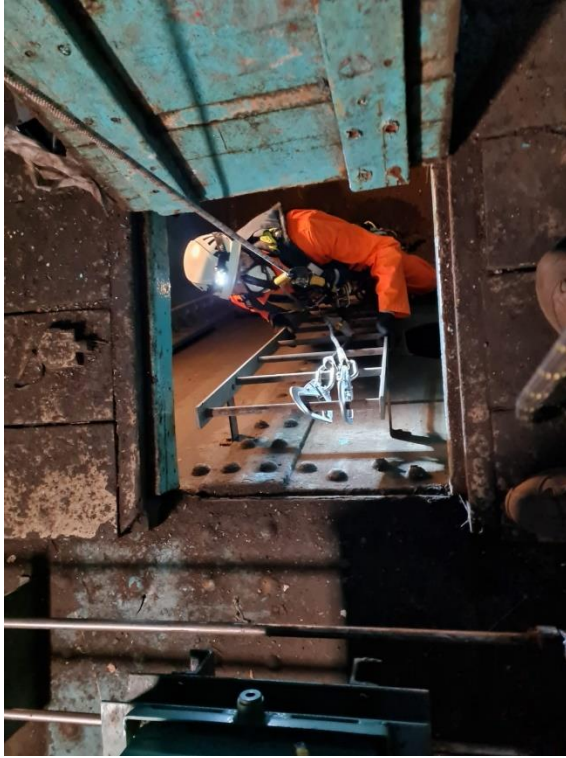




## Temporary Working at Height and Rescue Measures



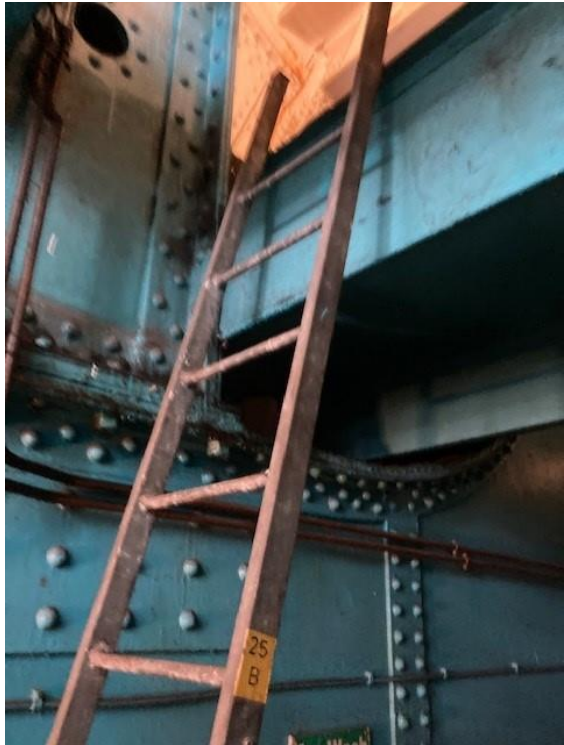




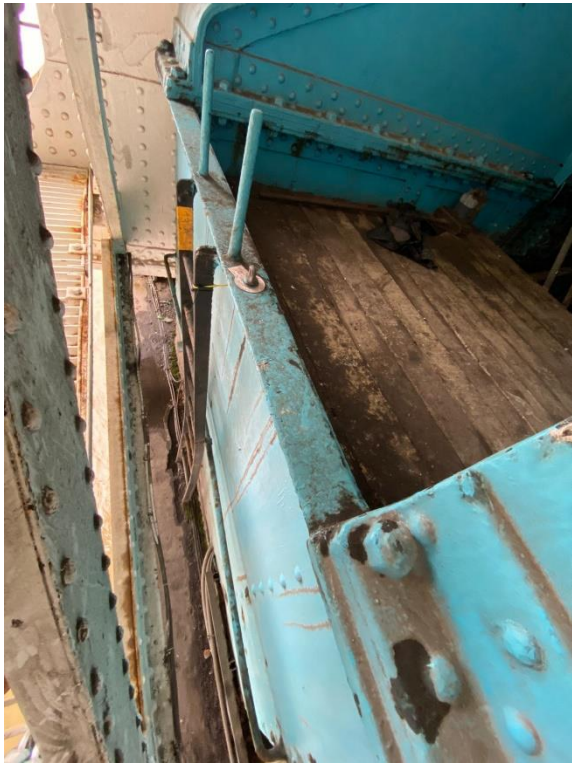
**Existing Fabric (Timber and Metalwork)**











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<b>Committees:</b> Streets & Walkways Sub-Committee – For decision Bridge House Estates Board – For decision	<b>Dated:</b> 6 September 2022 13 September 2022
<b>Subject:</b> TfL’s London Bridge Experimental Traffic Restriction	<b>Public</b>
<b>Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?</b>	N/A
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>Report of:</b> Executive Director, Environment	<b>For Decision</b>
<b>Report author:</b> Sam Lee, Policy & Projects	

## Summary

On 28<sup>th</sup> March 2022, Transport for London (TfL) introduced a scheme to restrict traffic (except buses, taxis, motorcycles and pedal cycles) from using Borough High Street and London Bridge as a through route between 7am – 7pm Monday to Friday. The restriction was introduced using an Experimental Traffic Order (ETO) and effectively continued the temporary restrictions that were introduced in September 2020 as part of their Covid-19 transport measures. The ETO can remain in place for up to 18 months, by which time, TfL will have decided whether the provisions of the Order(s) should be continued to be in force indefinitely. Statutory public consultation is undertaken in the first 6 months and any objections must be made within this period.

The removal of through traffic is supported in principle as this provides significant benefits for people walking, cycling and using bus transport. It aligns with our Transport Strategy, Climate Action Strategy and supports growth and development in the area.

However, due to some outstanding issues and implications, the City Corporation has opposed the Bishopsgate ETO from continuing indefinitely. Since the London Bridge and Bishopsgate ETO schemes are inter-connected, limited monitoring data being provided and the need to accelerate the development of measures to further protect Tower Bridge, it is recommended that the City Corporation’s response to this statutory consultation should also be one of ‘in principle’ support for removing through traffic but objecting to the experimental scheme from continuing indefinitely. Officers will continue working with TfL over the coming months to resolve both the Bishopsgate and London Bridge objections.

## Recommendations

The Streets & Walkways Sub-Committee is asked to:

- i) Agree the City Corporation’s response to the London Bridge ETO as set out in paragraphs 21 – 22 and agree that officers will continue working with TfL to resolve the objection.
- ii) Delegate the final wording of the response to TfL to the Director of City Operations in consultation with the Chairman and Deputy Chairman of this sub-committee.

The Bridge House Estates Board is asked to:

- i) Note the contents of the report as relevant to its Terms of Reference.

## **Main Report**

### **Background**

1. In February 2022, Members were updated on TfL's proposal to introduce a Streetspace scheme to restrict traffic from using London Bridge, King William Street and Borough High Street using an Experimental Traffic Order (ETO). The traffic restriction prohibits vehicles (except buses, taxis, motorcycles and pedal cycles) using these streets between 7am to 7pm Monday to Friday. Members were advised that a further report would be brought back to this Committee to consider if the City Corporation should object to and/or make other representations in respect of the ETO being continued indefinitely.
2. In July 2022, a report on a similar TfL experiment along the Bishopsgate corridor was also considered by Members. This report included additional information on the London Bridge experiment. Members were advised that any decision relating to the Bishopsgate experiment would need to apply to the London Bridge experiment as both schemes were inter-connected, but that a further report (on the London Bridge ETO) would be brought back to this committee for further consideration and resolution.

### **Current Position**

3. TfL's London Bridge ETO was made operational on 28<sup>th</sup> March 2022. This effectively continued the temporary restrictions that were implemented in September 2020 as part of TfL's Covid-19 transport measures.
4. The measures introduced various restrictions to prevent traffic (except buses, taxi, motorcycles and pedal cycles) from using London Bridge, King William Street and Borough High Street during the restricted times. It also includes the same restriction on the northbound access onto Fish Street Hill from Upper Thames Street. TfL's statement of reasons which includes a detailed list of the measures and an overview of the proposals implemented can be found in Appendix 1 and 2.
5. An ETO must be in operation for at least 6 months before it can be made to continue indefinitely and must not exceed 18 months. Statutory public consultation is undertaken in the first 6 months and any objections must be made within this period.
6. As with the Bishopsgate ETO scheme, it is recognised that in principle, limiting the use of this corridor by cross-London traffic aligns with our Transport Strategy and street hierarchy; and that this is likely to be necessary to improve conditions for people walking, cycling and travelling by bus and enhance the street environment. These improvements also align with our Climate Action Strategy by supporting sustainable transport.



## **The key issues**

### Traffic impacts and links with the Bishopsgate ETO scheme

7. The London Bridge ETO removes large volumes of traffic from using this network. In doing so it helps to make the experience of walking and cycling much more pleasant and the route is expected to be much safer. Monitoring data (Appendix 3 and 4) supplied by TfL has shown that bus journey times have reduced by over 2 minutes per kilometre and pedal cycle flows have increased by 1500 compared to last year. Since taxi and motorcycle access have been maintained, journeys made by these modes are anticipated to have improved.
8. The ETO impacts users of non-exempt vehicles accessing or leaving the City with longer journey times and distances as they need to use alternative routes. However, other traffic impacts such as traffic reassignment is constrained. This is because there are limited routes for traffic entering the City from the south (limited to the three nearby bridges) and from the north, it is largely restricted by the Bishopsgate ETO scheme. Monitoring data on key routes likely to be affected by the scheme has shown journey times to be broadly consistent with baseline data i.e., similar to pre-pandemic levels. As expected, due to the restrictions on the London Bridge corridor itself, general traffic journey times have improved.
9. London Bridge and Bishopsgate form a key north-south traffic corridor, linking Southwark to the south and Hackney to the north. The London Bridge and Bishopsgate ETO schemes, bordered at the Monument junction, are therefore inter-connected with each other as without one or the other, large traffic volumes are anticipated to divert onto the City's street network, particularly on Cannon Street and Eastcheap, but also across the wider City area.
10. This traffic reassignment is likely to lead to more frequent and severe congestion, longer journey times and distances, increase road safety risks and pollution, poorer conditions for people walking and cycling, and potentially reduce the opportunities for future improvements. If, however, neither scheme proceed, the network would return to pre-pandemic arrangements and any benefits delivered from the ETO would be lost.
11. In July 2022, Members resolved that the City Corporation would oppose the Bishopsgate ETO from continuing indefinitely while support the principle of restricting through traffic. It was agreed that officers would continue working with TfL to address the City's outstanding issues, with the hope that the objection could be withdrawn. These outstanding issues include the need to take account of the ongoing monitoring, responses to the statutory and non-statutory consultations, whether the existing measures are the most appropriate and whether changes can be incorporated to mitigate the impacts on our network. The formal statutory consultation period for the Bishopsgate ETO scheme has now passed.

### Tower Bridge weight restriction

12. Members will be aware that Tower Bridge has an 18-tonne weight limit restriction. There is concern that the London Bridge and Bishopsgate ETO schemes have led to more over-weight vehicles diverting to Tower Bridge. Increases in general traffic

volumes also have a cumulative impact on the bridge structure. As reported previously, TfL has not been able to obtain any base data (before these restrictions, either through the temporary or experimental orders were first implemented) to determine if there has been any traffic displacement. Data previously provided by TfL (also in Appendix 3) showed approximately three to five over-weight vehicles cross the bridge each day.

13. It is worth reiterating that it is possible that some drivers, while trying to avoid London Bridge or Bishopsgate end up going over Tower Bridge, either because they were unaware of the weight limit, or that they felt this was their best option especially given the reduced crossings to the east. In any case, displacement from London Bridge or Bishopsgate will only form part of the three to five over-weight vehicles per day crossing Tower Bridge. Tower Bridge is on the Inner Ring Road, it is therefore logical to assume that most of the over-weight vehicles crossing the bridge is from existing routes rather than from London Bridge or Bishopsgate and due to the very low numbers, TfL is of the opinion that the HGV's previously used London Bridge have displaced elsewhere.
14. TfL recognise that protecting the bridge is critically important and has undertaken to investigate and implement additional measures to reduce these vehicles. These include investigating additional measures such as signage, stiffer penalties, engaging with freight operators and continued monitoring. Unfortunately, we have seen no evidence or had any discussions on these measures.
15. The existing weight restriction at Tower Bridge is an environmental restriction which exempts busses and is enforced by the Highway Authority. Unfortunately, TfL have not undertaken this for a number of years contrary to the agreement the City had to facilitate the introduction of Congestion Charging. We have convinced LB Southwark to undertake this enforcement on behalf of TfL to afford some protection for the Bridge. If these proposals continue and TfL do not introduce additional measures to afford Tower Bridge some protection from HGV's then the next step will be for the BHE Board to require the weight restriction to be changed to a regulatory restriction used for weak Bridges. This will not allow the exemption for busses and prohibit many of the existing tourist busses crossing the bridge but is also enforceable by the Police as a traffic offence. This increased enforcement, especially where points are applied to drivers' licences should help reduce the effects.
16. If there continue to be offences and damage or increased wear occurs to Tower Bridge then the BHE Board can introduce a lesser weight limit that will prevent all large vehicles and install physical barriers on the approaches, similar to TfL's current restrictions and installations at Rotherhithe Tunnel.

#### Consultation responses

17. As part of the experimental scheme, TfL carried out some initial engagement including briefing ward members. They also launched a "discussion" page on their engagement website to seek feedback. However, on 27<sup>th</sup> July, TfL launched a full public consultation exercise for the changes implemented under this ETO scheme.

This consultation exercise closes on 27<sup>th</sup> January 2023 and is separate to the statutory public consultation provision provided under the ETO legislation. The information and access to the consultation can be found here <https://haveyoursay.tfl.gov.uk/london-bridge-borough>

18. To date, the City has not been provided any feedback on the initial engagement nor the statutory consultation responses, but officers have had discussions with TfL, alongside discussion on the Bishopsgate ETO.

### **Options**

19. Since the London Bridge and Bishopsgate ETO schemes are interlinked and the City has opposed the Bishopsgate ETO from continuing indefinitely, there is only one viable option. This is to also to oppose the London Bridge ETO scheme from continuing indefinitely, while supporting the principle of removing through traffic from the London Bridge and Bishopsgate corridor.
20. This would link decisions relating to the two separate schemes to be considered together and allow more time to review any additional data.

### **Proposals**

21. It is recommended that the City Corporations response to the statutory consultation should be one of 'in principle' support for removing through traffic but objecting to the experimental scheme from continuing indefinitely because of the interconnected and outstanding issues relating to the Bishopsgate ETO as well as insufficient monitoring data. TfL is also required to accelerate the development of measures to afford protection to Tower Bridge and consult with both the City and BHE to facilitate these as soon as possible.
22. If Members agree, officers will prepare a response to the statutory consultation.

### **Corporate & Strategic Implications**

23. Strategic implications – Reducing general motor traffic using London Bridge enables more effective and efficient use of street space. It improves conditions for people walking, cycling and bus transport. It also reduces transport related carbon emissions, improves air quality and reduces road danger. Traffic reduction supports the delivery of Corporate Plan Outcome 9: We are digitally and physically well-connected and responsive; the Transport Strategy; Climate Action Strategy and the Air Quality Strategy.
24. Financial implications – None envisaged at this stage unless there are changes to the Tower Bridge Weight enforcement.
25. Resource implications – None.
26. Legal implications – TfL has made an experimental traffic order under section 9 and 10(2) of the Road Traffic Regulation Act 1984. In due course TfL will be considering whether or not, the provisions of the Orders should be continued in

force indefinitely. Within the period of six months from the coming into force of the Orders, or if the Orders are subsequently varied by another Orders or modified, from the coming into force of that variation or modification (whichever is the latest), any person may object to the making of an Order to continue indefinitely those provisions.

27. Risk implications – Reducing motor traffic in the Square Mile helps mitigate Corporate Risks CR21 – Air Quality and CR30 – Climate Action and Departmental Risk ENV-CR-TR 001 – Road Safety.
28. Equalities implications – An Equalities Impact Assessment has been completed by TfL. This is provided in Appendix 5.
29. Climate implications – Reducing motor traffic supports the delivery of the Climate Action Strategy by reducing carbon emissions and reallocating space for people walking and cycling.
30. Security implications – None

## **Conclusion**

31. Limiting the use of the London Bridge corridor by cross-London traffic provides significant benefits for people walking, cycling and using buses. It aligns with our Transport Strategy, Climate Action Strategy, supports growth and development in the area and therefore is supported in principle.
32. However, the London Bridge scheme is interconnected with the Bishopsgate ETO scheme as without one or the other, significant traffic is anticipated to use the City's street network.

## **Appendices**

- Appendix 1: TfL's Statement of reasons and detailed list of measures implemented.
- Appendix 2: Overview plan of measures implemented on London Bridge and Fish Street Hill
- Appendix 3: Monitoring data (1)
- Appendix 4: Monitoring data (2)
- Appendix 5: TfL's EQIA

## **Background Papers**

- Report of the Executive Director, Environment on TfL's London Bridge Experimental Scheme to the S&W Sub-Committee, February 2022
- Report of the Executive Director, Environment on TfL's Bishopsgate Experimental Closure to the S&W Sub-Committee, July 2022.

