



Resource Allocation Sub (Policy and Resources) Committee

Date: TUESDAY, 19 JULY 2022
Time: 3.00 pm
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members:

Deputy Christopher Hayward (Chairman)	Catherine McGuinness
Deputy Henry Colthurst (Deputy Chairman)	Deputy Andrien Meyers
Deputy Randall Anderson	Deputy Alastair Moss
Deputy Keith Bottomley	Alderman Sir William Russell
Tijs Broeke	Ruby Sayed
Mary Durcan	Tom Sleigh
Deputy Shravan Joshi	Deputy Sir Michael Snyder
Deputy Edward Lord	Deputy James Thomson
Alderman & Sheriff Nicholas Lyons	

Enquiries: Polly Dunn
polly.dunn@cityoflondon.gov.uk

Accessing the virtual public meeting

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

<https://youtu.be/3HsV5c74KNc>

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John Barradell
Town Clerk and Chief Executive

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AGENDA

1. **APOLOGIES**

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

3. **MINUTES**

To agree the public minutes and non-public summary of the Sub-Committee meeting held on 17 May 2022.

For Decision
(Pages 7 - 12)

4. **CAPITAL FUNDING UPDATE**

Report of the Chamberlain.

For Decision
(Pages 13 - 30)

5. **HOUSING REVENUE ACCOUNT - UPDATE ON 5 YEAR PLAN AND 30 YEAR FINANCIAL PROJECTIONS**

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

For Decision
(Pages 31 - 46)

6. **INTERIM POLICE CAPITAL LOAN FUNDING REQUIREMENT 2022-23**

Report of the Commissioner.

For Decision
(Pages 47 - 50)

7. **POULTRY MARKET - SURPLUS DECLARATION**

Joint report of the Chief Operating Officer, Chamberlain, Comptroller & City Solicitor, and City Surveyor.

For Decision
(Pages 51 - 70)

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

Report of the Managing Director of the Bridge House Estates.

For Decision
(Pages 71 - 106)

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

Report of the Town Clerk.

For Information
(Pages 107 - 108)

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

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

12. **EXCLUSION OF THE PUBLIC**

MOTION – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of the Schedule 12A of the Local Government Act.

Part 2 – Non-Public Agenda

13. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the Sub-Committee meeting held on 17 May 2022.

For Decision
(Pages 109 - 110)

14. **MINUTES OF THE RESOURCE ALLOCATION SUB-COMMITTEE AWAY DAY**

To receive the minutes of the Resource Allocation Sub-Committee Away Day meeting held on 17 June 2022 and approve the recommendations therein.

For Decision
(Pages 111 - 118)

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

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

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RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Tuesday, 17 May 2022

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources) Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Tuesday, 17 May 2022 at 1.45 pm

Present

Members:

Deputy Keith Bottomley	Deputy Sir Michael Snyder
Tijs Broeke	Alderman Sir David Wootton
Deputy Christopher Hayward (Chairman)	Deputy Henry Colthurst (Deputy Chairman)
Deputy Shravan Joshi	Deputy Randall Anderson
Deputy Edward Lord	Mary Durcan
Tom Sleigh	

In Attendance

Members Observing Virtually:

Deputy Andrien Meyers

Officers:

John Barradell	- Town Clerk and Chief Executive
Caroline Al-Beyerty	- Chamberlain
Emma Moore	- Chief Operating Officer
Gregory Moore	- Assistant Town Clerk
Bob Roberts	- Director of Communications
Polly Dunn	- Town Clerk's Department
Sonia Virdee	- Chamberlain's Department
Aaron Downey	- Private Secretary, Chair of Policy & Resources
Jack Joslin	- Central Grants Unit
James Lee	- Central Grants Unit

1. APOLOGIES

Apologies have been received from Catherine McGuinness, Alderman & Sheriff Nicholas Lyons, Tom Sleigh and Deputy James Thomson. Deputy Andrien Meyers has given apologies in person but has indicated he may observe the meeting virtually.

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

There were no declarations.

3. TERMS OF REFERENCE*

Members received the Terms of Reference of the Sub-Committee as set by the Court and as appointed at the Policy & Resources Committee on 5 May 2022.

4. **MINUTES**

RESOLVED, that the public minutes and non-public summary of the meeting held on 3 February 2022.

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

Members considered a report of the Managing Director of the Bridge House Estate and Chief Charities Officer concerning applications to the Community Infrastructure Levy Neighbourhood Fund.

The Chairman, Deputy Christopher Hayward, and Deputy Keith Bottomley, both informed the Sub-Committee that they were trustees of the Barts Guild.

With regard to the application from St Bartholomew's Heritage, Members challenged the reasoning behind the recommendation, which was to grant less money than requested. There was concern that by not providing the full amount, the match funding would not be achieved. It was confirmed that the proposals were brought forward following an assessment, informed by previous steers by the Sub-Committee. The assessment process also involved discussions with St Bartholomew's Heritage.

The non-public appendix containing the pipeline of applications was supplied to assist Members in making informed decisions on how they wish to prioritise and allocate the available funds.

Following debate, it was agreed that funding for the first three years would be supported and that delegated authority be granted to allow for a decision on the remaining two years' funding to be made before the project deadline for match funding.

With regard to the application from Temple Church a further debate ensued over the recommendation to grant less than requested. Various concerns were raised on the concept of paying for a fundraising manager and the assessment of actual community benefit.

It was proposed by Ruby Sayed and seconded by Deputy Edward Lord, that Members agree to the recommendation, including support of costs associated with a fundraising manager for 18 months (as outlined in the application) , and require a report back to request any longer-term funding.

RESOLVED, that Members:

- i. Approve an initial grant of three years to St Bartholomew's Heritage, totalling £473k (£120,000; £97,000; £256,000), with the option to fund the further two years (£256,000; £45,000) being delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman of the Sub-Committee to determine.

- ii. Approve a grant to Temple Church as outlined in option two, with additional funding support for a Fundraising Manager for 18-Months. The option to extend this funding was to be subject to a further report to the Sub-Committee.
- iii. Note the approved and rejected grants under delegated authority at a meeting of the CILNF Officer Panel in May 2022 (Appendix 1).
- iv. Note the current position of the CILNF with respect to funds available and ongoing reporting.
- v. Note the pipeline of grant applications over £50,000 currently under assessment by the CGU. (Non-Public Appendix 4)

6. **LOCAL IMPLEMENTATION PLAN FUNDED SCHEMES 2022/23**

Members considered a report of the Director of Environment concerning the Local Implementation Plan funded schemes for 2022/23.

