

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	- BHE Chief Operating Officer
Karen Atkinson	- BHE & Charities Finance Director (representing the Chamberlain)
Amelia Ehren	- BHE
Chris Earlie	- BHE
Tim Wilson	- BHE
Sam Grimmitt-Batt	- BHE
Catherine Mahoney	- 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
Paul Dudley	- Chamberlain's Department
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 in participating 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) Note that the Chair would seek expressions of interest or nominations from the Board to support with the next phase of the brand positioning project through 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.

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 £442k is required for the year 2 revenue expenditure requirements in the 22/23 financial year. £319k has been included in the 22/23 BHE budget, including £153k carried forward from 2021/22; and,
- iv) Approve the additional £123k of revenue funding for 22/23 from CAS contingency funds (funded by the CAS designated fund) to ensure adequate resources for planned work in BHE areas.

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 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 £123k 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, 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 CRP 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 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 if necessary.

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 Committee, before the Deputy Chair of the Board advised that Board Members 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 £5m 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 £6million to the Board for approval, rather than the £5million originally recommended, having concluded that this would be of substantive benefit. The Deputy Chair explained that the original request had been for £7.5million, with a £5million grant having been initially recommended. However, the Grants Committee assessed the structure of the grant and the administrative costs and had concluded that an extra £1million would facilitate £5million in grant-giving ability.

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 £15million 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 £6million grant, which was agreed.

RESOLVED – That the BHE Board agree a grant of £6m over five years to London Legal Support Trust, as 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 IWG, as endorsed by the group. The Chair introduced the item and congratulated Deputy Henry Pollard on his appointment as Chair of the Working Group. 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 and that previous records should be explored for relevant investment advice secured elsewhere. 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 Resource 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

Chair

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