## **Sam Lee**

Policy & Projects, Environment  
E: [sam.lee@cityoflondon.gov.uk](mailto:sam.lee@cityoflondon.gov.uk)

## Transport for London

GLA/2022/0206,0207,0209

THE A3 GLA ROADS (LONDON BRIDGE, KING WILLIAM STREET AND BOROUGH HIGH STREET, CITY OF LONDON AND LONDON BOROUGH OF SOUTHWARK) BANNED TURN EXPERIMENTAL TRAFFIC ORDER 2022

THE GLA ROADS (CITY OF LONDON) (BUS PRIORITY) CONSOLIDATION ORDER 2009 A3 GLA ROADS (LONDON BRIDGE AND KING WILLIAM STREET) EXPERIMENTAL VARIATION ORDER 2022

THE GLA ROADS (CITY OF LONDON AND SOUTHWARK) RED ROUTE CONSOLIDATION TRAFFIC ORDER 2009 THE A4 GLA ROADS (LONDON BRIDGE, KING WILLIAM STREET AND BOROUGH HIGH STREET) EXPERIMENTAL VARIATION ORDER 2022

### STATEMENT OF REASONS

1. Transport for London proposes to make the above-named Orders.
2. The Orders in London Borough of Southwark and City of London will:
  - (1) prohibit any vehicle except buses, taxis and pedal cycles to turn left from A3 Borough High Street onto A200 Duke Street Hill;
  - (2) prohibit any vehicle travelling northbound on Borough High Street from turning right into Duke Street Hill;
  - (3) prohibit any vehicle to enter St Thomas Street at its junction with Borough High Street;
  - (4) remove the loading and unloading bay outside Nos. 31 - 41 Borough High Street replacing it with double red lines (no stopping at any time);
  - (5) remove the loading and unloading bay outside No. 6 Southwark Street replacing it with double red lines (no stopping at any time);

- (6) remove the loading and unloading bay outside No. 8 St Thomas Street replacing it with double red lines (no stopping at any time);
  - (7) remove the pay and display borough bays outside Nos. 8 - 26 St Thomas Street replacing it with double red lines (no stopping at any time);
  - (8) remove the licensed taxi only bay outside Guy's Hospital on St Thomas Street replacing it with double red lines (no stopping at any time);
  - (9) shorten the existing loading and unloading bay outside Nos. 63 - 73 Borough High Street by 2 meters replacing it with double red lines (no stopping at any time);
  - (10) introduce double red lines (no stopping at any time) on the eastern side of the A3 London Bridge from a point 31 metres south of a point opposite the extended northern building line of Nos. 109 to 110 Fishmongers' Hall, Lower Thames Street for a distance of 44 metres in a southerly direction;
  - (11) introduce bus gates on King William Street and Borough High Street restricting vehicular access to London Bridge in either direction between 7am and 7pm each Monday to Friday for all vehicles except local buses, pedal cycles, solo motor cycles and taxis;
  - (12) introduce a bus gate on Fish Street Hill restricting northbound access to fish Street Hill from Lower Thames Street between 7am and 7pm each Monday to Friday for all vehicles except local buses, pedal cycles, solo motor cycles and taxis;
  - (13) Introduce an at any time with flow bus lane on the northbound carriageway of London Bridge and King William Street between a point 4 metres north of the extended southern building line on No.2 London Bridge and a point opposite a point 42 metres south of the extended northern building line of Adelaide House, London Bridge restricted to local buses, pedal cycles and taxis only;
  - (14) Introduce an at any time with flow bus lane on the southbound carriageway of King William Street London Bridge and Borough high Street between a point 4 metres north of the extended southern building line of Regis House, King William Street and a point opposite a point 4 metres north of the extended common boundary of Nos.4 and 6 Borough High Street restricted to buses, pedal cycles and taxis only.
3. The reason for introducing the Order is to address key objectives, set out below:
- (1) To provide a safe and attractive environment for cycling
  - (2) To provide a better, more comfortable pedestrian environment
  - (3) To support the LSP scheme on Bishopsgate
  - (4) To ensure bus journey times improve on the corridor to make bus passengers journeys faster and more attractive.
  - (5) To manage the remaining transport challenges after the lifting of COVID restrictions and beyond, for central London

The objective of this order is to take forward the Mayor's Transport Strategy,

notably the objectives around Healthy Streets and Vision Zero. An ETRO will allow us to understand if these objectives can be delivered whilst monitoring the change in movement patterns following the pandemic and allowing for adjustment in what may remain a changing situation. The delivery of Healthy Streets objectives, which encourage the uptake of sustainable travel modes, is also in line with the local City of London Transport Strategy, London Borough of Southwark Movement Strategy and central Government plans to decarbonise the transport system.

There are additional reasons for making this order. It is anticipated that the scheme will help enable the economic recovery of the area, and in particular aid movement along and across the corridor between key trip attractors within the area. These include the transport termini of London Bridge and Cannon Street (close to the corridor at the northern end of the bridge) and the City. The scheme could also help to address the previously identified safety concerns at the junctions along the corridor from Borough High Street to the City, although the experimental order period may show that further or different changes are required at these locations.

The situation in relation to the pandemic continues to develop and has changed from when the original temporary traffic order was made. Traffic levels are lower in central London, although pan-London monitoring shows that the return of motor traffic is much faster than a return to public transport. It is likely that the demand for movement will shift in a post-pandemic situation, but the location of the London Bridge/Borough High Street corridor, the proximity to London Bridge Station and the continued growth of the business and employment centre in the area, all suggest that overall numbers coming to, from and through the corridor will remain very high. As part of the experiment, we will closely monitor the benefits and impacts of the changes on all road users, including those with protected characteristics to ensure that the changes achieve the desired outcome, the details of which are set out in a monitoring plan. Given the as yet unknown pattern of travel demand post pandemic, TfL believes that it is important to monitor and collect live transport and survey data to provide a credible basis in coming to decision about whether the scheme should be made permanent at the end of the experiment

4. In due course Transport for London will be considering whether or not the provisions of the Order should be continued in force indefinitely.

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Key

New section of cycle lane with barriers or cylinders

Email feedback to:  
streetspacelondon@tfl.gov.uk

Contains Ordnance Survey data  
© Crown copyright 2020

New turns not permitted for all vehicles (except those stated on map)

- Southbound bus gate at junction of King William Street and Monument Street
- Northbound bus gate at junction of Lower Thames Street and Fish Street Hill
- No left-turn from London Bridge into Duke Street Hill
- Northbound bus gate at junction of London Bridge and Duke Street Hill

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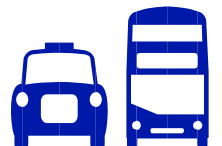
# London Bridge Streetspace Scheme



Rond Street  
ation

## Background

- The London Bridge LSP scheme only allows buses, taxis, motorcyclists and cyclists to use the bridge Monday to Friday 7am to 7pm.
- Tower Bridge has an existing 18 tonne weight limit and is a World Heritage Site.
- The City of London (CoL) operates an existing 7.5t weight limit in the central area including Monument junction
- CoL requested TfL monitor any changes in flow of 18t+ vehicles using Tower Bridge due to the new restrictions on nearby London Bridge



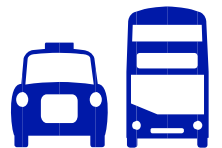
LONDON BRIDGE STREETSPACE SCHEME:

## Availability of baseline datasets for Tower Bridge

The closure of London Bridge for works (Mar – Sep 2020) and subsequent LSP scheme (Oct 2020 – present) in response to the COVID pandemic meant collection of before data was not possible.

Despite TfL exploring numerous datasets it has proved difficult to establish a reliable baseline flow of vehicles in excess of 18t using Tower Bridge prior to March 2020. PCN issued data began in April 2019 northbound and August 2019 southbound. However camera failures and changes to camera positioning also makes it difficult to establish a reliable baseline. LB Southwark operate the cameras and all enforcement is carried out by the borough.

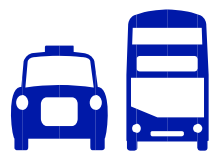
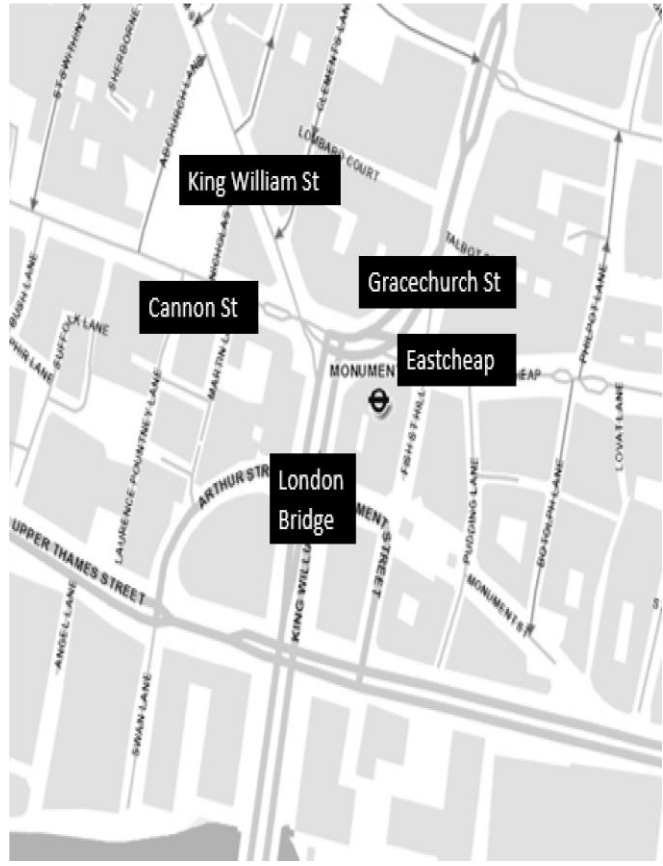
In addition, changing traffic patterns on the road network in response to lockdowns, as well as covid-related fluctuations in construction and economic activity, have also contributed to data ambiguity.





LONDON BRIDGE STREETScape SCHEME:

# Existing HGV flows for London Bridge



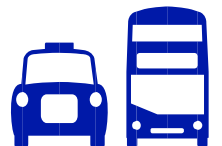
LONDON BRIDGE STREETSPACE SCHEME:

## London Bridge HGVs 2014 (taken for original Monument Safer Junction scheme)

Movement	Peak Periods
Gracechurch St to London Bridge	6
Eastcheap to London Bridge	0
London Bridge to Gracechurch St	12
London Bridge to King William St	5
London Bridge to Cannon St	4
Cannon St to London Bridge	4
King William St to London Bridge	4
<b>Total</b>	<b>35</b>

AM Peak: 7.30 – 9.30 (2 hours)

PM Peak: 16.30 – 19.00 (2.5 hours)



# London Bridge HGVs March 2020 (taken as a spot count)

Movement	Peak Periods
Eastcheap to London Bridge	24
London Bridge to Eastcheap	29
London Bridge to Cannon St	6
London Bridge to King William St	0
Cannon St to London Bridge	1
King William St to London Bridge	0
<b>Total</b>	<b>60</b>

AM Peak: 7.00 – 10.00 (3 hours)

PM Peak: 16.00 – 19.00 (3 hours)

- ***These numbers are potentially inflated due to Bank Station Capacity Upgrade Works***



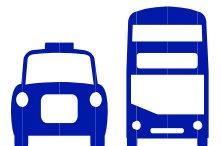


## LONDON BRIDGE STREETSACE SCHEME:

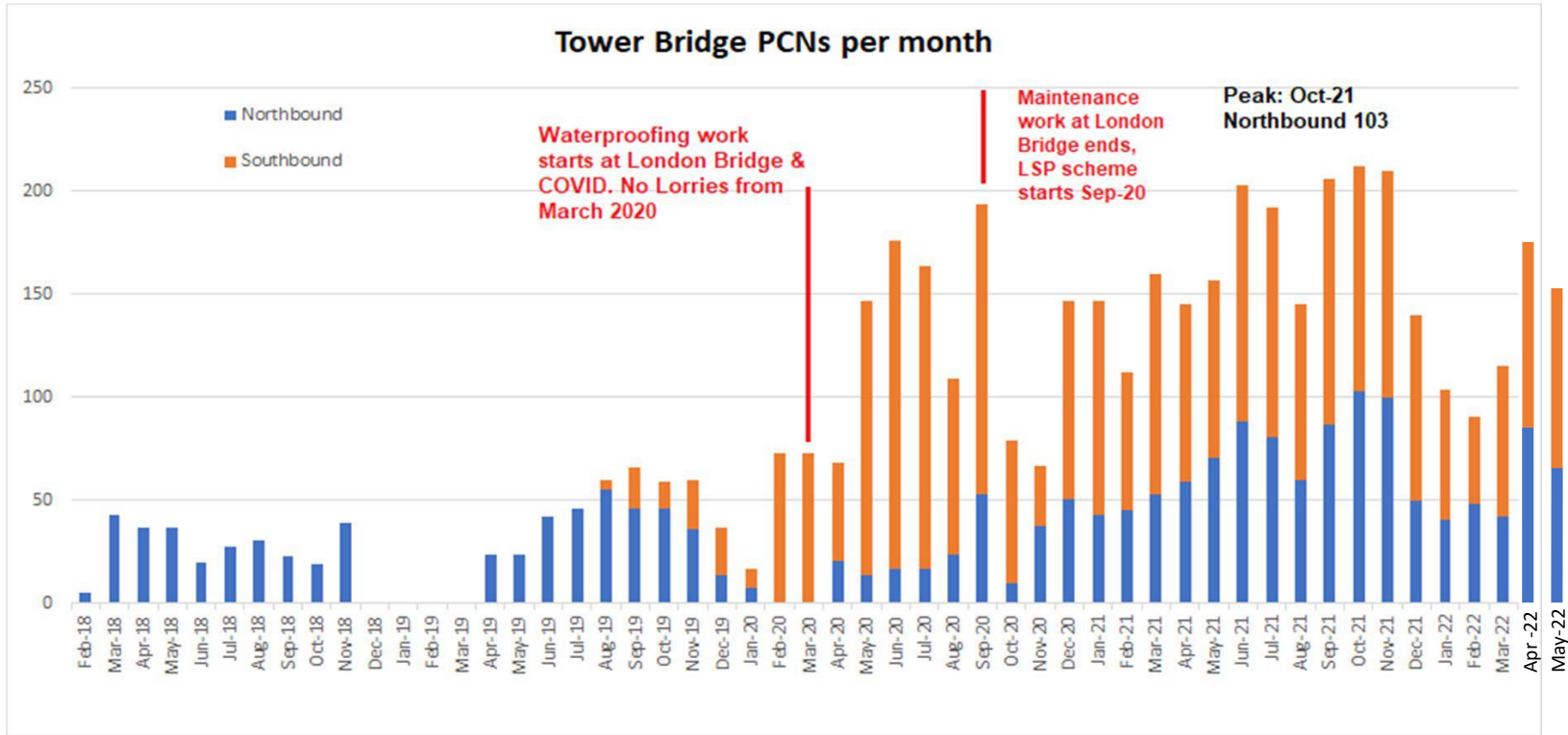
# Manual Count on Tower Bridge Tuesday 8th March 2022 7am to 7pm

Direction	Count
Northbound	3
Southbound	2
Total	5
<b>Monthly (both directions)</b>	<b>100-150 (estimate)</b>

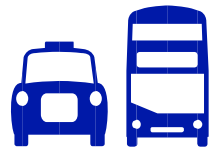
- A daily count of 5 per day suggests a monthly estimated figure in the region of 100-150, which is similar to the number of PCNs issued monthly in 2022
- The relatively low number of daily HGV movements on Tower Bridge indicates that HGVs that formerly used London Bridge have reassigned without using Tower Bridge.
- 5 overweight vehicle contraventions per day remains too high. However, without a clear baseline for overweight vehicles using Tower Bridge it not possible to determine whether the London Bridge scheme contributes to these figures. Despite this TfL remains committed to helping reduce contravention numbers.



# Reliability of PCN Data prior to March 2020 makes it difficult to establish a baseline

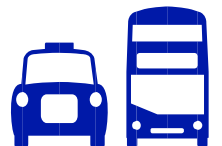


1. Northbound enforcement camera introduced first, Feb-18
2. Southbound camera introduced Aug-19 and reconfigured May-20
3. Sharp reduction in PCNs issued in October 2020
4. Peak PCNs in Oct-21 and Nov-21. Steep decline in PCN numbers since.



## Measures taken

- TfL has put up additional advance warning signage of weight limit (2020/21) following a CPOS Environmental Visual Audit; a walkthrough has shown that it is impossible to approach Tower Bridge without meeting one of these signs.
- The London Bridge scheme signage strategy directs vehicles towards other suitable crossings such as Southwark Bridge.
- We have spoken with freight operators to re-iterate the importance of diverting away from Tower Bridge.



## New Monitoring

### Vivacity camera

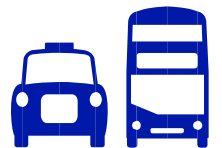
- Vivacity system using Artificial Intelligence appears to be overcounting compared to enforcement data and manual count. This is likely to be due to classifying vehicles based on the number of axles rather than weight.

### Manual count

- Data collected for 8 March 2022 and will continue to be collected as part of the monitoring plan.

### PCN data

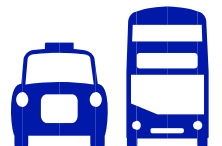
- Continue to be collected via Southwark Council



## LONDON BRIDGE STREETSACE SCHEME:

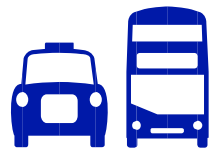
## Summary

- It has not been possible to obtain a robust baseline of HGVs >18T using Tower Bridge prior to 2020.
- A manual count of 5 HGVs per day in March 2022 suggests a monthly figure in the region of 100150, which is similar to the number of PCNs issued monthly in 2022.
- The relatively low number of daily HGV movements on Tower Bridge indicates that HGVs that formerly used London Bridge have reassigned without diverting to Tower Bridge.
- 5 overweight vehicle contraventions per day remains too high. However, without a clear baseline for overweight vehicles using Tower Bridge it not possible to determine whether the London Bridge scheme contributes to these figures. Despite this TfL remains committed to helping reduce contravention numbers.
- Subject to funding availability, TfL will investigate additional measures to further reduce any possibility that drivers are unaware of the current weight limit (in spite of the clear signage in place).
- Outside of the enforcement process, further communications can be progressed to identify and engage with businesses operating trucks using Tower Bridge, emphasising that drivers must not disregard the weight limit.
- TfL will work with Southwark Council to see if they can impose tougher penalties.