RESOLVED, that Members:

- Approve the allocations up to the maximum set out in table 1 (£1,917k), for the year 2022/23.
- Delegate authority to the Town Clerk, in consultation with the Executive Director Environment, and the Chairs and Deputy Chairs of the Planning & Transportation Committee and of the Streets & Walkways Sub Committee, to allocate any additional funds which are made available by TfL in 2022/23 financial year.
- Approve to spend any funds awarded for Principal Road Renewal for the year 2022/23.
- Delegate authority to the Town Clerk, in consultation with the Executive Director Environment, to reallocate the TfL grant between the approved LIP schemes should that be necessary during 2022/23 up to a maximum of £150,000.

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

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

RESOLVED, that the report be noted.

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

There was one question concerning the cost of a residents-wide survey.

Historically, the City-wide residents survey had come at a cost of £135k and over time, it ceased to be commissioned. Having explored options, the Deputy Town Clerk and Executive Director of Communications and External Affairs believed that a survey could now be developed with a reputable company at a cost of approximately £30k, but that no budget existed at present to provide for this.

Proposals were to be brought forward to the Communications and Corporate Affairs Sub-Committee as well as thoughts as to how or whether such surveys or something similar might involve ward members as a means to enhance communication with their electorates.

9. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
There was no other business.
10. **EXCLUSION OF THE PUBLIC**
RESOLVED, That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of the Schedule 12A of the Local Government Act.
11. **NON-PUBLIC MINUTES**
RESOLVED, that the non-public minutes of the meeting held on 3 February 2022, be approved as an accurate record.
12. **CITY OF LONDON OPERATIONAL TENANTS - ARREARS UPDATE AND RENTAL SUPPORT***
Members received a joint report of the Chamberlain and City Surveyor regarding the City of London Operational Tenants – arrears update and rental support.
13. **APPENDIX 4: COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND - APPLICATIONS FOR APPROVAL***
Members received the non-public appendix to the draft report of the Managing Director of the Bridge House Estate and Chief Charities Officer, regarding the Community Infrastructure Levy Neighbourhood Fund applications at item 5.
14. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
There were no questions.
15. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
There was no other business.

The meeting ended at 2.41 pm

Chairman

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Agenda Item 4

Committee(s): Resource Allocation Sub Committee – for Decision Bridge House Estates Board	Date(s): 19 July 2022 Urgency
Subject: Capital Funding Update	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	The schemes for which funding is now requested span across a range of corporate outcomes
For Bridge House Estates (BHE), which outcomes in the BHE Bridging London 2020 – 2045 Strategy does this proposal aim to support?	1,2&3
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£3.194m
What is the source of Funding?	£2.433m from City Fund Reserves, £0.649m from City’s Cash Reserves and £112k from BHE Unrestricted Income Fund.
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of: The Chamberlain	For Decision
Report author: Dianne Merrifield, Group Accountant	

Summary

This report follows on from previous papers on capital prioritisation and the 2020/21, 2021/22 and 2022/23 rounds of annual capital bids.

Members are reminded of the two-step funding mechanism via the annual capital bid process:

- Firstly, within available funding, ‘in principle’ approval to the highest priority bids is sought and appropriate provisions are set aside in the annual capital and revenue budgets and the MTFPs.
- Secondly, following scrutiny via the gateway process to provide assurance of robust option appraisal, project management and value for money, Members are asked to confirm that these schemes remain a priority for which funding should be released at this time.

The purpose of this report is for Members to consider release of funding in the context of the current financial climate and to seek agreement to the release of any funding (following gateway approvals) to allow schemes to progress.

The approved annual capital bids for 2020/21 currently total £84.1m of which draw-downs of £35.4m have been approved to date. A schedule of the current 2020/21 allocations is included in Appendix 1 for information.

The second annual bid round for 2021/22 granted in principle funding approval to bids with a current value of £83.0m of which draw-downs of £11.9m have been agreed. A schedule of the current 2021/22 allocations is included in Appendix 2. For information it is proposed that £0.5m of this approved but not drawn down sum be repurposed through the 'One-in, One-Out' funding principle to fund the 'IT - Managed Service re-provisioning' project. See Table 1 'One-In, One-Out' Proposals.

The recently approved annual capital bids for 2022/23 total £26.2m of which draw-downs of £1.5m have been agreed. For information it is proposed that £0.3m of this approved but not drawn down sum be repurposed through the 'One-in, One-Out' funding principle to fund the 'IT - Managed Service re-provisioning' project. See Table 1 'One-In, One-Out' Proposals.

Release of £3.194m to allow progression of the nine schemes summarised in Table 2 'Project Funding Requests' is now requested. Funding for these schemes can be met from the provisions set aside from the reserves of the three main funds via the annual capital bids.

However, there is a need to manage the significant inflationary pressures impacting across capital programmes. These pressures need to be carefully managed to prevent a potential significant overspend. Officers are recommending a pause and review across all capital programmes, highlighting risks and identifying mitigations where possible and allowing only essential/contracted capital programmes to proceed. In instances where capital projects are approved assuming any element of external funding, risks must be managed to prevent additional unplanned cost pressures impacting on central funding. For this reason, all capital programmes must be part of the review. Chamberlain's and the PMO team are in the process of defining the approach and further guidance will be circulated to Chief Officers and their teams to support this pause/review.

Recommendations

Policy and Resources Committee Members are requested -

- (i) In light of inflationary pressures highlighted, the capital programme is paused and reviewed to allow only essential/contracted programmes to proceed;
- (ii) To review the schemes summarised in Table 2 and, particularly in the context of the current financial climate, to confirm their continued essential priority for release of funding at this time and accordingly;
- (iii) To pause and carry out a review on projects requesting funding to progress to the next gateway (prior to Gateway 5) of up to £1.479m – City Fund (£1.294m) and City's Cash (£0.185m)
- (iv) To agree the release of up to £1.715m for the schemes progressing to implementation (post Gateway 5) in Table 2 from the reserves of City Fund (£1.139m) and City's Cash (£0.464m) and BHE (£0.112m) as appropriate, subject to the required gateway approvals.

Bridge House Estates (BHE) Board Members are requested –

- (v) To agree a contribution of £112k towards the cost of progressing the Members IT Refresh and IT Managed Service projects, to be met from the provision set aside from the Unrestricted Income Fund.

Main Report

Background

1. As part of the fundamental review, Members agreed the necessity for effective prioritisation of capital and SRP projects, with central funding allocated in a measured way. This has been achieved via the annual capital bid process which applies prioritisation criteria to ensure that corporate objectives are met, and schemes are affordable.
2. The following criteria against which capital and supplementary revenue projects are assessed have been agreed as:
 - i. Must be an essential scheme (Health and Safety or Statutory Compliance, Fully/substantially reimbursable, Major Renewal of Income Generating Asset, Spend to Save with a payback period < 5 years.)
 - ii. Must address a risk on the Corporate Risk register, or the following items that would otherwise be escalated to the corporate risk register:
 - a. Replacement of critical end of life components for core services;
 - b. Schemes required to deliver high priority policies; and
 - c. Schemes with a high reputational impact.
 - iii. Must have a sound business case, clearly demonstrating the negative impact of the scheme not going ahead, i.e. penalty costs or loss of income, where these are material.