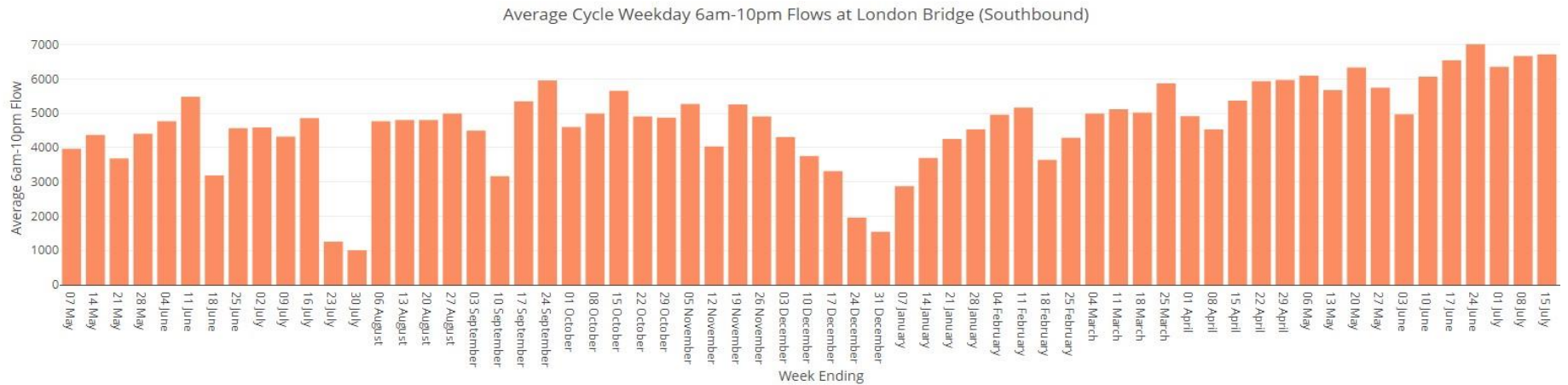
## Monitoring Summary

- Bus Journey Times on London Bridge have decreased by over 2 minutes per km northbound, and over 1 minute per km southbound, on average since the inception of the scheme.
- Cycle flow data shows approx. 6000 cyclists per day 6am-10pm traveling southbound over London Bridge in July 2022. Cycle flows are approx. 1500 higher than the same time last year. Although northbound data is not available it is likely similarly high cycling levels are present.
- This shows a strong improvement for sustainable transport modes, and a reason to extend the scheme.

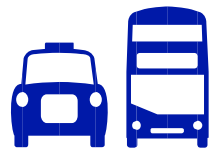


LONDON BRIDGE STREETSACE SCHEME:

# Monitoring Summary: Cycle flows



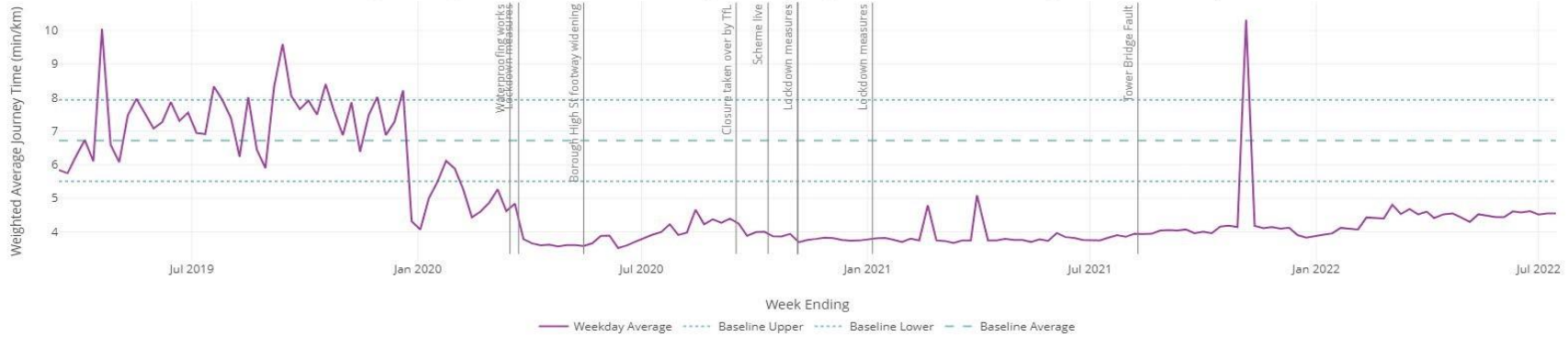
- Cycle flow data shows approx. 6000 cyclists per day 6am-10pm traveling southbound over London Bridge in recent months.
- Northbound data is not available due to a detector issue.



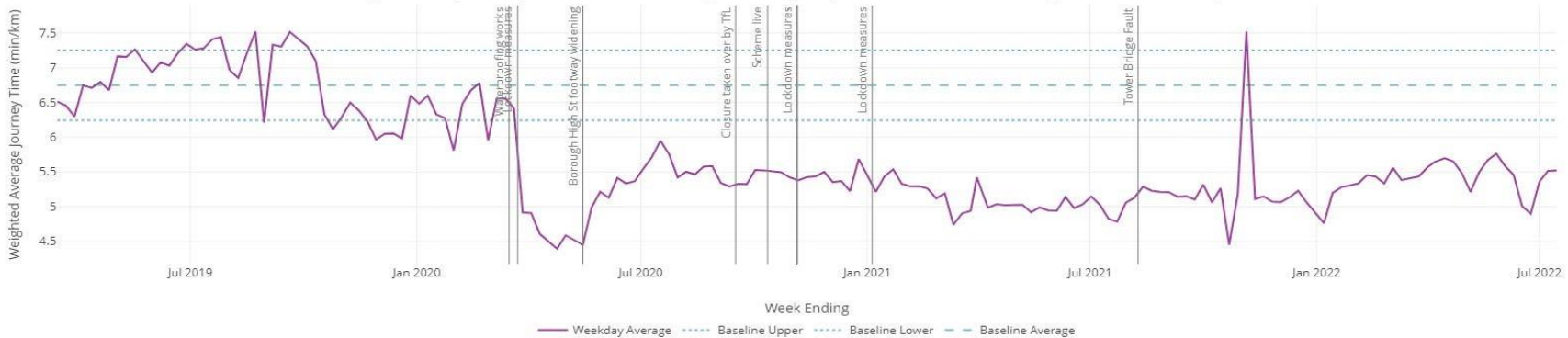
LONDON BRIDGE STREETSACE SCHEME:

# Monitoring Summary: Bus Journey Times

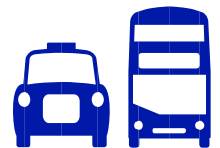
Average Weekday Journey Times on London Bridge - Borough High Street NB Corridor, during 12hr Period (7am-7pm)



Average Weekday Journey Times on London Bridge - Borough High Street SB Corridor, during 12hr Period (7am-7pm)



- Bus journey times on London Bridge have reduced by over 2 minutes per km northbound and over 1 minute per km southbound.





# Tommy Smith

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# London Bridge / Borough High Street – Network Performance (February to July 2022)

## Buses

**Core Criteria:** Bus operations are not unreasonably impacted by the experiment

*iBus data – comparison of bus journey times across the scheme area to the pre-pandemic average. A successful scheme will show journey times consistently lower than one Standard Deviation from the baseline on London Bridge and for the surrounding network journey times are within one Standard Deviation of the pre-pandemic average.*

Bus journey times are compared against baseline data from March 2019 - March 2020. The graphs show the average baseline journey time and an upper and lower threshold indicating an expected normal journey time range based on +/- 1 standard deviation. Journey time plots from the monitoring dashboard are shown in the following section with commentary focusing on the first six months of the experiment from February to July 2022.

Bus journey times have been monitored on the London Bridge/Borough High Street corridor and on the surrounding corridors:

- Farringdon
- Great Dover Street
- Long Lane
- Newington Causeway
- Southwark Bridge
- Southwark Street
- Tower Bridge



The journey times are given as an average from 7am to 7pm unless otherwise stated. Other corridors north of the River Thames are covered within the Bishopsgate monitoring plan.

## Summary

Bus performance within the scheme extents has consistently been below the lower threshold. Northbound journey times are more than 2 minutes per kilometre quicker and southbound are more than 1 minute per kilometre quicker.

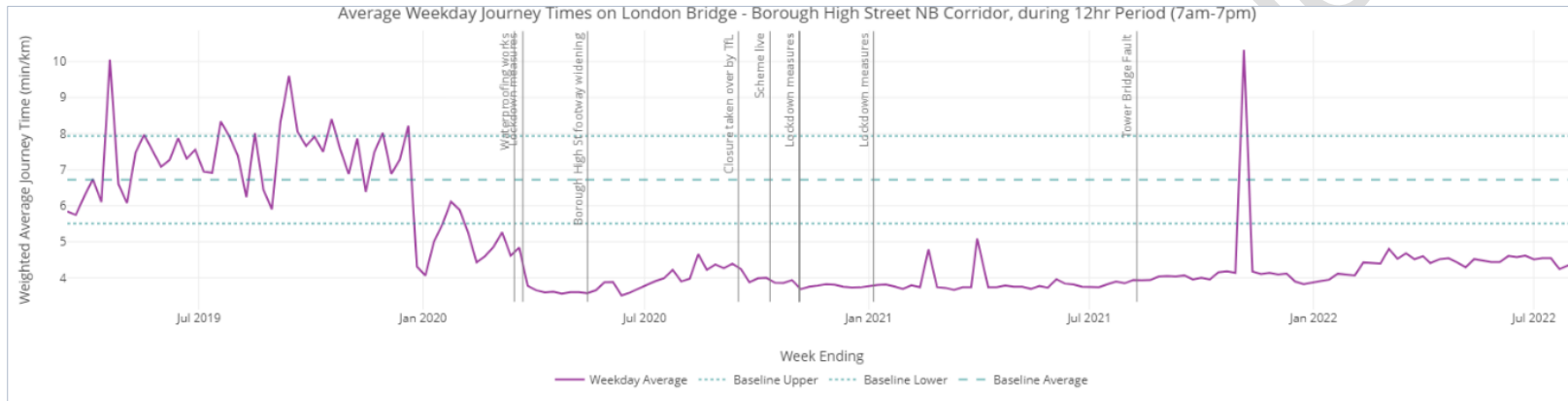
Performance of the surrounding network has generally performed within the normal thresholds during the ETRO period from February to July 2022 and some corridors are performing below the lower threshold. There have been a smaller number of weeks when bus journey times on nearby corridors have operated above the upper threshold, however the majority of these can be explained by nearby works or tube/rail strikes.



### London Bridge – Borough High Street

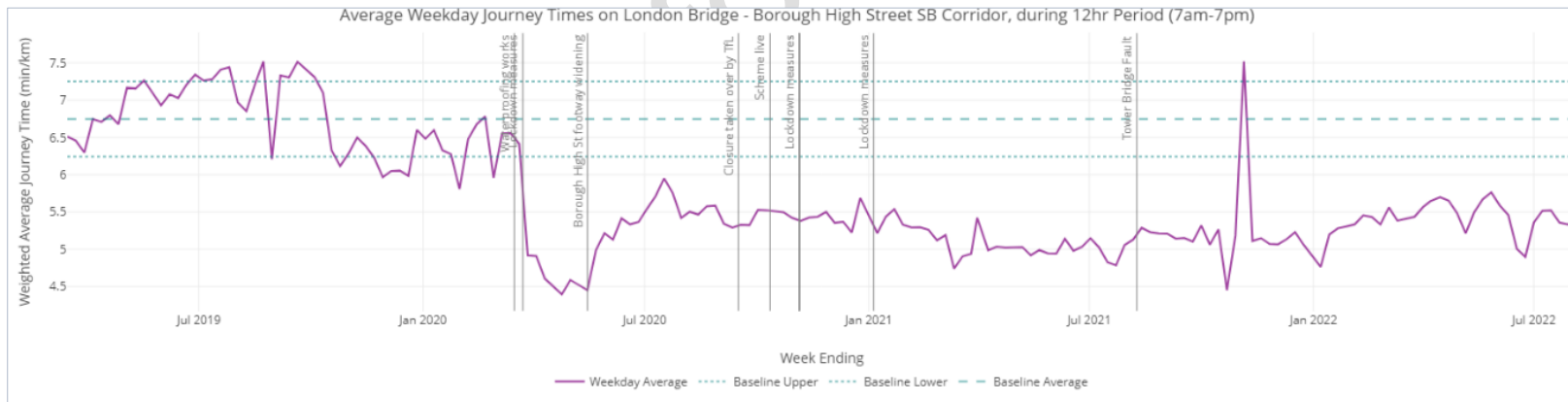
#### Northbound

Baseline journey time is 6.7 minutes per kilometre. Average journey times are consistently over 2 minutes per kilometre quicker. OP/PM peaks are approx. 2 minutes per kilometre quicker with the AM peak experiences stronger 3 minutes per kilometre improvements.



#### Southbound

Baseline journey time is 6.7 minutes per kilometre. Average journey times are consistently greater than 1 minute per kilometre quicker. AM/OP/PM peaks are all similar.

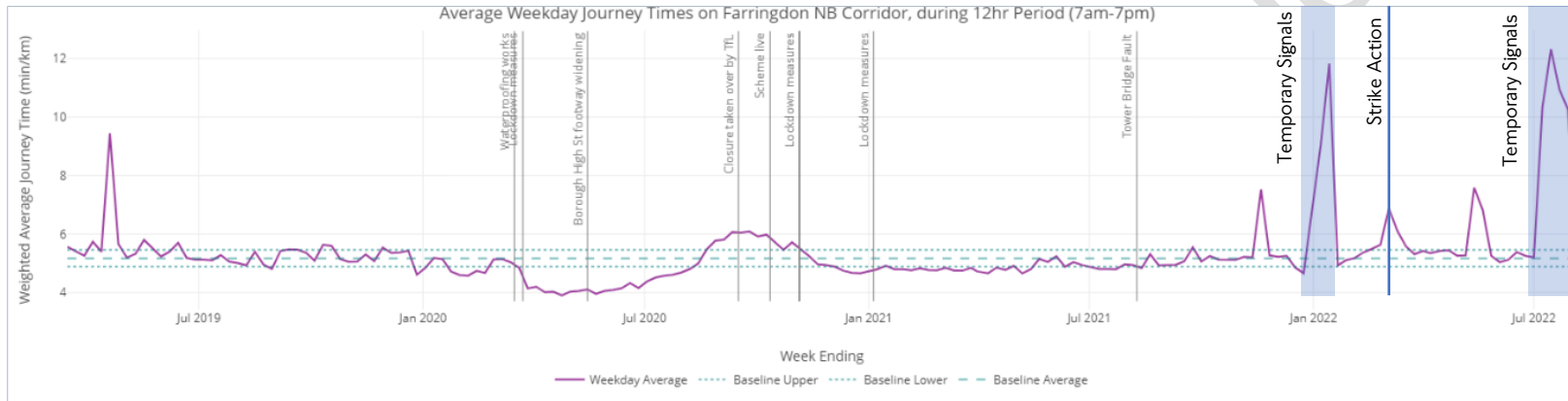




### Farringdon

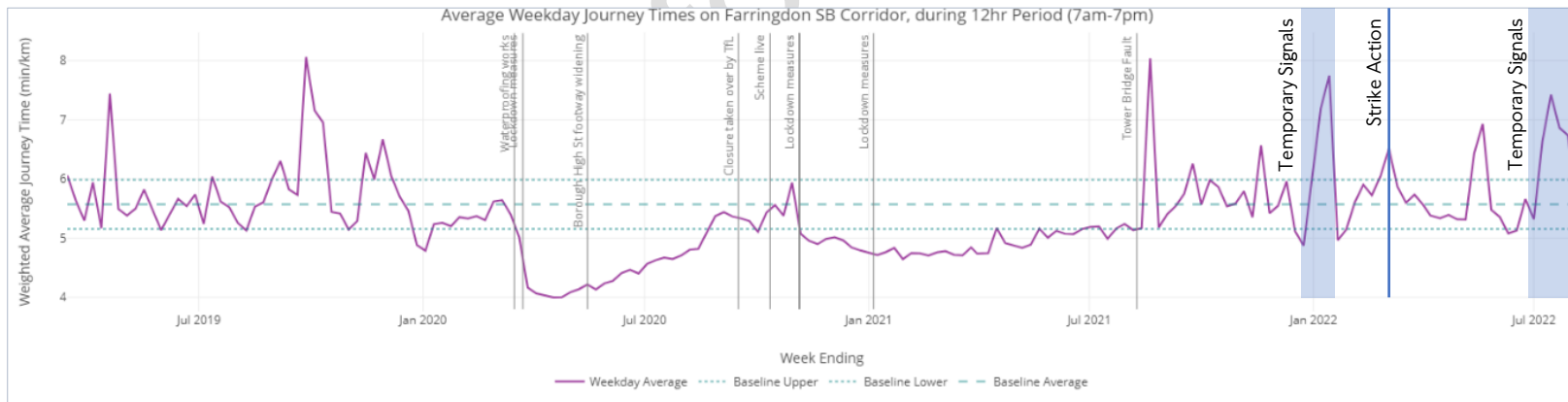
#### Northbound

Baseline journey time is 5.2 minutes per kilometre. Average journey times have been within the thresholds except for periods of impactful works on the Farringdon corridor including temporary signals in both January and July 2022; performance is expected to return to a green rating when the works conclude.



#### Southbound

Baseline journey time is 5.6 minutes per kilometre. Average journey times have been within the thresholds except for periods of impactful works on the Farringdon corridor including temporary signals in both January and July 2022; performance is expected to return to a green rating when the works conclude.

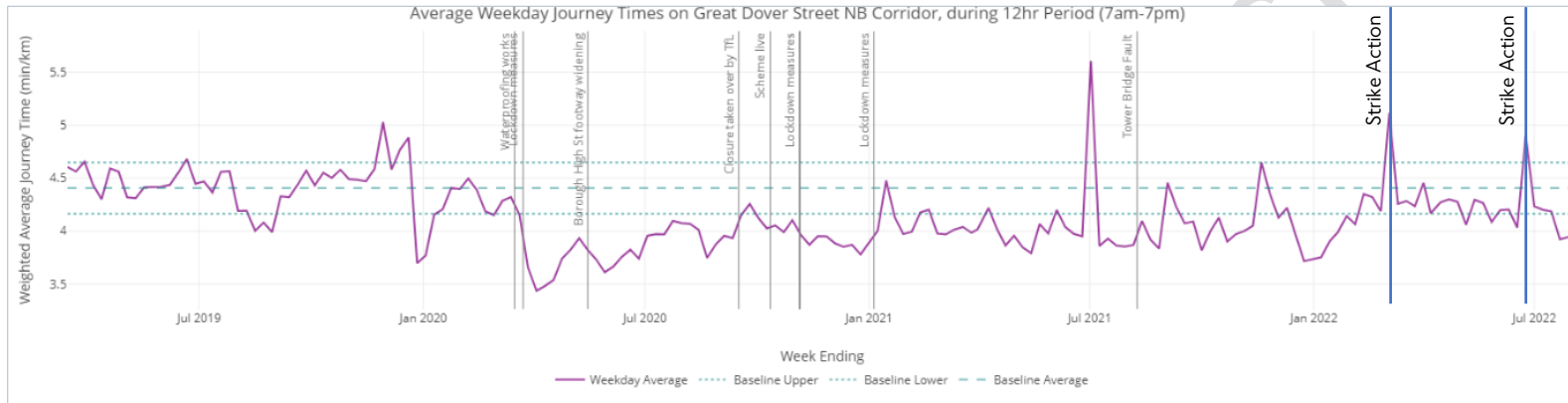




## Great Dover Street

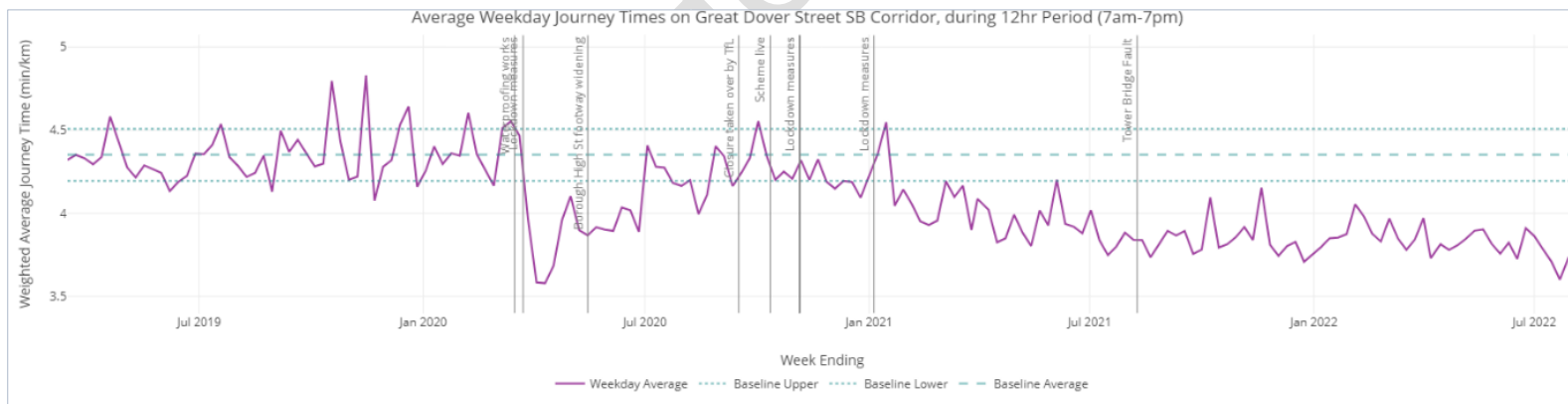
### Northbound

Baseline journey time is 4.4 minutes per kilometre. Average journey times have generally been towards the lower threshold indicating journey times are up to half a minute quicker per kilometre than baseline. There are a few weeks where journey times have been above threshold, but these are individual one-off events.



### Southbound

Baseline journey time is 4.4 minutes per kilometre. Average journey times show an improving trend with journey times currently 0.6 minutes per kilometre quicker than baseline.

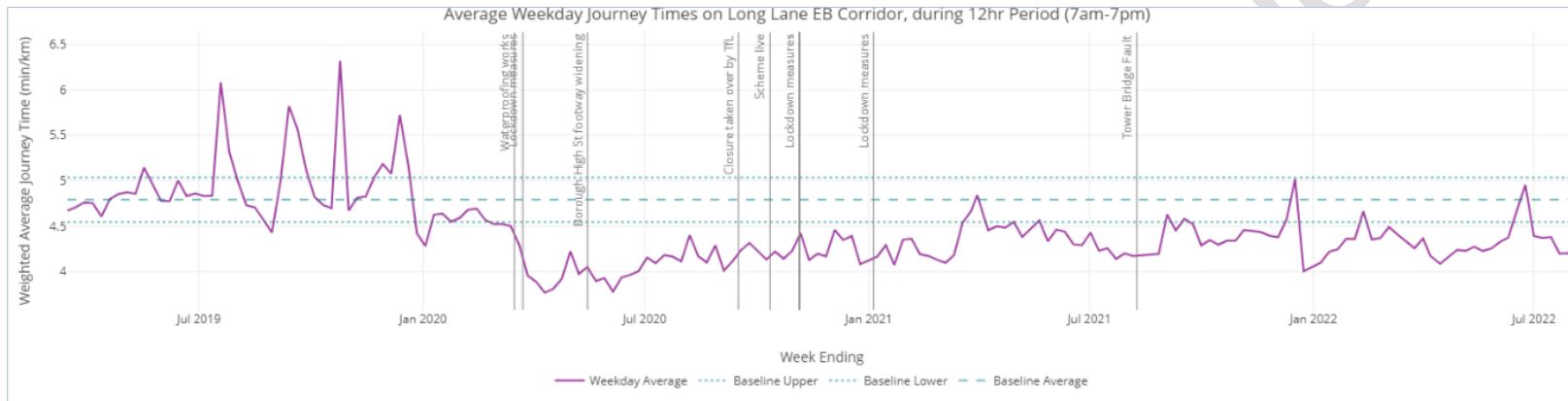




## Long Lane

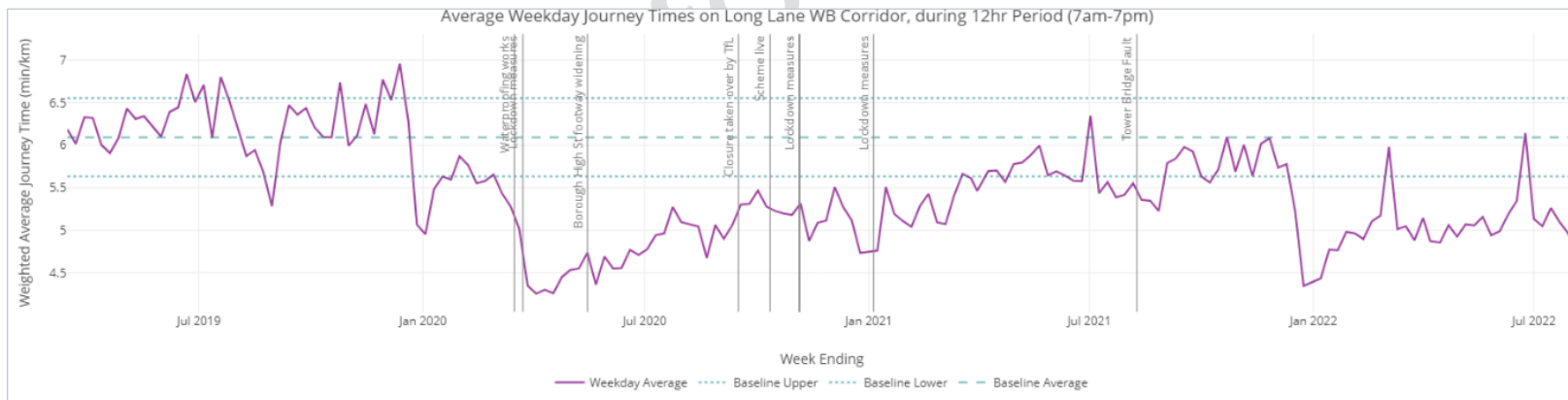
### Eastbound

Baseline journey time is 4.8 minutes per kilometre. Average journey times are below threshold with current performance approximately 0.6 minutes per kilometre quicker. This is similar across all peaks.



### Westbound

Baseline journey time is 6.1 minutes per kilometre. Average journey times are below threshold with current performance approximately 1 minute per kilometre quicker. This is similar across all peaks.

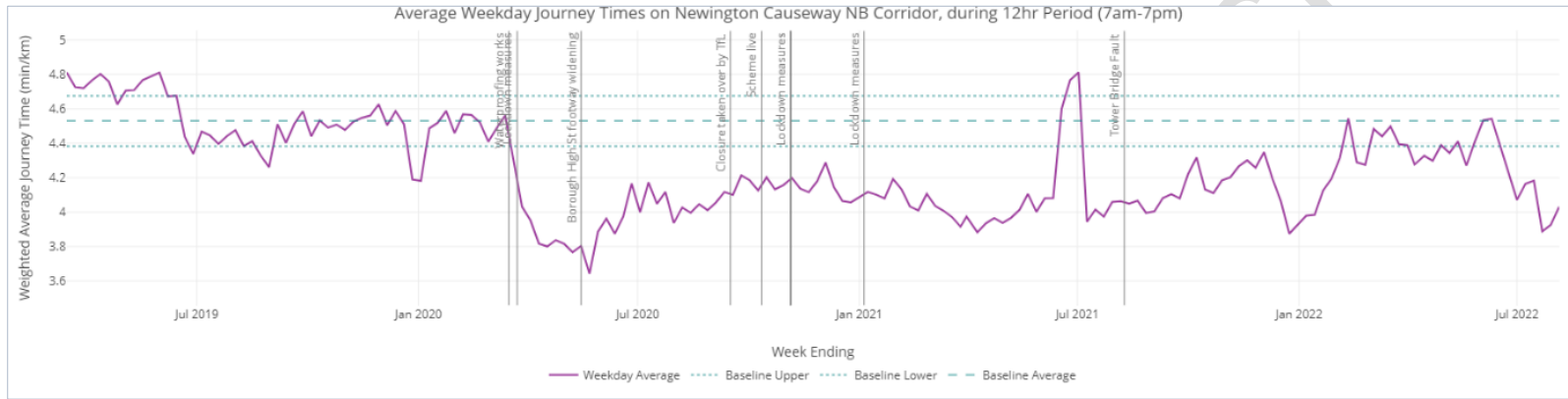




## Newington Causeway

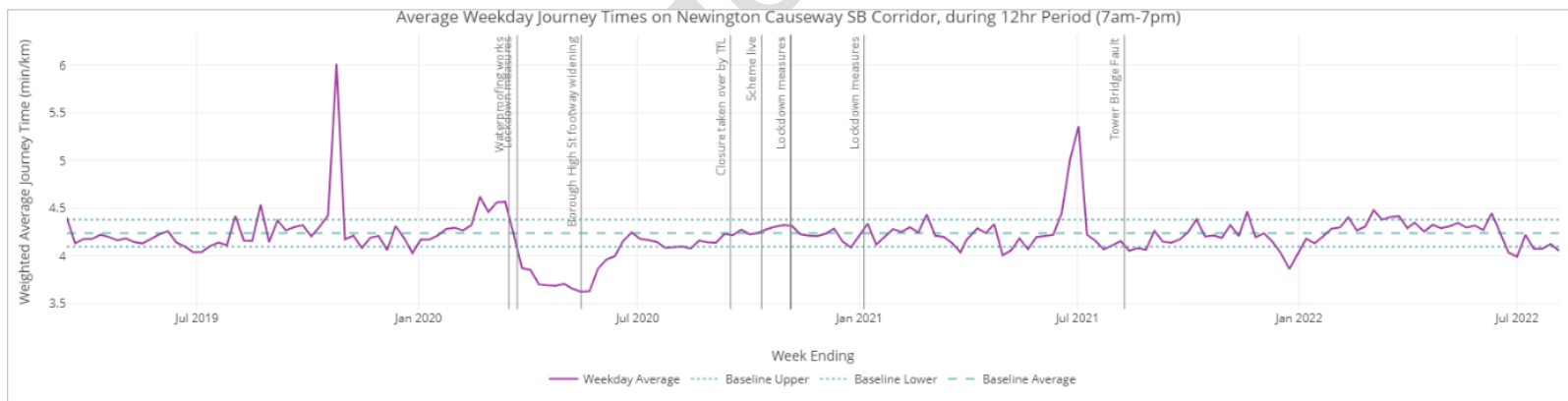
### Northbound

Baseline journey time is 4.5 minutes per kilometre. Average journey times are generally below baseline and around the lower threshold. This indicates journey time are currently 0.5 minutes per kilometre quicker than baseline. Average performance in the PM peak is closer to baseline and is above the upper threshold for three weeks, once in February and twice in June.



### Southbound

Baseline journey time is 4.2 minutes per kilometre. Average journey times are operating just above baseline but within the upper threshold. Performance is similar across AM/OP/PM.





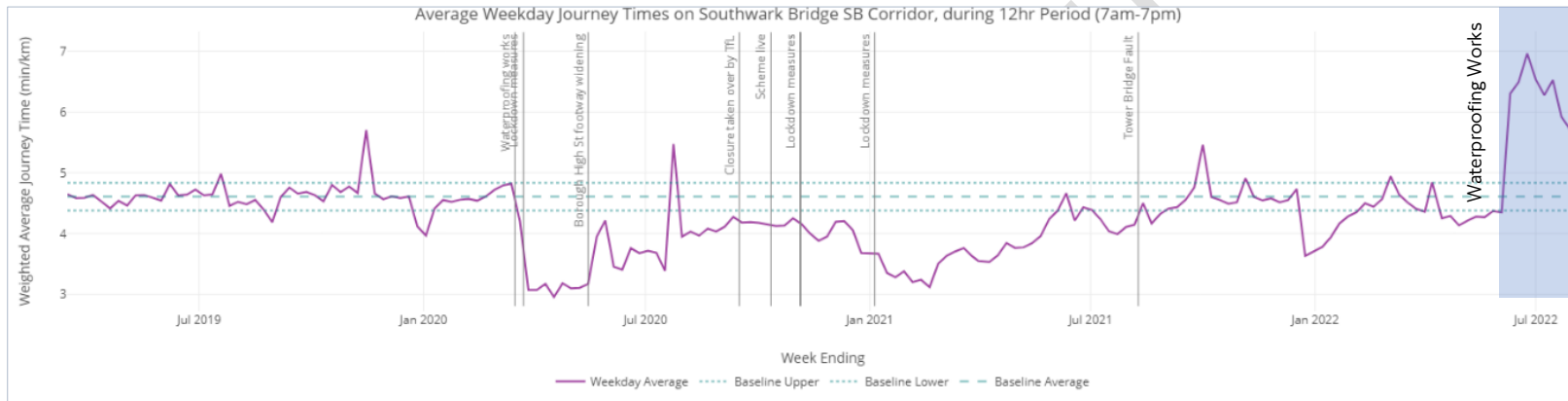
## Southwark Bridge

### Northbound

Buses are on long term diversion due to Arthur Street closure for Bank Station Upgrade; this is expected to remain and therefore is neutral/removed from our monitoring.

### Southbound

Baseline journey time is 4.6 minutes per kilometre. Average journey times were operating within threshold until June 2022. Works on Southwark Bridge since June 2022 have caused journey times to temporarily increase by over a minute per kilometre in recent months. We expect journey times to return to a green rating once the works are complete in September 2022.