The above criteria were used as the basis for prioritising the annual capital bids.

3. The scope of schemes subject to this prioritisation relates only to those funded from central sources, which include the On-Street Parking Reserve, Community Infrastructure Levy (CIL), flexible external contributions and allocations from the general reserves of City Fund, City's Cash or BHE¹. This means that projects funded from most ring-fenced funds, such as the Housing Revenue Account, Designated Sales Pools and Cyclical Works Programmes *are excluded*, as well as schemes wholly funded from external grants, and tenant/ developer contributions e.g. under S278 agreements and S106 deposits.
4. Members are reminded of the two-step funding mechanism via the annual capital bid process:
 - Firstly, 'in principle' approval to the highest priority bids within available funding is sought and appropriate provisions are set aside in the annual capital and revenue budgets and the MTFPs.

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

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

Current Position

5. From the 2020/21 bid round, central funding of £84.1m is currently allocated for new capital bids across the three main funds. To date, £35.4m has been drawn down to allow 37 of these schemes to be progressed. A schedule of the current 2020/21 allocations is included in Appendix 1 for information.
6. Central funding of a further £83.0m across the three main funds for the 2021/22 new bids is currently allocated, of which drawdowns of £11.9m has been approved in respect of 18 schemes. A schedule of the 2021/22 allocations is included in Appendix 2 for information. It is proposed that £0.5m of this approved but not drawn down sum be repurposed through the 'One-in, One-Out' funding principle to fund the 'IT - Managed Service re-provisioning' project. See Table 1: 'One-In, One-Out' Proposals.
7. Central Funding of £26.2m has recently been agreed for the 2022/23 new bids of which draw-downs of £1.5m have been approved in respect of 3 schemes. A schedule of the 2022/23 allocations is included in Appendix 3 for information. It is proposed that £0.3m of this approved but not drawn down sum be repurposed through the 'One-in, One-Out' funding principle to fund the 'IT - Managed Service re-provisioning' project. See Table 1: 'One-In, One-Out' Proposals.
8. In addition, there a small number of ongoing schemes for which funding was allocated as part of the Fundamental Review.
9. However, there is a need to manage the significant inflationary pressures being faced, with consumer price inflation reaching as high as 11%, energy prices rising between 57% up to 174%, plus a rise in construction inflation averaging at 25% across the board. These pressures need to be carefully managed to prevent a potential significant overspend. Officers are recommending a pause and review across all capital programmes, highlighting risks and identifying mitigations where possible and allowing only essential/contracted capital programmes to proceed. In instances where capital projects are approved assuming any element of external funding, risks must be managed to prevent additional unplanned cost pressures impacting on central funding. For this reason, all capital programmes must be part of the review. Chamberlain's and the PMO team are in the process of defining the approach and further guidance will be circulated to Chief Officers and their teams to support this pause/review.

Proposals

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

10. Members have previously agreed that requests for additional funding outside of the annual capital bid process should be met from within the existing sums set aside for new schemes on a 'one-in, one-out' basis.

11. The cost of the IT - Managed Service re-provisioning project (moving away from Agilisys as our Managed Services provider towards an in-house model) has been calculated as £1.968m at Gateway 5 (including risk). Therefore, additional central funding of £0.800m is now required on top of release of the £0.500m approved in principle as part of the 2022/23 New Bids. The balance of funding is to be met from Finance Committee and Bridge House Board Contingency Funds. This project is recommended for reallocation of funding on a 'spend-to-save' basis as The project will complete in 14 months and the calculated benefit will be £904k per annum going forwards so the period of payback is 2.2 years from the project completion.

Table 1: 'One-in, One-out'	Capital Bid Round	City Fund	City's Cash	Bridge House Estates	Total
		£000	£m	£m	£m
IT - Managed Service re-provisioning (one-off costs due to end of current contract)	2022/23	0.512	0.232	0.056	0.800
		-	-	-	-
IT SD WAN /MPLS replacement	2021/22	0.256	0.116	0.028	0.400
		-	-	-	-
Public Services Network replacement	2021/22	0.064	0.029	0.007	0.100
		-	-	-	-
IT Security	2022/23	0.064	0.029	0.007	0.100
		-	-	-	-
HR System Portal required in advance of the new ERP system delivery	2022/23	0.096	0.044	0.010	0.150
		-	-	-	-
Corporate Managed Print Service	2022/23	0.032	0.014	0.004	0.050
		-	-	-	-
Net additional Funding from capital bid resources		-	-	-	-

Current Requests for the Release of Funding

12. There are nine schemes with 'in principle' funding approved as part of the capital bids that have progressed through the gateways, for which release of up to £3.194m is requested:

Table 2: Project Funding Requests	Next Gateway	Capital Bid Round	City Fund	City's Cash	Bridge House Estates	Total
			£m	£m	£m	£m
Funding to progress to the next gateway						
Barbican Podium Waterproofing, Drainage and Landscaping Works (Ben Jonson, Breton & Cromwell Highwalk) Phase 2 – 1st Priority	G5	2020/21	0.900			0.900
BEMS Upgrade Project-CPG Estate – Phase 1	G3/4	2021/22	0.024	0.016		0.040
Hampstead Heath Swimming Facilities - Safety, Access and Security Improvements	G5	2021/22		0.058		0.058
Central Criminal Court Cell Area Ducting and Extract System Balancing	G3	2021/22	0.220			0.220
OS Hampstead Heath - Parliament Hill Athletics Track Resurfacing	G3	2022/23		0.111		0.111
Walbrook Wharf Feasibility - 2027 and beyond	G2	2022/23	0.150			0.150
						1.479
Full Funding for Scheme Implementation						
Energy Reduction Programme: Tower Hill Coach & Car Park Lighting and Ventilation Upgrades	G6	2020/21	0.115			0.115
Members IT refresh (to align with new personal device roll-out for staff)	G6	2022/23	0.192	0.087	0.021	0.300
IT - Managed Service re-provisioning (one-off costs due to end of current contract)	G6	2022/23	0.832	0.377	0.091	1.300
						1.715
Total Requested Release of Funding			2.433	0.649	0.112	3.194

13. Further details of the individual schemes are provided in Appendix 4 attached.
14. In accordance with step two of the capital funding mechanism, Members will wish to confirm that these schemes remain a priority for funding to be released at this time particularly in the context of the current financial climate.
15. Funding for these schemes can be met from the provisions set aside from the reserves of the three main funds via the three years of capital bids through a mixture of £2.433m On Street Parking Reserve, CIL and City Fund reserves, plus £0.649m from City's Cash general reserves and £112k from the Bridge House Estates Unrestricted Income Fund. However the full impact of the current inflationary risk cannot yet be fully understood.
16. Therefore, it is recommended that funding is only granted to projects at Gateway 5 which are ready to deliver and which will increase efficiencies and reduce costs going forwards.