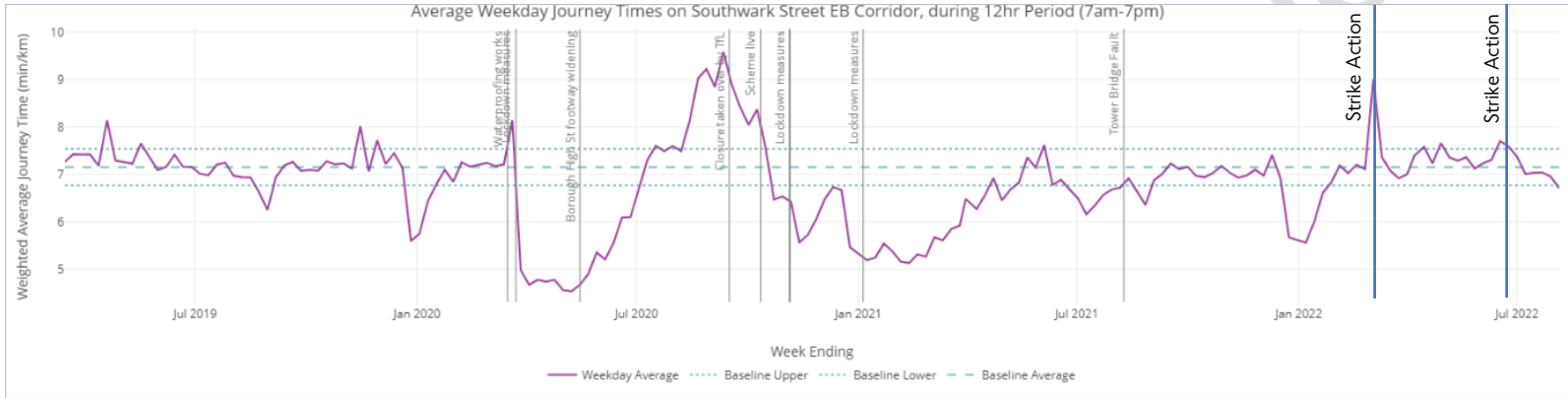




### Southwark Street

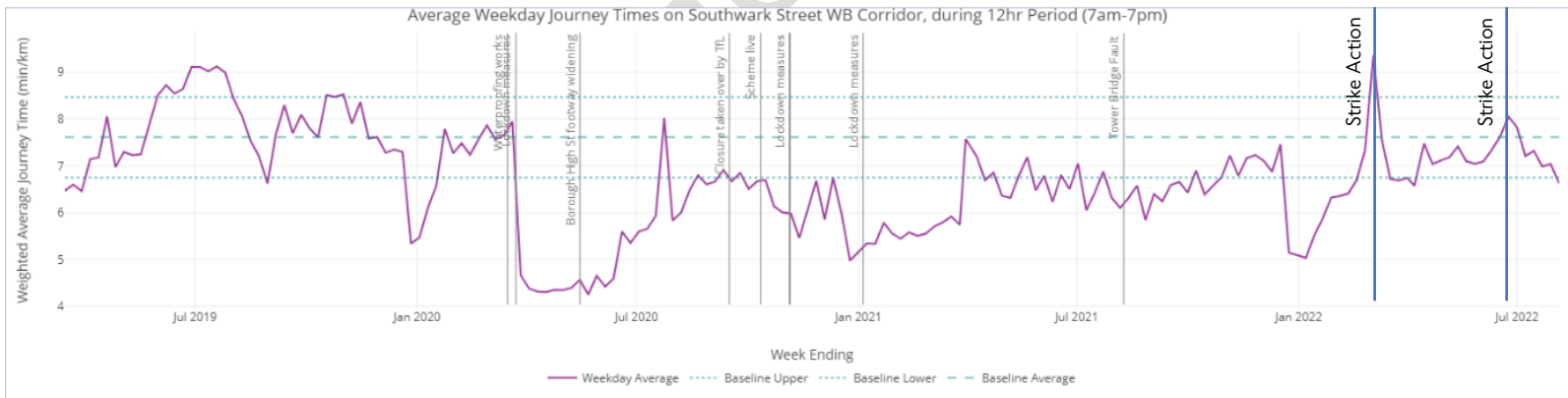
#### Eastbound

Baseline journey time is 7.2 minutes per kilometre. Average journey times are consistently within the upper and lower threshold except for an individual week in March. Performance in the AM/PM peak is generally better, with OP performance closer to the upper threshold.



#### Westbound

Baseline journey time is 7.6 minutes per kilometre. Average journey times are consistently within the upper and lower threshold except for an individual week in March associated with the Tube strike. Any increase in journey times on the western section heading towards Blackfriars Road is balanced by reduction in journey times on the eastern section of Southwark Street which benefits from the nearby scheme restrictions.

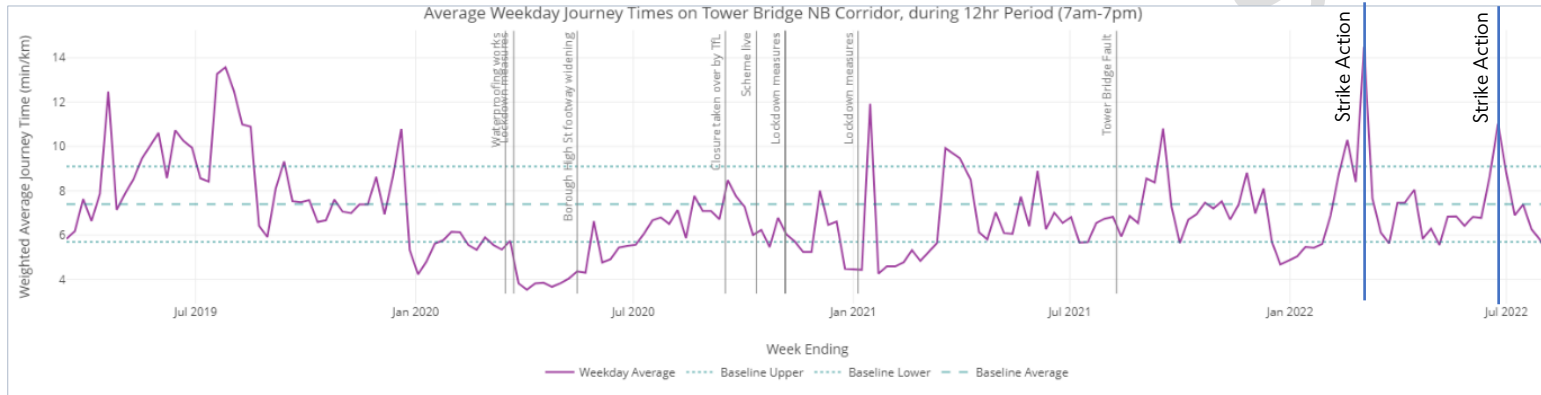




## Tower Bridge

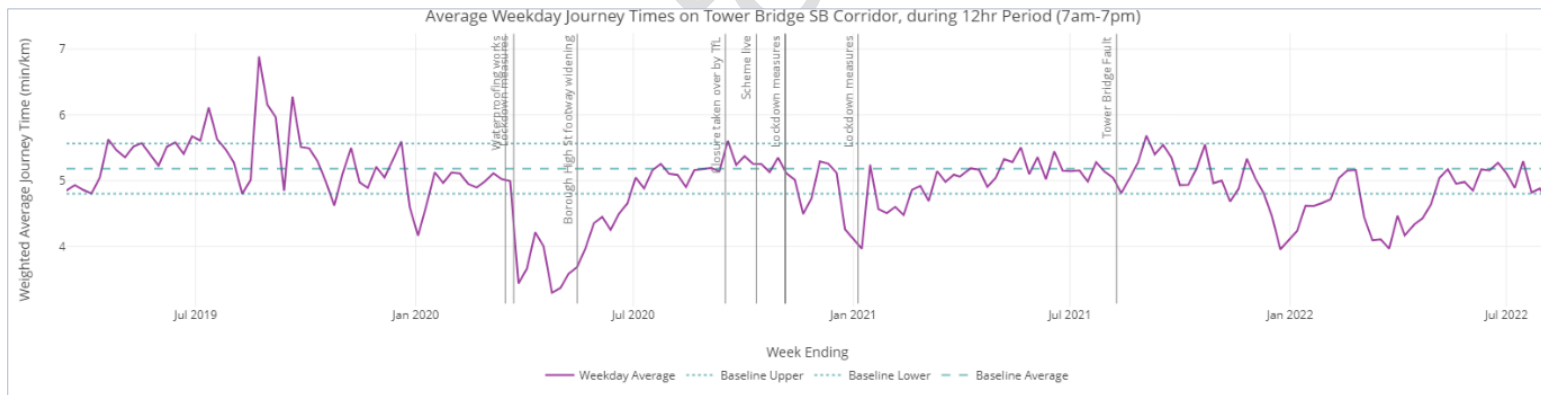
### Northbound

Baseline journey time is 7.4 minutes per kilometre. Average journey times are generally within the upper and lower thresholds except for individual weeks associated with Tube strikes 1&3 March and Tube/Rail strikes 21-25 June. AM peak performance is generally better with journey times close to the lower threshold. Tower Bridge northbound performance has also been impacted, temporarily by construction of the Mansell Street scheme, utility works on The Highway and on the approach to Rotherhithe Tunnel.



### Southbound

Baseline journey time is 5.2 minutes per kilometre. Average journey times are consistently at or below the baseline level. AM/OP/PM peaks are all similar.



# Cycles

**Core Criteria: Cycling levels are good and the experience for cyclists is improved.**

We expect cycle numbers to continue at a level similar to that experienced during the TTRO or to increase. Data collected in August 2020 shows approximately 10,500 cyclists travel across London Bridge (both directions) 6am to 10pm. This count aligns with longer term Quarter 2 data for London Bridge showing daily cycle counts between approximately 8,300 and 11,600. Cycle numbers are subject to consideration of seasonality and pandemic factors affecting travel patterns.

The graphs below give the average hourly flow and average daily (6am-10pm) weekday flow. During winter months cycle flows are traditionally lower due to colder and more inclement weather.

The cycling locations presented below are:

- London Bridge Southbound
- London Bridge Northbound (dashboard data has been requested)

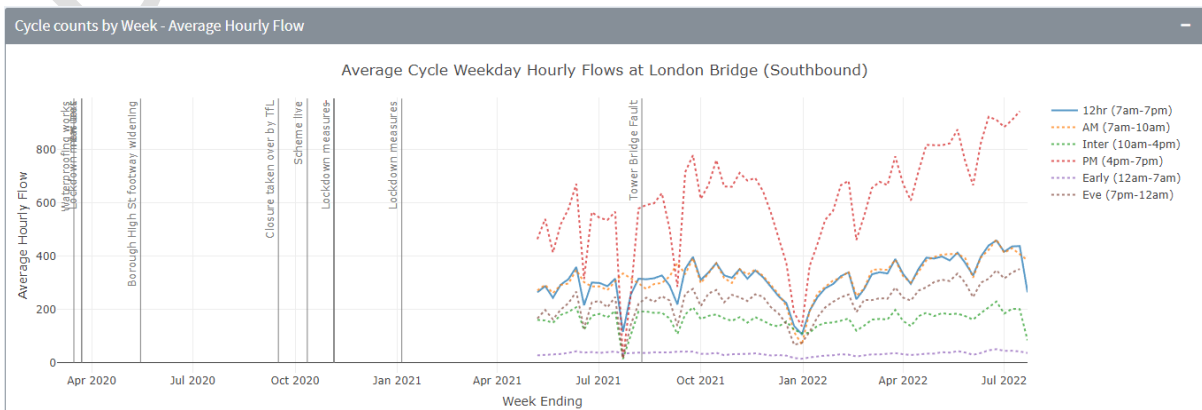
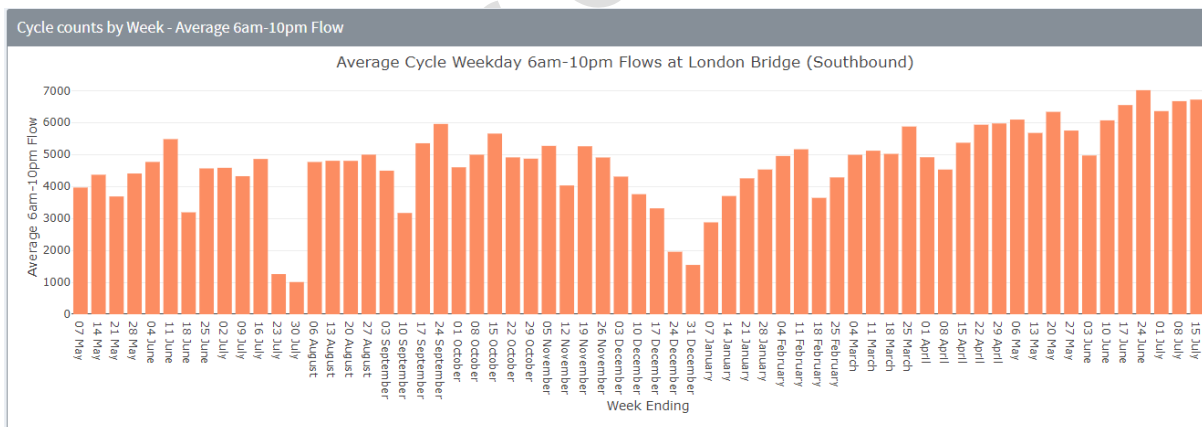
## Summary

Cycle flow data shows approximately 6000 cyclists per day 6am-10pm travelling southbound over London Bridge in July 2022. Cycle flows are approximately 1500 higher than the same time last year.

Although northbound data is not available it is likely similarly high levels of cycling are present. The data available indicates cycling numbers remain strong on London Bridge and southbound shows a year-on-year increase.

## London Bridge Southbound

Daily southbound cycle flows in March are around 5000 cyclists, rising to over 6000 in July. Hourly flows have risen to over 800 per hour in the PM peak southbound.



## Traffic

### Supporting Criteria: Road network operations are not unreasonably impacted

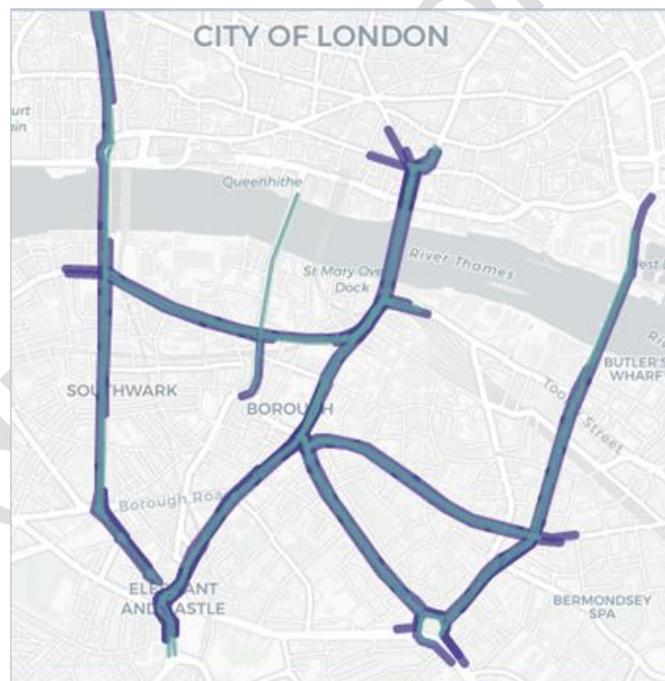
*Traffic disruption data – There should not be an unreasonable impact to traffic performance in the scheme area including consideration of displacement traffic to other routes*

*Pedestrian wait times do not increase compared to pre-pandemic levels*

The traffic monitoring presented below uses INRIX data for multiple corridors surrounding the London Bridge scheme. Other corridors north of the river are covered within the Bishopsgate monitoring plan. Journey time plots from the monitoring dashboard are shown in the following section with commentary focusing on the first six months of the experiment from February to July 2022.

#### INRIX Links

- Farringdon
- Great Dover Street
- London Bridge
- Long Lane
- Newington Causeway
- Southwark Bridge
- Southwark Street
- Tower Bridge



#### INRIX (cloud sourced JT data for traffic)

The graphs below show the average journey times for vehicles each week for the selected corridor. Each corridor is made up of one or more INRIX links. The journey times along each corridor are created by summing the journey time of all the relevant INRIX links and dividing by the total length to get minutes per kilometre. The baseline represents a 'pre-COVID' baseline of 2019/20 and all dates in the following 3 years, are matched to the same 2019/20 baseline.

#### Summary

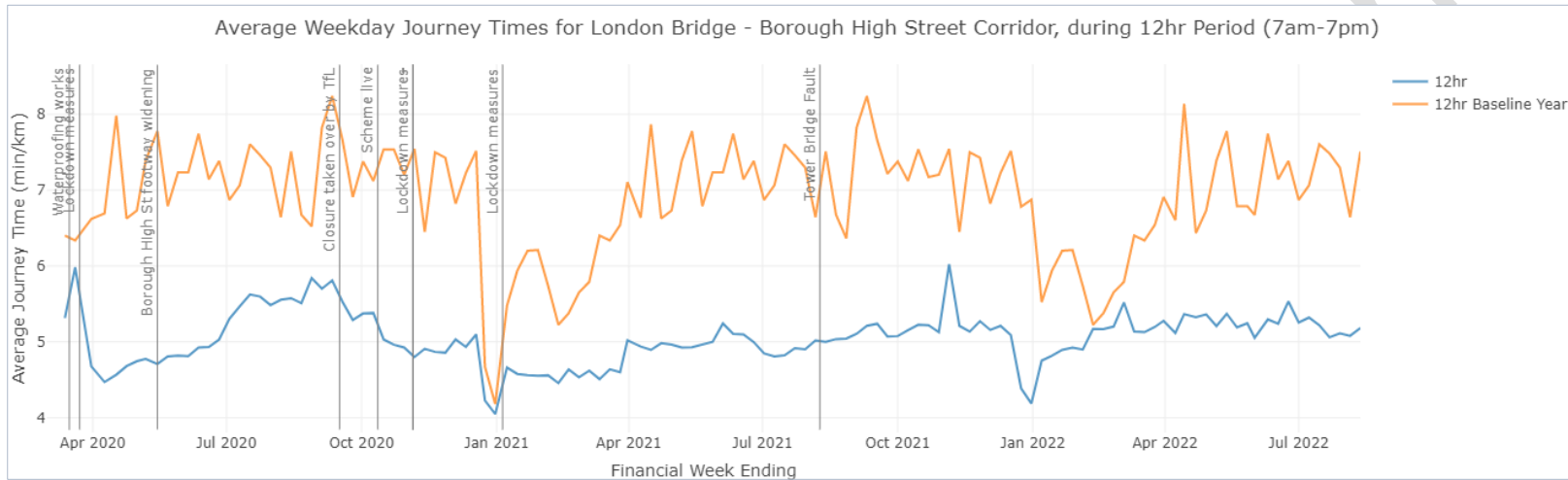
Traffic journey times on the surrounding network links are generally consistent with the baseline performance during the ETRO period Feb–July 2022 or can be explained by nearby works/events. On the London Bridge corridor itself the journey times have improved due to the new restrictions on general traffic. All other corridors have been operating near to baseline with any variability explained by works or tube/rail strikes.

The Southwark Bridge links shows recent increases in journey time above the baseline. There are currently works on the bridge, but the corridor will be closely monitored, and signals reviewed if journey times continue to be above baseline following the works completion in September 2022.