Conclusion

17. Members are requested to;

18. 1) review the above and consider in the context of the current financial climate their continued support for the schemes requesting internal resources to proceed, and;
19. 2) approve the associated release of funding.

Appendices

Appendix 1– 2020/21 Approved Bids

Appendix 2 - 2021/22 Approved Bids

Appendix 3 – 2022/23 Approved Bids

Appendix 4 – Requests for Release of Funding – Scheme Details

Background Papers

- Annual Capital Prioritisation Report, 12 December 2019 (Non-Public).
- Prioritisation of Remaining 2020/21 Annual Capital Bids (Deferred from December 2019 Meeting), 23 January 2020 (Non-Public)
- Re-prioritisation of 2020/21 Approved Capital Bids, 18 September 2020 (Non-Public)
- Capital Funding – Prioritisation of 2021/22 Annual Capital Bids – Stage 2 Proposals, 10 December 2020 (Public)
- Capital Funding – Prioritisation of 2022/23 Annual Capital Bids – Stage 2 Final Proposals

Simon Whelan

Acting Group Accountant Capital

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Appendix 1

Project Name				Total Funding Allocation £'m	Funding Allocation After Re-prioritisation	THIS REPORT	THIS REPORT
	City Fund £'m	City's Cash £'m	BHE £'m			Release of Funding Previously agreed	Reallocation of Funding now requested
Critical End of Life Replacement							
Barbican Replacement of Art Gallery Chiller	0.300	-	-	0.300	0.300	0.018	-
Car Park - London Wall Joints and Waterproofing	2.000	-	-	2.000	2.000	-	-
Car Park - Hampstead Heath, East Heath Car Park Resurface	-	0.415	-	0.415	0.415	0.387	-
Central Criminal Court - Replacement for Heating, Cooling and Electrics for the East Wing Mezzanine including the sheriff's apartments.*****	1.000	-	-	1.000	0.626	0.626	-
Finsbury Circus Garden Re-instatement	2.558	-	-	2.558	2.558	2.542	-
Guildhall - North and East Wing Steam Generator replacement – including Art Gallery	0.744	0.396	0.060	1.200	0.002	0.002	-
Guildhall - West Wing - Space Cooling - Chiller Plant & Cooling Tower Replacement	1.860	0.990	0.150	3.000	4.433	4.433	-
Guildhall event spaces - Audio & Visual replacement / upgrade	-	0.330	-	0.330	0.330	0.045	-
Guildhall Yard - Refurbishment/ Replacement of Paviments	-	3.000	-	3.000	3.000	-	-
I.T - Computer Equipment rooms (CER) Uninterrupted Power Supplies (UPS)Upgrades and Replacements	0.090	0.100	0.010	0.200	0.200	0.200	-
I.T - Essential Computer (Servers) operating system refresh programme	0.068	0.075	0.008	0.151	0.095	0.095	-
I.T - Personal device replacement (Laptops, Desktops and tablet/mobile device)	1.013	1.125	0.112	2.250	2.250	2.250	-
I.T - Rationalisation of Financials, HR & Payroll Systems (ERP project)	2.654	2.949	0.295	5.898	6.768	0.554	-
I.T - Telephony replacement ***	0.873	0.343	0.034	1.250	-	-	-
LMA : Replacement of Fire Alarm, Chillers and Landlords Lighting and Power	1.397	-	-	1.397	1.397	0.145	-
Oracle Property Management System Replacement	0.713	0.380	0.058	1.151	1.151	1.150	-
Structural - Lindsey Street Bridge Strengthening	5.000	-	-	5.000	5.000	0.030	-
Structural - Dominant House Footbridge	1.025	-	-	1.025	1.025	0.287	-
Structural - West Ham Park Playground Refurbishment	-	1.279	-	1.279	1.279	0.863	-
Fully or substantially reimbursable							
Barbican Turret John Wesley High Walk	0.043	-	-	0.043	0.043	0.043	-
Chingford Golf Course Development Project	-	0.075	-	0.075	0.075	-	-
High Profile Policy Initiative							
Bank Junction Transformation (All Change at Bank)	4.000	-	-	4.000	4.000	4.000	-
Culture Mile Implementation Phase 1 incl CM experiments and Culture Mile Spine	0.580	-	-	0.580	0.580	0.580	-
I.T - Smarter working for Members and Officers	0.113	0.125	0.013	0.251	0.185	0.185	-
Rough Sleeping - assessment hub	1.000	-	-	1.000	1.000	0.894	-
Rough Sleeping High Support Hostel - Option 3	0.500	-	-	0.500	0.500	0.500	-
Secure City Programme	15.852	-	-	15.852	15.852	7.174	-
Statutory Compliance/Health and Safety							
Barbican Exhibition Halls	5.000	-	-	5.000	1.549	1.548	-
Barbican Podium Waterproofing, Drainage and Landscaping Works (Ben Jonson, Breton & Cromwell Highwalk) Phase 2 – 1st Priority	13.827	-	-	13.827	13.827	1.517	0.900
Covid19 Phase 3 Transportation Response*	-	-	-	-	0.568	0.568	-
City of London Primary Academy Islington (COLPAI) temporary site	-	0.300	-	0.300	0.583	0.583	-
Golden Lane Lighting and Accessibility	0.500	-	-	0.500	0.500	0.500	-
Guildhall - Great Hall - Internal Stonework Overhaul	-	2.000	-	2.000	2.000	1.740	-
Guildhall - Installation of Public Address & Voice Alarm (PAVA) and lockdown system at the Guildhall (Security Recommendation)	0.930	0.495	0.075	1.500	1.500	0.118	-
I.T - Critical Security Works agreed by the DSSC **	0.112	0.125	0.013	0.250	-	-	-
I.T - GDPR and Data Protection Compliance in addition saving money in being able to share and find information quickly	0.090	0.100	0.010	0.200	0.200	-	-
Confined and Dangerous Spaces - Barbican Centre	2.000	-	-	2.000	2.000	0.098	-
Confined and Dangerous Spaces - GSMD	-	0.400	-	0.400	0.400	0.019	-
Fire Safety - Car Park London Wall - Ventilation, electrics, lighting and fire alarm works	1.370	-	-	1.370	1.370	0.250	-
Fire Safety - Works in car parks	1.032	-	-	1.032	1.032	0.699	-
Fire Safety - Frobisher Crescent, Barbican Estate (compartmentation) *	0.550	-	-	0.550	1.203	1.203	-
Fire Safety - Smithfield sprinkler head replacement and fire door replacement.	-	0.150	-	0.150	0.150	0.020	-
Queen's Park Public Toilet Rebuild	-	0.380	-	0.380	-	-	-
Spitalfields Flats Fire Door Safety	0.146	-	-	0.146	0.146	-	-
Spend to save with a payback < 5 years							
Energy programme of lighting and M&E upgrade works (Phase 1)****	0.440	0.489	0.049	0.978	0.268	0.050	0.115
I.T - GDPR Compliance Project Unstructured data	0.112	0.125	0.013	0.250	-	-	-
Wanstead Flats Artificial Grass Pitches (spend to save > 5 years)	-	-	-	-	1.700	-	-
The Monument Visitor Centre	-	2.500	-	2.500	-	-	-
Total Approved Funding Bids	69.492	18.646	0.900	89.038	84.060	35.416	1.015