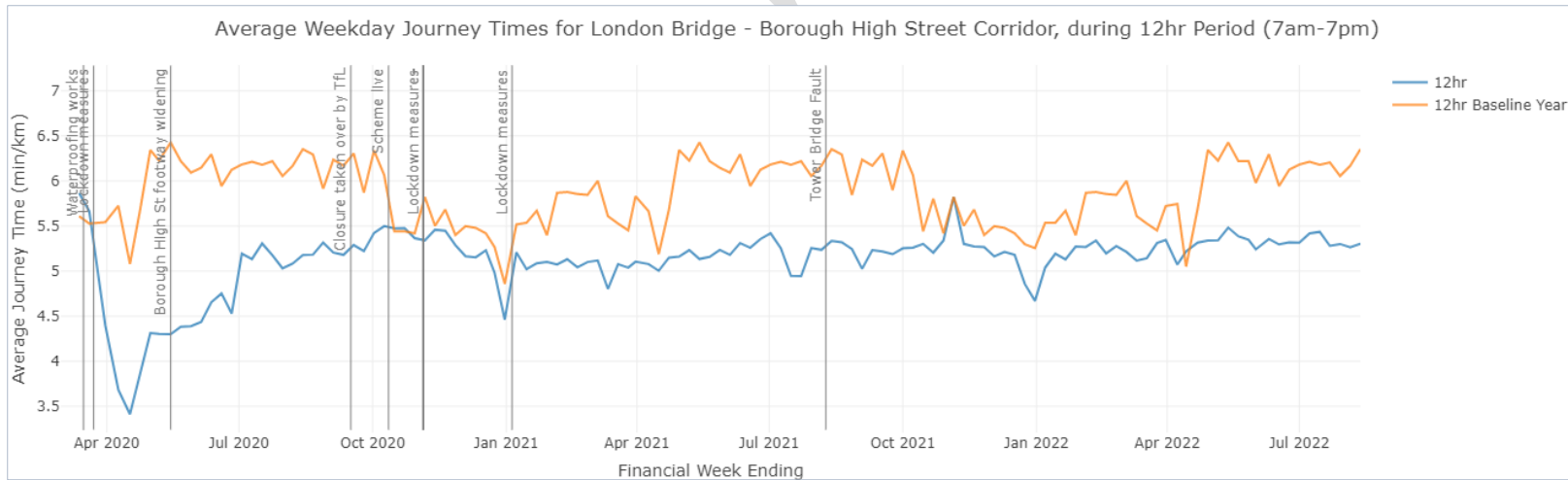
### London Bridge - Borough High Street INRIX Northbound

Journey times are generally 1.5 minutes per kilometre quicker than baseline due to the mode restrictions on London Bridge.



### London Bridge - Borough High Street INRIX Southbound

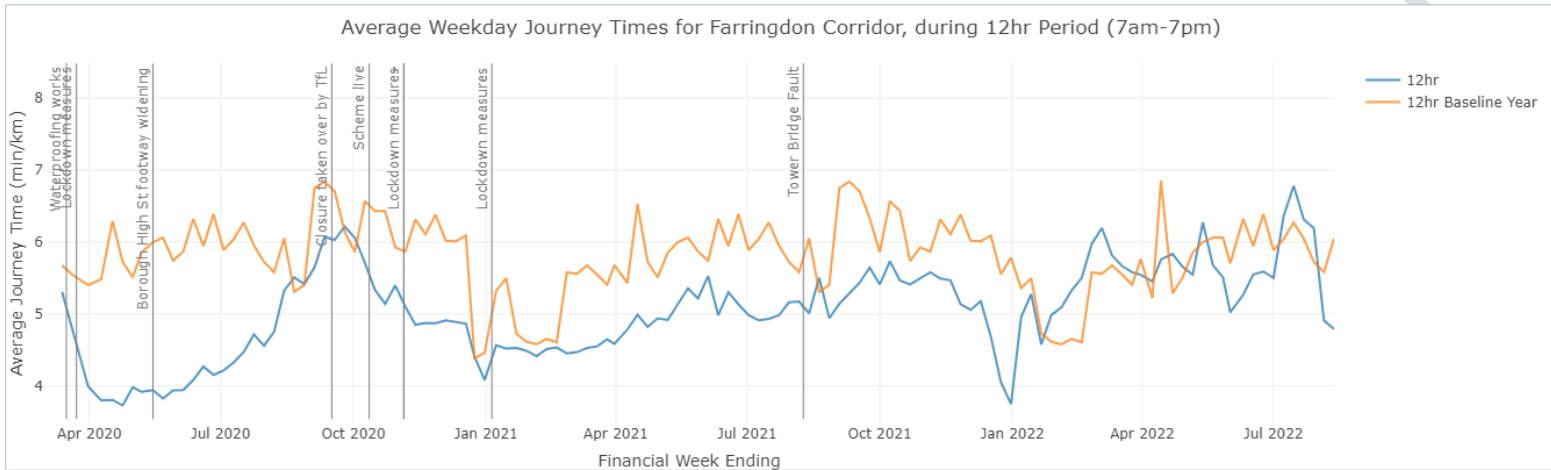
Journey times are generally quicker than baseline due to the mode restrictions on London Bridge.





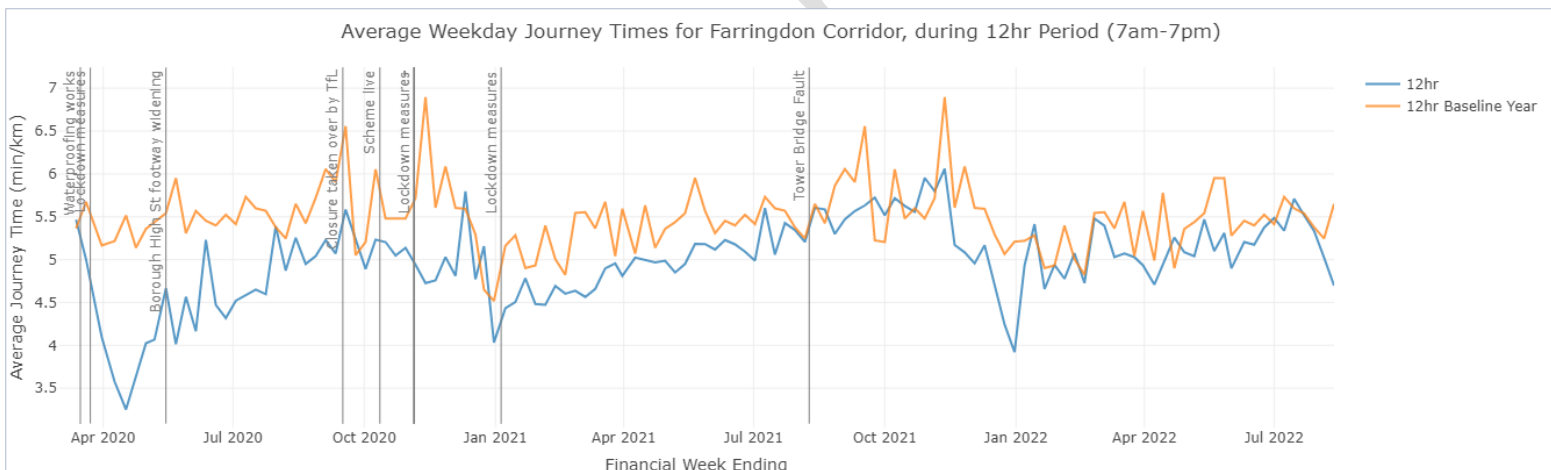
### Farringdon INRIX Northbound

Journey time are generally consistent with the baseline +/- 1 minute per kilometre. Some variability is experienced due to the March tube strike and during July due to temporary signals at the junction with Charterhouse Street.



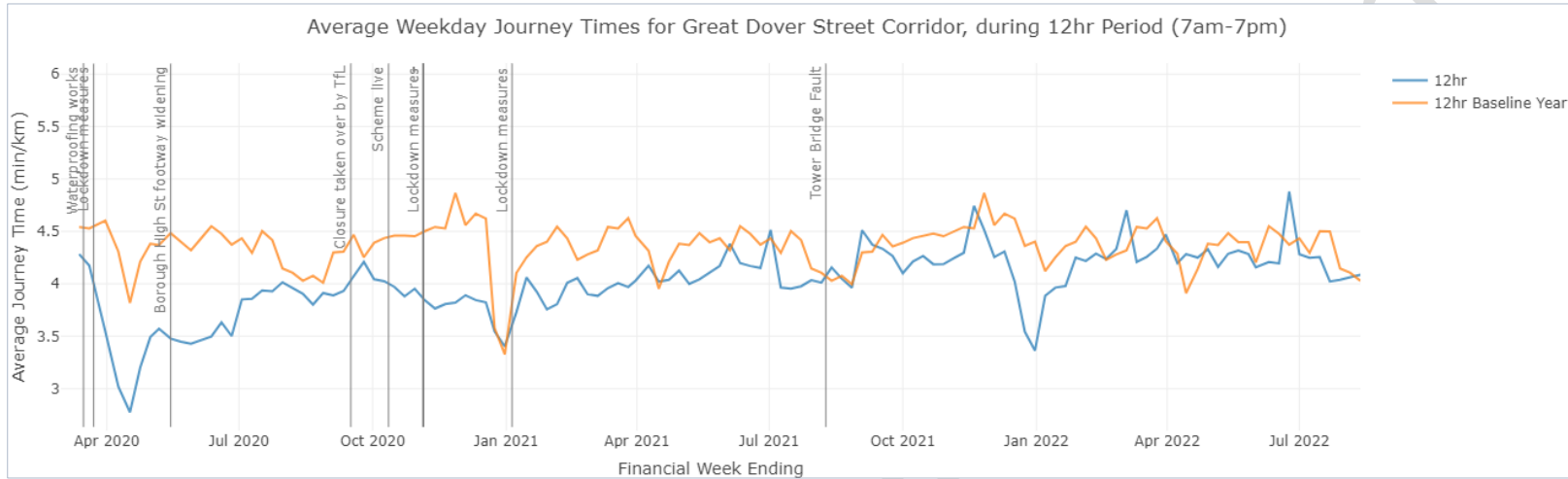
### Farringdon INRIX Southbound

Journey times are generally consistent with the baseline +/- 1 minute per kilometre.



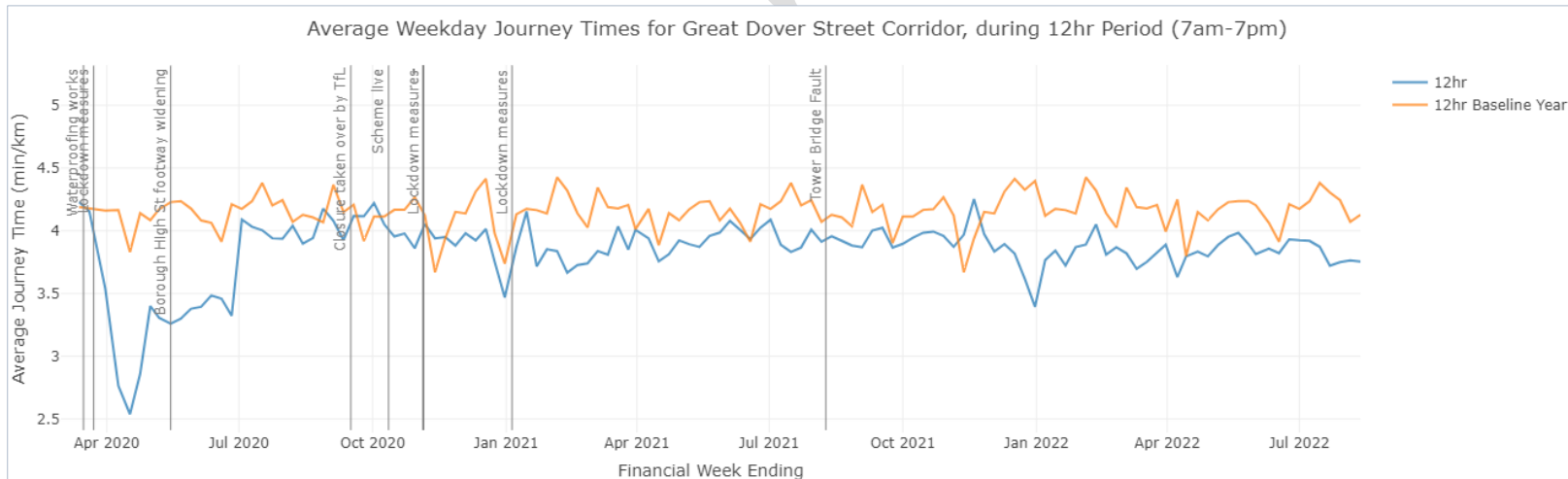
### Great Dover Street INRIX Northbound

Journey times are generally consistent with the baseline.



### Great Dover Street INRIX Southbound

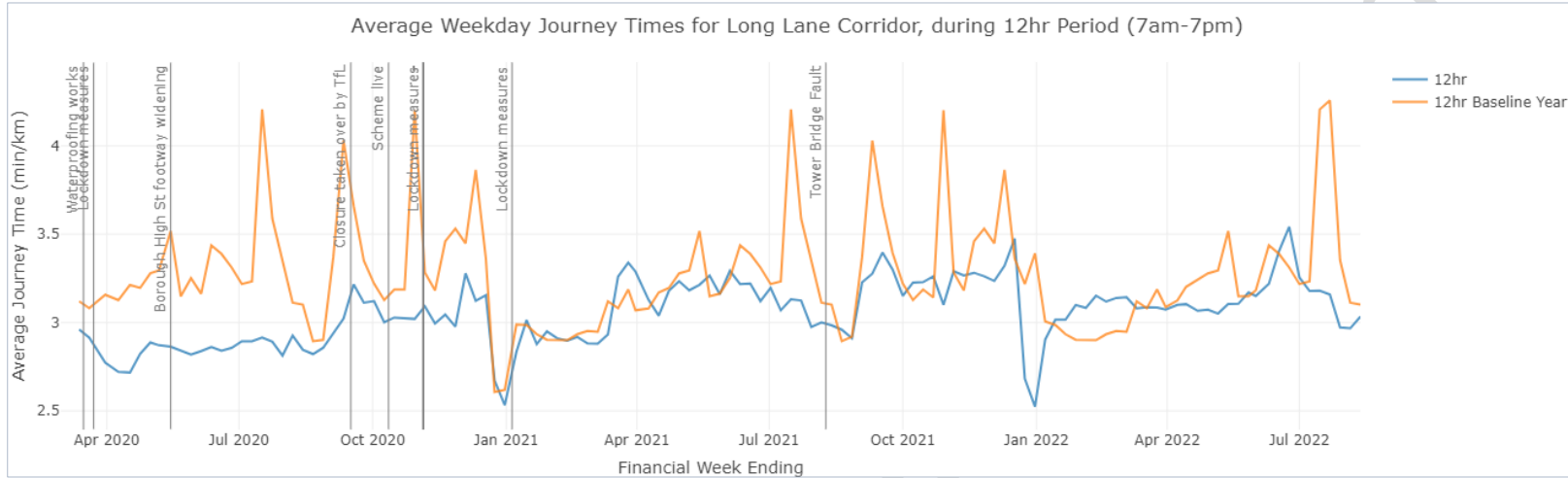
Journey times are generally consistent with the baseline or slightly quicker.





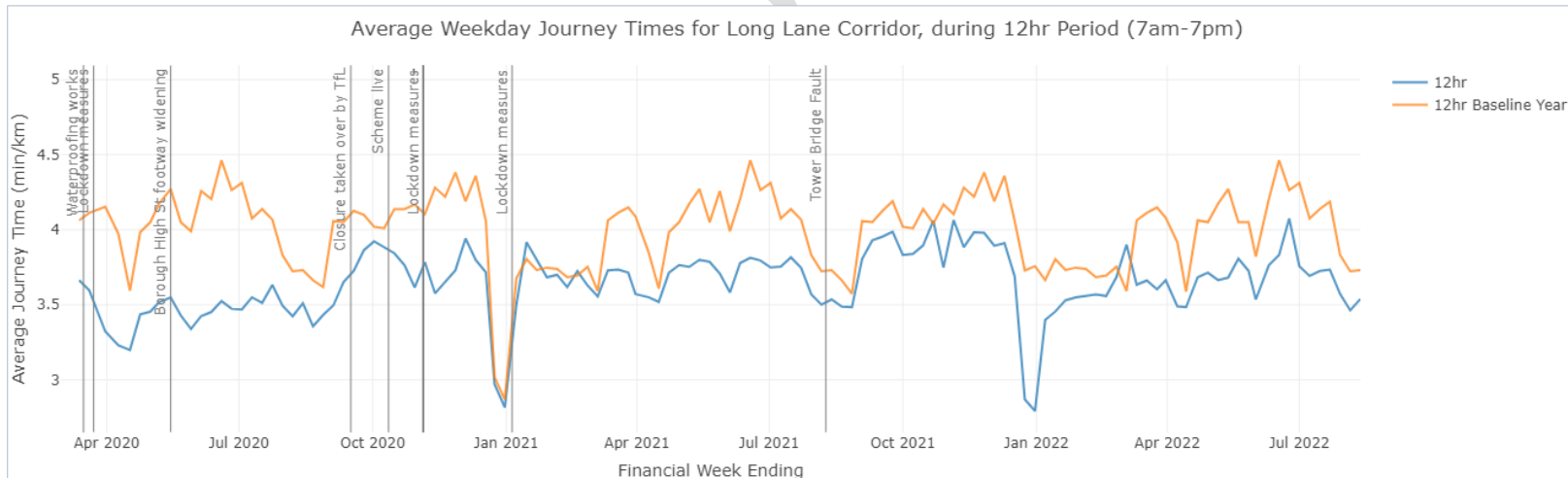
Long Lane INRIX Eastbound

Journey times are generally consistent with the baseline.