Previous Funding Allocation	89.038
Net reductions from previous reprioritisation exercise (September 2020)	- 4.032
* Reallocated from the 2021/22 annual bids and fundamental review schemes	- 0.653
* £0.500m of capital funding foregone in place of revenue funding solution (telephony/security)	- 0.500
*** £0.250m of capital funding foregone in place of a revenue funding solution (telephony/security)	- 0.250
****Reallocation of £0.229m to 2021/22 scheme (BEMS Phase 1)	- 0.229
*****£0.246m of central funding no longer required and returned to the centre	- 0.246
*****£0.374 reallocated to Walbrook Wharf M&E replacement project	- 0.374
	84.060

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Appendix 2

Approved Bids 2021/22				THIS REPORT	THIS REPORT			
Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Latest Funding Allocation after Reprioritisation	Release of Funding Previously agreed	Reallocation of Funding now requested	Release of Funding now requested
Critical End of Life Replacement								
OSD - Tower Hill Play Area Replacement Project	0.120			0.120	0.120	0.120		
SVY - BEMS Upgrade Project-CPG Estate – Phase 1***	0.507	0.375	0.022	0.904	1.133	0.586		0.040
SVY - Smithfield Condenser Pipework Replacement		0.564		0.564	0.564			
CHB - IT SD WAN /MPLS replacement	0.320	0.145	0.035	0.500	0.500	0.050	-0.400	
CHB - IT LAN Support to Replace Freedom Contract	0.096	0.043	0.011	0.150	0.150			
CHB - Libraries IT Refresh	0.220			0.220	0.220			
BBC - Barbican Centre - Catering Block Extraction	0.400			0.400	0.400	0.024		
High Profile Policy Initiative								
DBE - Secure City Programme Year 2	4.739			4.739	4.739	1.700		
SVY - Guildhall Complex Masterplan - initial feasibility and design work		0.350		0.350	0.350	0.350		
Statutory Compliance/Health and Safety								
DCCS - Fire Doors Barbican Estate*	20.000			20.000	19.597	0.275		
SVY - St Lawrence Jewry Church - Essential works (Top-Up Funding)		2.565		2.565	2.565	2.136		
SVY - Denton Pier and Pontoon Overhaul Works	1.000			1.000	1.000	0.050		
OSD - Hampstead Heath Swimming Facilities - Safety, Access and Security Improvements		0.755		0.755	0.755	0.143		0.058
DBE - Public Realm Security Programme	1.238			1.238	1.238	0.027		
DBE - Beech Street Transportation and Public Realm project (Top-Up Bid)	0.900			0.900	0.900	0.191		
MAN - Central Criminal Courts, Fire Safety and associated public address system (Top-up bid)	0.683			0.683	0.683			
MAN - Central Criminal Court Cell Area Ducting and Extract System Balancing	1.000			1.000	1.000			0.220
SVY - Riverbank House, Swan Lane - repairs to foreshore river defence	0.500			0.500	0.500	0.110		
CHB - Public Services Network replacement	0.064	0.029	0.007	0.100	0.100		-0.100	
GSMD - Guildhall School - Silk Street Ventilation Heating and Cooling		2.000		2.000	2.000			
GSMD - Guildhall School - Milton Court Correction of Mechanical Systems		0.600		0.600	0.600	0.200		
GSMD - Guildhall School - John Hosier Ventilation and Temperature Control		0.700		0.700	0.700			
CHB - IT Security**	0.192	0.087	0.021	0.300	0.000			
Spend to save with a payback < 5 years								
SVY - Energy Reduction Programme – Phase 2	0.194	0.181		0.375	0.375			
Climate Action	32.173	8.394	0.096	40.663	40.189	5.962	-0.500	0.318
Climate Action :								
DBE - Public Realm (Pedestrian Priority)	6.050			6.050	6.050	2.454		
OSD - Climate Action Strategy		2.120		2.120	2.120	0.795		
DBE - Embed climate resilience measures into Public Realm works (Cool Streets and Greening)	6.800			6.800	6.800	2.580		
SVY -Energy Efficiency / Net Zero Carbon - Investment Estate - City Fund	4.340			4.340	4.340			
SVY - Energy Efficiency / Net Zero Carbon - Investment Estate - Strategic Estate City Fund	0.000			-	-			
SVY - Climate Resilience Measures	4.000	0.000		4.000	4.000			
SVY - Climate Action Strategy Projects CPG Operational Properties	11.723	7.138	0.649	19.510	19.510	0.109		
Sub-Total - Climate Action	32.913	9.258	0.649	42.820	42.820	5.938	0.000	-
Total Bids Fulfilling the Funding Criteria	65.086	17.652	0.745	83.483	83.009	11.900	-0.500	0.318

Previous Funding Allocation	83.483
* £0.403m reallocated as top-up funding for the Frobisher Crescent Fire Compartmentation Project (2020/21 Bid)	-0.403
** £0.300m of capital funding foregone in place of a revenue funding solution (telephony/security)	-0.300
*** £0.229 reallocated from savings on Energy Reduction Programme (2020/21 bid)	0.229
Latest Funding Allocation	83.009