Long Lane INRIX Westbound

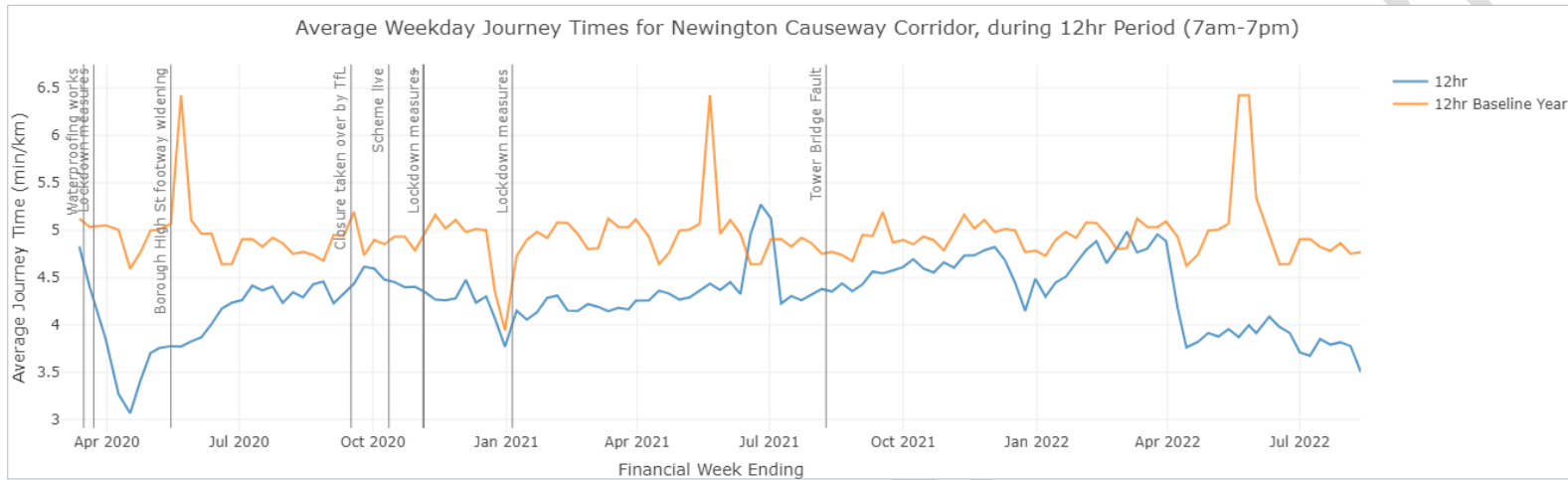
Journey times are generally consistent with the baseline and slightly lower at this time of year compared to 2019.





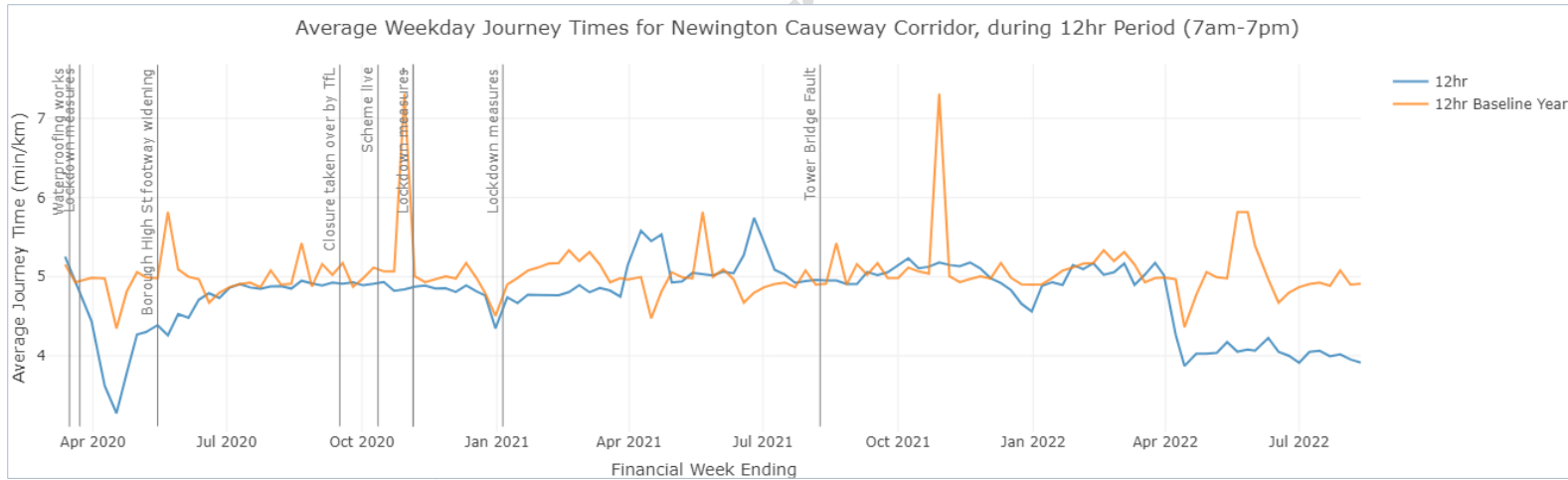
### Newington Causeway INRIX Northbound

Journey times are generally consistent with the baseline until April 2022, when journey times reduce by approximately 1 minute per kilometre.



### Newington Causeway INRIX Southbound

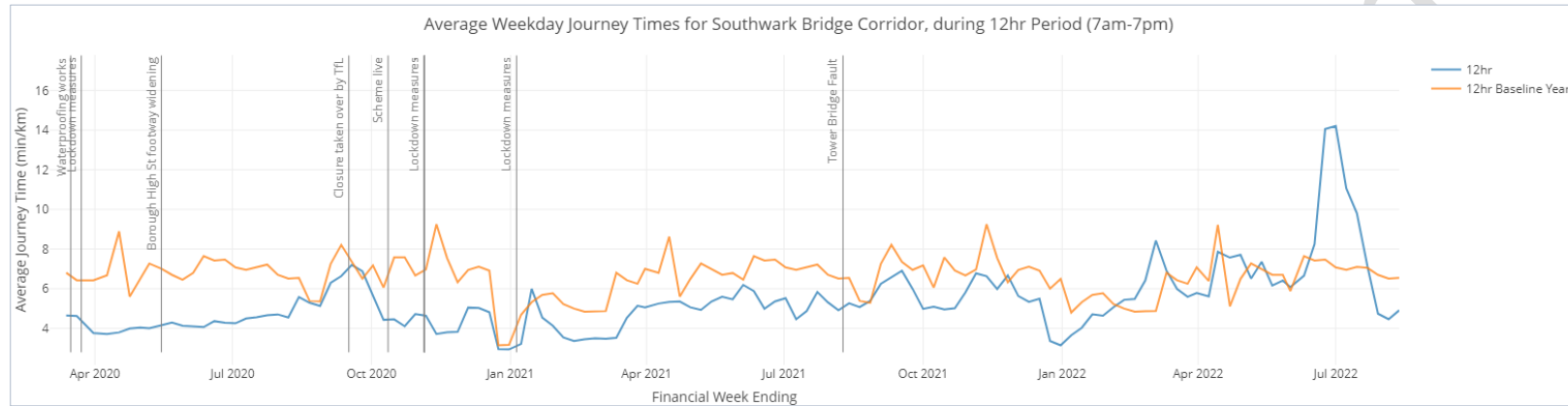
Journey times are generally consistent with the baseline until April 2022, when journey times reduce by approximately 1 minute per kilometre.





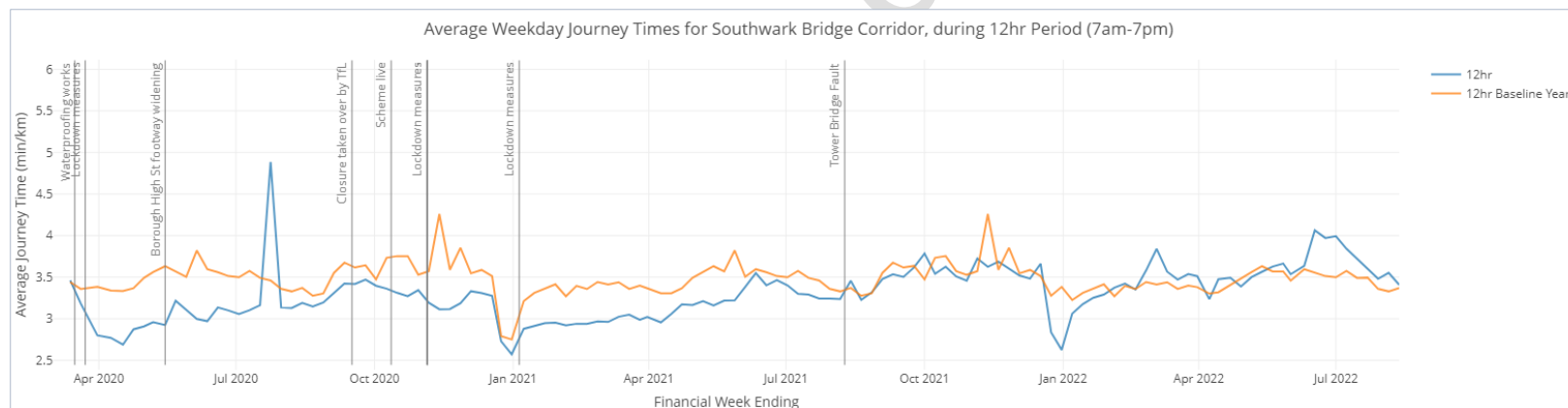
### Southwark Bridge INRIX Northbound

Journey times have been similar to baseline, except during late June and July 2022 when Southwark Bridge waterproofing works caused additional delays.



### Southwark Bridge INRIX Southbound

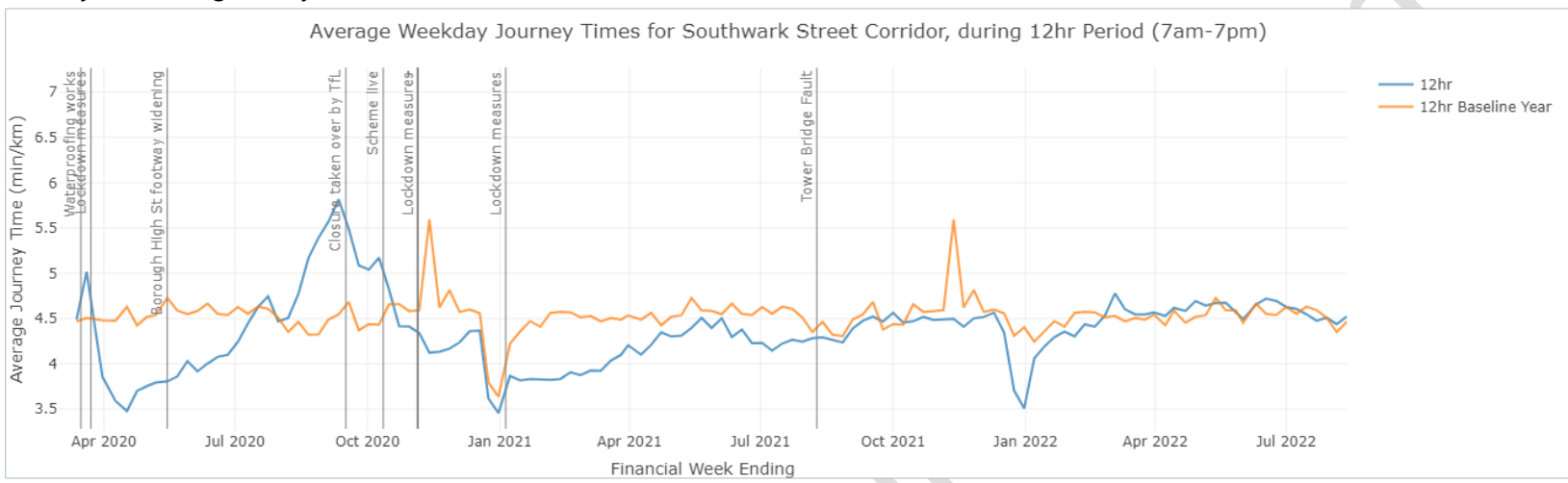
Journey times have been similar to baseline, except during late June and July 2022 when Southwark Bridge waterproofing works caused additional delays. There is also a smaller increase in the first week of March 2022 due to the Tube strike.





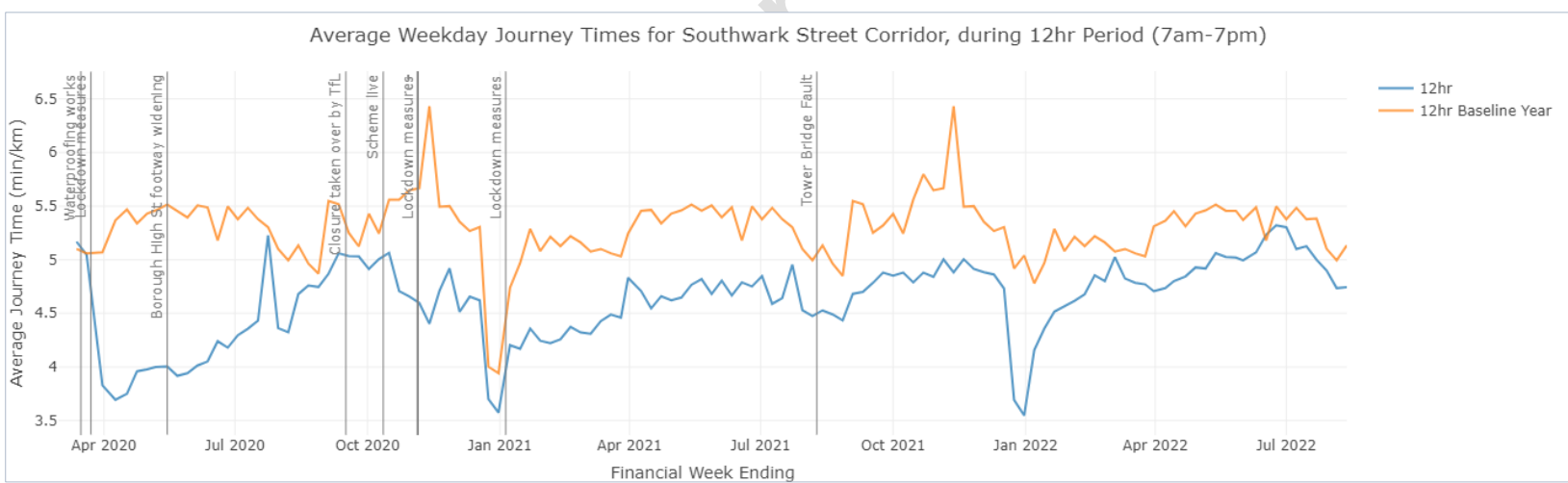
### Southwark Street INRIX Eastbound

Journey times are generally consistent with the baseline.



### Southwark Street INRIX Westbound

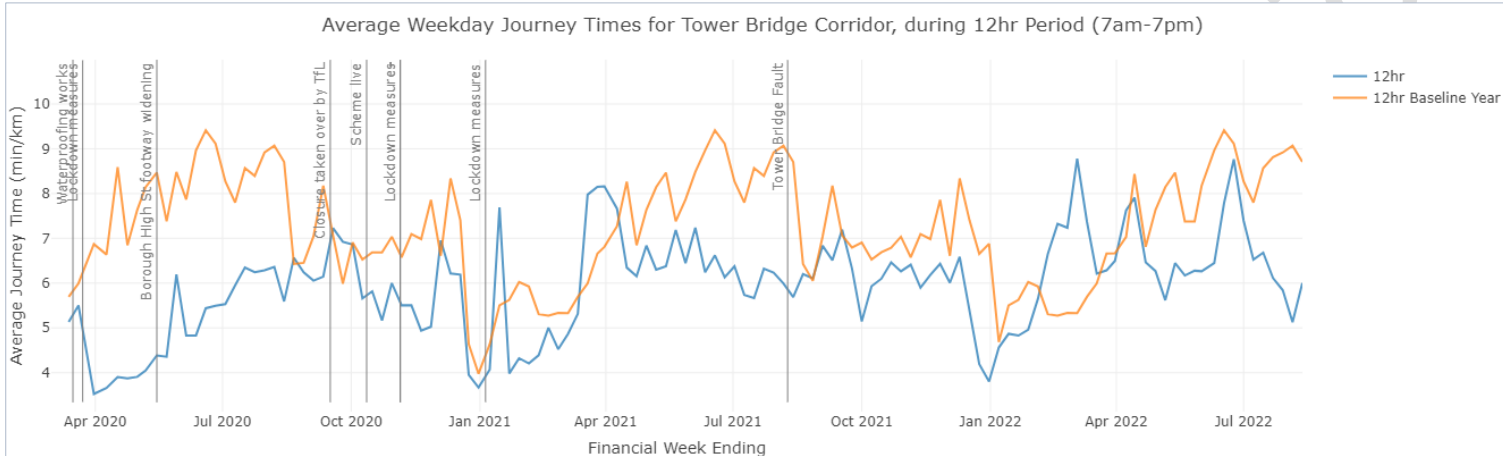
Journey time are generally slightly quicker than baseline data from 2019/20.