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Appendix 3

Approved Bids 2022/23				THIS REPORT			
	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Release of Funding Previously agreed	Reallocation of Funding now requested	Release of Funding now requested
Critical end of life replacement:							
BEMS Upgrade Phase 2 - Heathrow Animal Reception Centre and various OS sites at Epping	0.150	0.100	-	0.250			
IT - Members IT refresh (to align with new personal device roll-out for staff)	0.192	0.087	0.021	0.300			0.300
IT - Managed Service re-provisioning (one-off costs due to end of current contract)	0.320	0.145	0.035	0.500		0.800	1.300
IT - Corporate Managed Print Service (one-off costs due to end of current contract)	0.032	0.015	0.004	0.050		-0.050	
IT - Server Upgrade/replacement	0.064	0.029	0.007	0.100			
Mansion House - essential roof repairs	-	0.330	-	0.330			
OS Hampstead Heath - Parliament Hill Athletics Track Resurfacing	-	2.000	-	2.000			0.111
Guildhall School - Repairs to roof, expansion joint repairs and drainage and water systems (subject to holistic approach for highwalks, Barbican and School)	-	1.750	-	1.750			
Health and Safety/Statutory Compliance:							
Fire Safety - Guildhall Complex Fire Stopping all basement and plant areas	0.202	0.210	0.008	0.420			
Fire Safety - Baynard House Car Park Sprinklers Replacement (remaining floors)	0.250	-	-	0.250			
Central Criminal Court: Cells Ventilation - Top-Up bid to meet full scope of statutory requirements. (£1m bid agreed in principle as part of the 2021/22 capital bid round.)	1.000	-	-	1.000			
OS Epping Forest - COVID-19 Path Restoration Project	-	0.250	-	0.250			
OS Queen's Park Play Area and Sandpit replacement of equipment	-	0.055	-	0.055			
Barbican Centre - Replacement of Central Battery Units for Emergency Lighting system	0.280	-	-	0.280			
Guildhall School - Rigging infrastructures in Milton Court Concert Hall	-	0.460	-	0.460			
Guildhall School - Safe technical access and working at height - Silk Street Theatre	-	0.345	-	0.345			
Smithfield Market - Glass Canopy Overhaul	-	0.300	-	0.300			
Smithfield Market - East Poultry Avenue Canopy Repairs and Remedial Works	-	0.600	-	0.600			
Smithfield Car Park - Ceiling Coating and Damp Works		1.050		1.050			
Beech Street Transportation and Public Realm project top-up to deliver permanent air quality and associated public realm improvements following successful experiment.	2.500	-	-	2.500			
DCCS - Social Care Case Management System	0.144	-	-	0.144			
IT - Building Management System Wired Network to maximise efficiencies of new BEMS systems	0.083	0.038	0.009	0.130			
High Priority Policy:							
Secure City Programme - Year 3	8.936	-	-	8.936			
IT Security	0.128	0.058	0.014	0.200		-0.100	
Guildhall Complex Masterplan - Redevelopment of North and West Wing Offices (top-up)		1.150		1.150			
Bank Junction Improvements: All Change at Bank - top-up to cover inflation risk of delivering the minimal scheme	0.700	-	-	0.700	0.700		
IT - HR System Portal required in advance of the new ERP system delivery	0.160	0.073	0.017	0.250		-0.150	
Walbrook Wharf Feasibility - 2027 and beyond	0.150	-	-	0.150			0.150
St Paul's Gyratory - Design Development	0.556	-	-	0.556	0.556		
St Paul's Cathedral External Re-lighting	1.160	-	-	1.160	0.250		
Total Green Funding Bids	17.007	9.044	0.115	26.166	1.506	0.500	1.861

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Requests for Release of Funding – Scheme Details

The following provides details of the nine schemes for which approval to release central funding of up to £3.194m is now sought, as summarised in Table 2 of the main report.

- (i) Barbican Podium Waterproofing, Drainage and Landscaping Works Phase 2 – release of £900k to progress the scheme
- Surface refurbishment, replacement of waterproofing membrane, remedial works to drainage infrastructure, and landscaping works to Barbican Podium Phase 2, 1st Priority Zone.
 - ‘In principle’ funding up to £13.827m from a mixture of OSPR and City Fund was agreed as part of the 2020/21 annual bids process to complete this phase of the works as part of a wider programme across the Barbican Estate.
 - The total estimated cost of delivering this project including costed risk and inflation is £18.412m.
 - The total estimated cost of delivering the overall waterproofing programme is £40m excluding risk.
 - The request is for the release of £900k for consultancy and surveys to progress the scheme to Gateway 5.
- (ii) BEMS Upgrade Project-CPG Estate – Phase 1– release of a further £40k to progress the scheme
- 2nd phase of a wider upgrade of the Building Energy Management System (BEMS) which monitors and controls the building plant (& other engineering systems) across the CPG estate.
 - ‘In principle’ central funding up to £1.133m from across the three main Funds Reserves was approved as part of the 2021/22 capital bids on asset enhancement & sustainability grounds
 - This request is to provide £40k to engage Consultants/Building Controls Contractors to develop outline design and provide technical detail (RIBA stage 3) to progress to Gateway 3/4. This will include more accurate project cost estimates.
 - The total estimated cost of delivering this project is £250k.
- (iii) Hampstead Heath Swimming Facilities - Safety, Access and Security Improvements– release of a further £58k to progress the scheme
- This is a capital project to implement safety, access and security works across the four Hampstead Heath Swimming Facilities.
 - ‘In principle’ central funding up to £755k from City Cash Reserves was approved as part of the 2021/22 capital bids on reputational and health & safety grounds.
 - This request is to provide £58k to progress to Detailed Design (RIBA 4) and to tender for a main contractor.
 - The total estimated cost of the project is £755k (including risk).

(iv) Central Criminal Court Cell Area Ducting and Extract System Balancing – release of a further £220k to progress the scheme

- To refurbish ducting and extract systems to custody areas (Lower Ground and Ground floor Mezz, including CAT A suite). The plant replacement project currently allows for only the air handling units but not the delivery systems. Integration of extract and ductwork with the new air handling units (AHUs) will provide a functional cooling and ventilation system.
- ‘In principle’ central funding up to £1m from City Fund Reserves was approved as part of the 2021/22 capital bids on reputational and health & safety grounds.
- This request is to provide £220k to conduct a full survey of existing ductwork systems including identification of dampers (condition), blockages, missing sections, unconnected grilles, air volumes and pressures throughout each system to reach Gateway 3/4.

(v) Hampstead Heath - Parliament Hill Athletics Track Resurfacing– release of up to £111k to progress the scheme

- This aim of this project is to resurface the Parliament Hill Athletics Track on Hampstead Heath..
- ‘In principle’ central funding up to £2m from City’s Cash Reserves was agreed as part of the 2022/23 annual capital bids on asset enhancement and reputational grounds.
- This request is for approval to draw down up to £111k to procure consultants to form the Design Team, including Project Management, Cost Consultant and Architect who will undertake an outline options appraisal following on from the Project Brief.
- This will also further develop the project budget and costed risk register, and take the project to Gateway 3/4.