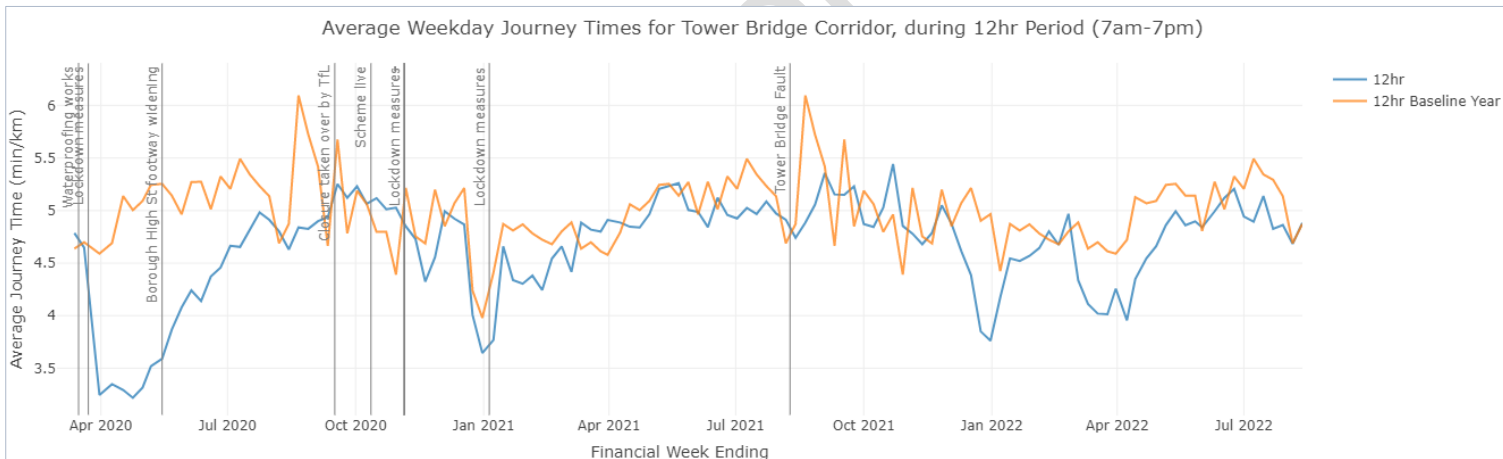
### Tower Bridge Road INRIX Northbound

Journey times are generally consistent with the baseline. There is a high degree of variability due to being part of the Inner Ring Road influenced by many other factors. Journey time peaks are associated with Tube strikes 1&3 March and Tube/Rail strikes 21-25 June. Other nearby works such as Mansell Street construction, Rotherhithe Tunnel and The Highway may have also influenced performance in the past 6 months.



### Tower Bridge Road INRIX Southbound

Journey time are generally consistent with the baseline +/- 1 minute per kilometre.



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Appendix 5 – EQIA

Proposed change	Impact positive (P) or Negative (N)	Impact number	Impact for customers or staff	Evidence to substantiate the impact (links, files or references)	Mitigations/recommendations/Potential opportunities	Mitigation Implementation (X)			Implementation Explanation	Residual risk	Mitigation communicated with staff		Mitigation communicated with public		Ongoing Monitoring and responses
						None	Partial	Full			Y/N	How?	Y/N	How?	
<b>Removal of one traffic lane</b> in each direction on London Bridge to reinstate bus lanes and provide space for cycle lanes. (introduced as part of original LSP scheme)	N	1	The increased congestion on London Bridge could lead to greater use of minor roads to access alternative river crossings, increasing traffic which could impact on pedestrian safety, noise and air pollution within local neighbourhoods. This could have a greater impact on those who may have difficulty crossing roads, including younger and older people. It may also have a greater impact on concentration for younger local residents who may be attending school or classes at home. There may be a greater impact for those with breathing related difficulties due to increased pollution in the local neighbourhood due to increased numbers of vehicles and vehicles remaining stationary in traffic.		Traffic modelling undertaken to ascertain impact of losing traffic lanes. Results show that journey times for general traffic as a result of reducing the number of lanes, are to remain largely neutral with no journey time change expected to be greater than 2 minutes. As a result limited traffic reassignment is expected.  Monitoring of traffic post-implementation is on-going.			✓	London Bridge is only accessible to general traffic between 7pm and 7am, Mon-Fri and all day Saturday and Sunday. The impacts of the timed restriction on general traffic is covered in another EQIA.	Y	Scheme presented to TfL Senior Management at Road Space Performance Review Group for approval.  Factsheet to be sent round internally.	Y	To be included in City of London's current construction updates for London Bridge and on website. Details of restrictions included on one network, which shares data with all mapping / routing / sat navs companies.	A monitoring dashboard, reviewed monthly, has been set up by Network Performance which provides data on traffic flows, bus journey time and pedal cycle counts.	
<b>Reinstatement of bus lanes</b> in both direction on London Bridge. (introduced as part of original LSP scheme)	P	2	Improvements to bus journey times and reliability will have a positive impact on all customers using bus services that run along London Bridge. This will benefit those in lower-income groups in particular, who are more likely to be reliant on buses as an affordable way to travel. The bus is the second most common type of transport used by Londoners on lower incomes (69% use the bus at least once a week, compared with 59% of all Londoners). The changes will also benefit BAME customers, as 47% of bus users in London are from BAME communities, which is higher than the population of London as a whole (40%).  These benefits will also be brought to older people, young people and those with disabilities who may be more reliant on buses if they are unable to drive.		The proposed design reinstates both northbound and southbound lanes to their full effective width of 3.2m	✓			No mitigation required	Y	Design workshops held with internal stakeholders and factsheet to be sent round internally.	Y	TfL stakeholder letters and on website.	A monitoring dashboard, reviewed monthly, has been set up by Network Performance which provides data on traffic flows, bus journey time and pedal cycle counts. Comments from the public or organisations will be received and logged by LCAP and responses provided by the sponsor.	
<b>New separated with-flow cycle lanes</b> on London Bridge (introduced as part of original LSP scheme)	P	3	Dedicated with-flow cycle lanes on London Bridge will provide physical separation and reduced interaction between people and motor traffic. Improved safety, and / or improved perception of safety is expected to increase active travel among groups who are currently less likely to cycle, including the young, the old, women, some BAME groups and disabled people, which would be a positive outcome.			✓			No mitigation required	Y	Design workshops held with internal stakeholders and factsheet to be sent round internally.	Y	TfL stakeholder letters and on website.	A monitoring dashboard, reviewed monthly, has been set up by Network Performance which provides data on traffic flows, bus journey time and pedal cycle counts. Comments from the public or organisations will be received and logged by LCAP and responses provided by the sponsor.	
<b>Removal of loading and disabled parking bay</b> in southbound carriageway (introduced as part of original LSP scheme)	N	5	The reduction in wheelchair accessible parking bays will decrease availability for those who require door to door transport to travel limit their ability to make essential journeys.	See Parking and Loading Tab - Bay 2	Since 2017, the loading and disabled parking bay has been largely inaccessible due to the introduction of the HVM barriers therefore the impact of removing the bay is likely to be minimal due to the length of time the bay has been out of use. Furthermore London Bridge has also been closed to general traffic since March 2020 to allow City of London to undertake waterproofing works.	✓			Stakeholder and public feedback will continue to be monitored. This has not been raised as a significant issue since the scheme has been implemented.	Y	Design workshops held with internal stakeholders and factsheet to be sent round internally.	Y	TfL stakeholder letters and on website.	Comments from the public or organisations will be received and logged by LCAP and responses provided by the sponsor.	

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<b>Committee(s):</b> Financial Investment Board Bridge House Estates Board Finance Committee	<b>Dated:</b> 13 September 2022 13 September 2022 20 September 2022
<b>Subject:</b> Treasury Management Strategy 2022/23 - Proposed Amendment	<b>Public</b>
<b>Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?</b>	All
<b>For BHE, which outcomes in the Bridging London Strategy does this proposal aim to impact?</b>	1, 2 and 3
<b>Does this proposal require extra revenue and/or capital spending?</b>	N/A
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain’s Department?</b>	N/A
<b>Report of:</b> The Chamberlain	<b>For Decision</b>
<b>Report author:</b> Kate Limna/James Graham, Chamberlain’s Department	

## Summary

This report proposes an amendment to the Treasury Management Strategy Statement and Annual Investment Strategy 2022/23 (TMSS) to improve the alignment between the strategy and the various individual participants whose treasury management activities the TMSS applies to. The Bridge House Estates Board is asked to make a decision in respect of Bridge House Estates and the Financial Investment Board in respect of City’s Cash and the smaller participants.

This proposed change, if agreed by the Bridge House Estates Board and the Financial Investment Board will need to be submitted to the Finance Committee and the Court of Common Council for formal adoption and the amendment to the 2022/23 TMSS would be applied retrospectively (i.e. backdated to 1 April 2022).

## Recommendations

### Financial Investment Board

- i) Members are asked to note the report and to agree the amendment to the Treasury Management Strategy Statement and Annual Investment Strategy 2022/23 set out at paragraphs 11-15 and Appendix 1.

### Bridge House Estates Board

- ii) Members of the Bridge House Estates Board are asked to note the report and agree the proposals in relation to Bridge House Estates set out at paragraph 15, noting the loss that would be realised as set out in paragraph 17.

### Finance Committee

- iii) Subject to the outcome of the above, the Finance Committee is asked to formally adopt the amendment to the Treasury Management Strategy Statement and Annual Investment Strategy 2022/23 set out at paragraphs 11-15 and Appendix 1.

## Main Report

### Background

1. The Treasury Management Strategy Statement and Annual Investment Strategy (TMSS) for 2022/23 covers treasury management activity carried out across the organisation, including in respect of City Fund, City's Cash and Bridge House Estates, as well as some smaller participants. The TMSS defines treasury management activities as:

*The management of the organisation's investments and cash flows, its banking, money market and capital market transaction; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.*

2. A major function of the TMSS is to set out how the Corporation will manage its surplus cash balances, in pursuit of the optimum return on its investments once security and liquidity criteria have been satisfied.
3. In setting the TMSS and managing its treasury management arrangements, the City adheres to the requirements of the CIPFA Code of Practice on Treasury Management, which was originally adopted by the Court of Common Council on 2 March 2010.
4. The current TMSS (for the financial year 2022/23) was approved by the Financial Investment Board on 9 February 2022; by Bridge House Estates Board on 16 February 2022; Finance Committee on 15 February 2022; and by the Court of Common Council on 10 March 2022.
5. As at the 31 March 2022 the City's treasury management investments are valued at £1,226.0m. Most of these balances relate to City Fund (85%), followed by City's Cash (12%) and BHE (2%). The residual 1% belongs to smaller participants in the TMSS.

### Current Position

6. As the TMSS principally refers to the organisation's treasury management activities in the aggregate, treasury management investment policy decisions are made with reference to the organisation's "global" circumstances. The principal benefit of this approach has been that it enables all participants in the TMSS to pool resources and obtain access to investments with higher expected returns. Specifically, the TMSS groups investments under two headings – specified and non-specified investments – which are defined within the TMSS as follows:
  - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year.
  - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use. Once an investment is classed as non-specified, it remains non-specified all the way through to maturity i.e. an 18-month deposit would still be non-specified even if it has only 11 months left until maturity.

7. As at 31 March 2022, £156.4m (13%) of the Corporation's total treasury management investment portfolio is classified under non-specified investments. This allocation consists entirely of exposure to two short dated bond funds as shown below.

<b>Short Dated Bond Fund Name</b>	<b>Original Principal</b>	<b>Market Value (31/03/2022)</b>	<b>Max Limit</b>
L&G Short Dated Sterling Corporate Bond Index Fund	£75.0m	£78.0m	£100m
Royal London Investment Grade Short Dated Credit Fund	£75.0m	£78.4m	£100m

8. Non-specified investments are appropriate for investors who expect to maintain positive cash balances over a multi-year period and whilst this is expected to be the case for the City's overall cash position, officers recognise that there is scope to further optimise the TMSS so that it is better aligned with each and every individual participant's own particular circumstances.
9. By far the largest participant in the TMSS in terms of investment balances is City Fund. City Fund's investment balances are expected to endure for the foreseeable future, despite an anticipated decline over the medium term as the capital programme progresses and (as a consequence) the capital financing requirement increases. In contrast, cash balances relating to both Bridge House Estates and City's Cash are expected to decline to low levels over the medium term under the current plans for both funds. Moreover, some of the smaller participants in the TMSS maintain relatively small cash balances whose overall size can change quite markedly from one year to the next.

### **Options**

10. Officers have identified three options for improving the current TMSS to better align with individual participants' circumstances:
- a. Option A – bifurcate the Annual Investment Strategy within the TMSS into two strategies: one for City Fund which includes exposure to the full range of investments (both specified and non-specified as defined in paragraph 6 above) permitted in the current TMSS and a second strategy for others which restricts exposure to specified investments only. This is officers' recommendation.
  - b. Option B – develop and maintain an individual treasury management strategy for each participant. Officers do not consider this a realistic option as the governance resource implications of maintaining numerous portfolios and managing portfolio risks on an individual basis would likely exhaust any benefit.
  - c. Option C – do nothing. Alternatively, the Corporation could continue to maintain a single investment strategy in the TMSS. Whilst this option is most straightforward operationally it does not address the varying risk tolerances that exist amongst the participants in the TMSS and therefore officers do not recommend this option is pursued.

## Proposals

11. Under the recommended option (Option A), City Fund would maintain exposure to longer term investments. Optimising returns over the long term is an important consideration for the City Fund, which is projected to maintain sizeable cash balances over the foreseeable future. Non-specified investments are an appropriate and desirable tool for protecting the real terms capital value of cash over a multi-year investment horizon from the impact of inflation and are thus consistent with the security objective that is at the heart of the Corporation's TMSS.
12. All other participants in the TMSS, which either have a relatively short investment horizon (City's Cash and BHE) or relatively small amounts of cash to invest and thus a lower tolerance for volatility, would benefit from an increase in average credit quality at the expense of lower expected returns.
13. This option also avoids a proliferation of individual strategies and investment portfolios that accompanies Option B.
14. Officers therefore recommend that paragraph 5.1 of 2022/23 TMSS is amended in line with Option A. The proposed wording of this amendment is presented (and highlighted) in an extract of the 2022/23 TMSS at Appendix 1.
15. Officers further recommend that the Bridge House Estates Board and the Financial Investment Board agree that funds related to Bridge House Estates and City's Cash and the smaller participants (respectively) are invested in line with the simplified strategy.

## Corporate & Strategic Implications

### Financial implications

16. Should Members agree to Option A then officers would implement the amendment to the 2022/23 TMSS retrospectively (i.e. backdated to 1 April 2022).
17. Any cumulative changes in the market value of investments as at 31 March 2022 would be treated as realised capital gains/losses in the current year for exiting investors. Collectively, and excluding the City Fund's portion, this would amount to a realised loss of £1.1m as summarised below:

<b>Participant Name</b>	<b>Realised Loss on disposal of non-specified investments</b>
City's Cash	- 845,230
BHE	- 222,767
Smaller Participants (Aggregated)	- 46,204
<b>Total</b>	<b>-1,114,201</b>

18. Importantly it should be noted that capital returns comprise only part of the total return delivered by these investments, which also includes income returns. Taken together the short dated bond funds have delivered annualised total returns of 1.16% since the Corporation first invested in these instruments in 2021/22, which

is in excess of returns available from cash over this period (circa 0.60% p.a.).<sup>1</sup> That is to say, overall realised returns have been positive for participants in the TMSS.

### Risk implications

19. City Fund would have a marginally more concentrated exposure to non-specified investments (currently short dated bond funds but potentially other investment categories in future) which would mildly increase expected risk and expected returns for the local authority. Officers expect this will be beneficial to the City Fund over the long term, as cash balances are expected to remain sufficiently high to tolerate short term volatility in returns.
20. All other participants in the TMSS (including BHE and City's Cash) would be invested in a portfolio with lower expected volatility and lower expected returns over the medium term. Whilst returns would likely be below those achievable by the original 2022/23 TMSS, they would be smoother from one year to the next, which is an important benefit for participants with a relatively a short investment horizon. Risks to capital would not be completely eliminated, it should be noted, as all participants would continue to hold exposure to credit and counterparty risks which would be managed in accordance with the approved creditworthiness policy within the TMSS.
21. It can also be noted that both treasury portfolios would still be subject to continual review to ensure they remain consistent with the circumstances of the underlying participants and managed within the parameters of the amended TMSS, which itself would be subject regular review and at least on an annual basis.

### Other implications

22. The proposal does not entail any significant resource, legal, equalities, climate or security implications.

### **Conclusion**

23. This report proposes an amendment to the Treasury Management Strategy Statement and Annual Investment Strategy 2022/23 (TMSS) to improve the alignment between the strategy and the various individual participants whose treasury management activities the TMSS applies to.

### **Appendices**

- Appendix 1 - Treasury Management Strategy Statement and Annual Investment Strategy 2022/23 (Extract)

### **Background Papers**

Treasury Management Strategy Statement and Annual Investment Strategy 2022/23

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<sup>1</sup> Returns for the non-specified investments are calculated using the internal rate of return method over the Corporation's investment holding period to 31 March 2022. Benchmark rates are calculated using a combination of daily one year LIBID rates and daily one year SONIA rates over the equivalent period.

## Treasury Management Strategy Statement and Annual Investment Strategy 2022/23 (Extract)

### 5. Annual Investment Strategy

The Annual Investment Strategy sets out how the City will manage its surplus cash balances for the forthcoming year (i.e. investments held for treasury management purposes). It does not apply to other long-term investment assets, which are dealt with variously by other strategy documents (for instance the Capital Strategy for City Fund, or the Investment Strategy Statement for Bridge House Estates).

#### 5.1. Investment Policy

The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This strategy deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).

The City of London's investment policy will have regard to the DLUHC's Guidance on Local Government Investments ("the Guidance"), the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectorial Guidance Notes 2017 ("the CIPFA TM Code") and CIPFA Treasury Management Guidance Notes 2018.

The City's investment priorities are:

- (a) security; and
- (b) liquidity.

The City will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The risk appetite of the City is low in order to give priority to the security of its investments.

The borrowing of monies purely to invest or on-lend and make a return is unlawful and the City will not engage in such activity.

In accordance with the above guidance from the DLUHC and CIPFA, and in order to minimise the risk to investments, the City applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration, the City will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

Investment instruments identified for use in the financial year are listed in Appendix 3 under the ‘specified’ and ‘non-specified’ investments categories.

- **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year.
- **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use. Once an investment is classed as non-specified, it remains non-specified all the way through to maturity i.e. an 18-month deposit would still be non-specified even if it has only 11 months left until maturity.

The City Fund will have exposure to Specified and Non-specified Investments. All other participants in the Treasury Management Strategy Statement and Annual Investment Strategy 2022/23 will have exposure to Specified Investments only.

The City will also set a limit for the amount of its investments which are invested for longer than 365 days (see Appendix 2).

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