(vi) Walbrook Wharf Feasibility 2027 and beyond – release of £150k to progress the scheme

- This project is to explore options to refurbish, adapt and/or rebuild Walbrook Wharf premises in order to provide an improved cleansing and statutory waste transfer station servicing the Square Mile and neighbouring boroughs, incorporating additional compatible commercial uses including possible diversification of the current river freight function at Walbrook Wharf.
- ‘In principle’ funding up to £150k from City Fund Reserves was agreed as part of the 2022/23 annual bids process.
- This request is for the whole of that sum to appoint consultants to support clarifying the CoL future operational requirements and service scope for the site, to undertake soft market testing in relation to current service to support with future service provision as well soft market testing of new uses such as freight, and to undertake surveys to identify inefficiencies in use of space, potential for improved operational service provisions as well under-utilisation of space which could accommodate new uses.
- **A further £200k is required to reach Gateway 3 for which no funding is currently identified.**
- **The total estimated cost of the scheme is up to £190m including risk** which will be reliant on securing major external investment..

(vii) Energy Reduction Programme: Tower Hill Coach & Car Park Lighting and Ventilation Upgrades – release of £115k to implement the scheme

- Upgrade of the lighting and ventilation systems at Tower Hill Coach and Car Park which aims to reduce energy consumption, costs and carbon emissions.
- ‘In principle’ funding up to £268k from Reserves across the three main Funds was agreed as part of the 2020/21 annual bids process.
- This request is for £115k from City Fund Reserves to design and deliver the works.
- This project provides an estimated saving of c.£52,575 per annum in electricity costs, with a simple payback of 5 years (excl. risk). The option provides an estimated annual saving of 56 tCO₂e, equating to a 44% reduction in the sites’ carbon emissions, which supports the City of London’s energy and carbon reduction goals. This option will also significantly reduce maintenance failures and costs for the site and prolong the life of the lighting and ventilation systems.

(viii) Members IT refresh– release of £300k to implement the scheme

- This project is an end user device refresh (EUDR) programme of works to replace end of life devices for Elected Members to the Court of Common Council, in line with the approved CoL Members IT Provision Policy. To provide new fit for purpose end user devices, and modern management practices to enable Members to perform their role effectively.
- ‘In principle’ central funding of up to £300k from Reserves across the three main Funds was agreed as part of the 2022/23 capital bids process for the delivery of this scheme. It is requested to draw this sum down.

(ix) IT - Managed Service re-provisioning - release of £1.3m to implement the scheme

- The aim of this project is to transfer all managed services that are currently provided under the Managed Services Contract, away from the current provider (Agilisys).
- ‘In principle’ central funding of up to £500k from the reserves of the three main funds has been agreed as part of the 2022/23 annual capital bids process. It is requested to draw this sum down.
- A further £800k is proposed to be reallocated through the ‘One-in, One-out’ principle – see Table 1 in the main report for further details. It is requested to draw this sum down.
- The balance of funding required to deliver the project is to be met from Finance Committee and Bridge House Board Contingency Funds. .

15/07/2022 P&R Delegated (for RASC)

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Agenda Item 5

Committee: Community and Children's Services Committee Resource Allocation Sub (Policy & Resources) Committee	Dated: 20 July 2022 19 July 2022
Subject: Housing Revenue Account - Update on 5 Year Plan and 30 year financial projections	Public
Which Outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1,2,3,4,5,8,9,10,11 & 12
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of funding?	N/A
Has the funding source been agreed with the Chamberlain's Department?	N/A
Report of: The Chamberlain Director of Community & Children's Services	For Decision
Report Author: Mark Jarvis, Head Of Finance, Chamberlains and Paul Murtagh, Assistant Director Barbican & Property Services	

Summary

This report presents an update on the 5-year finance plan for the Housing Revenue Account (HRA) and sets out financial projections for the 30-year period. It outlines the key risks and challenges over the forthcoming period and presents two options to ensure the HRA retains positive reserves going forward.

- A very significant investment in the existing HRA housing stock (including major works to windows, heating systems and roof replacements, installation of sprinklers and fire doors) is planned over the period.
- This investment will require planned borrowing of up to £30m from City Fund to finance, as provided for in the Corporations Medium Term Financial Plan.
- Revenue reserve balances, previously predicted to be low during the period, are now projected to go into deficit from the end of 2023-24 as forecasts of additional income from new build units have been pushed back and inflation forecasts have been increased. Reserves begin to recover in the final year 2025/26.
- Therefore, there will need to be action to either reduce the cost base in these years and/or to delay where possible the major works programme and so reduce interest charges and capital repayments (Option 1).
- A further option, to fund the £15.0m fire safety works outside the HRA envelope from City Cash (£5.0m) and City Fund (£10.0m), is set out in Appendix A and would mean that the expected revenue reserves remain in surplus for the period (Option 2). Half of the City Fund allocation would be on the basis of being ultimately repaid, potentially from the value of property surplus to housing requirements.

- The 30-year financial projections show the return of available funding for new major works initiatives after the end of the initial five year period.
- The three key risks to the 5-year plan remain as follows:
 - Delays to income generating new build rental housing stock – since the last report, the effect of the judicial review process the Sydenham Hill development means it is now not expected to contribute income until 2025/26. Further delays on this or the York Way development would further put into question the viability of proceeding with major works at the pace set out in this report.
 - Where the Housing team have been able to predict exceptional construction cost increases in the major works projects, this has been reflected in the report. An example of this would be the windows projects where a general uplift has been applied to the remaining blocks to be tendered - and the tendered costs have been fairly close to that uplifted cost.
 - There is a risk that our ability to recover costs from leaseholders for major works carried out on their homes (window replacements in particular), will have an adverse impact on the HRA, given the outcome of the Great Arthur House cladding case.

Recommendation

- i) Members are asked to review and note the following adverse implications of the latest 5-year financial plan for the HRA and the 30-year financial projections:
- ii) that the HRA is currently projected to go into deficit by the end of 2023-24 and will need to either (Option 1) review and reduce its cost base and/or review the overall affordability and timing of existing major works commitments or (Option 2) seek to fund the capital fire safety works at a cost of up to £15.0m outside the HRA envelope from £5.0m City Cash and £10.0m City Fund, of which half would be on the basis of being ultimately repaid, potentially from the value of property surplus to housing requirements.. Additionally an external review should be carried out to suggest areas of potential savings to enable longer-term remodelling of the HRA and ensure its ongoing financial viability.
- iii) there remains a risk of delays to the delivery of new build projects at Sydenham Hill and York Way causing further loss of related rental income.
- iv) further remaining risks include significant construction inflation above current levels of provision and the potential for non-recovery of leaseholder elements of the cost of planned major works given the outcome to the Great Arthur House cladding case..

- v) That the 30-year financial projections show headroom for new major works programme begins to emerge from 2025/26 under Option 2 as the revenue position recovers.

Main Report

Introduction

1. The HRA is ringfenced by legislation which means that the account is financially self-supporting. Although the “Capital” Account is not ringfenced by law, the respective financial positions of the HRA and the City Fund has meant that capital expenditure is financed without placing a burden on the use of City Fund resources. All HRA related capital expenditure continues to be funded from the HRA, including the Major Repairs Reserve and certain capital receipts from sales of HRA assets, with homeowners making their appropriate contributions. In practice, therefore, the capital account is also ringfenced.
2. This report sets out an update to the latest five-year forecast of revenue and capital (major repairs reserve) previously set out in the report to Community & Children’s Services Committee on 17th December 2021.
3. The main movements on the Revenue position since the last report are as follows:
 - The start of the income stream for Sydenham Hill has slipped one year to 2025/26 due to delays caused by the judicial review process.
 - Expected annual rental income from York Way has been revised upwards from £500k to £648k but has slipped 6 months to September 2024.
 - Inflation for both income and expenditure has been updated to 5% for 2022/23 and 2023/24 before returning to 2% for the period beyond.
4. The main movements on the major works (capital) position since the last report are as follows:
 - The outcome of the Great Arthur House cladding case has meant that the burden of funding £4m of works that can no longer be recovered from leaseholders has to be factored in to the HRA borrowing requirement.
 - York Way and Middlesex Street replacement heating project cost have increased. This is due to industrywide increases in material and labour costs.
 - Crescent House and Cullum Welch heating project costs have decreased subject to a review on the heating provision for the blocks and, ultimately on the window solutions applied.
 - George Elliston & Eric Wilkins costs have reduced with a concentration on refurbishment and retrofit solutions. Climate Action Strategy (CAS) and

Social Housing Decarbonisation Funding (SHDF) could help support subject to a successful application.

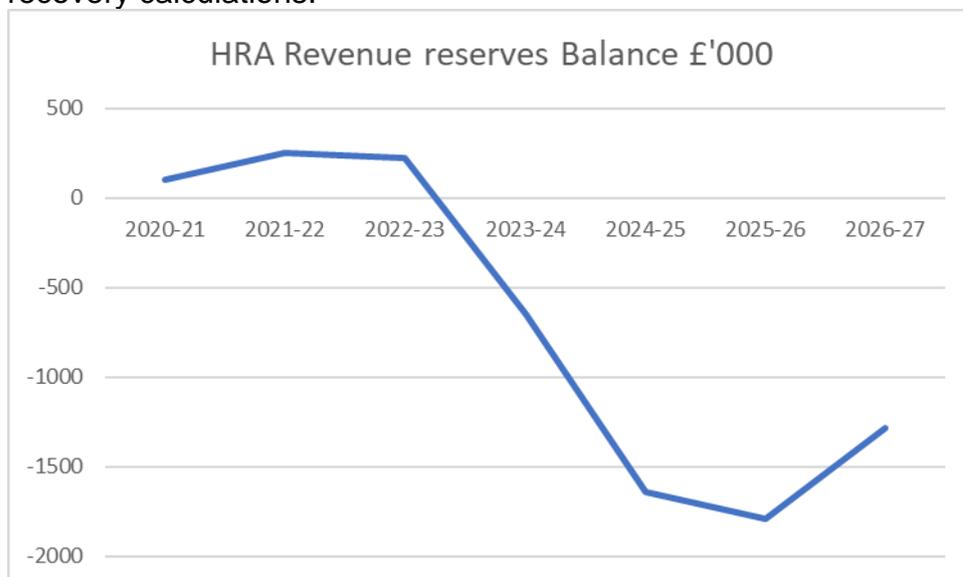
- Roof replacements have seen a delay whilst they are combined with windows projects. A saving could be achieved by combining the work in terms of delivery costs.
- Golden Lane Windows forecasted costs set to increase significantly dependent on the final applied solutions (refurbishment against replacement triple glazed). CAS and SHDF funding could potentially support this.
- Great Arthur House Compartmentation Project cost reduced following implementation of sprinklers in the block.

Five Year HRA Revenue Account Projections

5. Table 1 below shows the updated 5 Year Plan for the Housing Revenue Account.

TABLE 1 - HRA 5 Year Projections		Forecast	Forecast	Forecast	Forecast	Forecast
		2022-23	2023-24	2024-25	2025-26	2026-27
Income						
Rent	Dwellings	11,495	12,357	12,766	13,897	14,575
	Car Parking	651	684	697	711	725
	Baggage Stores	133	140	143	146	149
	Commercial	1,672	1,755	1,790	1,826	1,863
Community Facilities		99	101	103	105	107
Service Charge		2,049	2,151	2,194	2,238	2,283
Other		4	5	5	5	5
	TOTAL Income	16,103	17,193	17,698	18,928	19,706
Expenditure						
Repairs & Maintenance		(3,125)	(3,281)	(3,347)	(3,414)	(3,482)
Premises, support & supplementary revenue projects		(831)	(872)	(890)	(907)	(925)
Tech services + City Surveyor costs		(1,616)	(1,697)	(1,731)	(1,765)	(1,801)
Supervision & management		(4,429)	(4,650)	(4,743)	(4,838)	(4,935)
Specialised Support Services		(2,749)	(2,886)	(2,944)	(3,003)	(3,063)
	TOTAL Exp	(12,749)	(13,387)	(13,654)	(13,927)	(14,206)
Loan Charges - Interest - 2%		(70)	(527)	(612)	(616)	(531)
Capital Repayment (4% Minimum Revenue Provision)		(140)	(1,054)	(1,224)	(1,231)	(1,062)
Total		(210)	(1,582)	(1,836)	(1,847)	(1,593)
	TOTAL Net Income	3,143	2,225	2,208	3,153	3,907
TSFR TO MRR (Depreciation)		(3,000)	(3,100)	(3,200)	(3,300)	(3,400)
Surplus/ (Deficit) In Year		143	(875)	(992)	(147)	507
Bal b/f		82	225	(650)	(1,642)	(1,789)
Bal c/f		225	(650)	(1,642)	(1,789)	(1,281)

6. Revenue reserves are forecast to go into deficit from the end of 2023-24 and remain over £1m in deficit until they begin to recover at the end of 2026/27. The majority of the change from previous forecasts is as result of the slippage in rental income from new build projects, the cost of servicing the additional £4m debt as a result of the Great Arthur House Cladding legal decision, the assumption of increased inflation of 5% in the first two years and slightly reduced service charge recovery calculations.



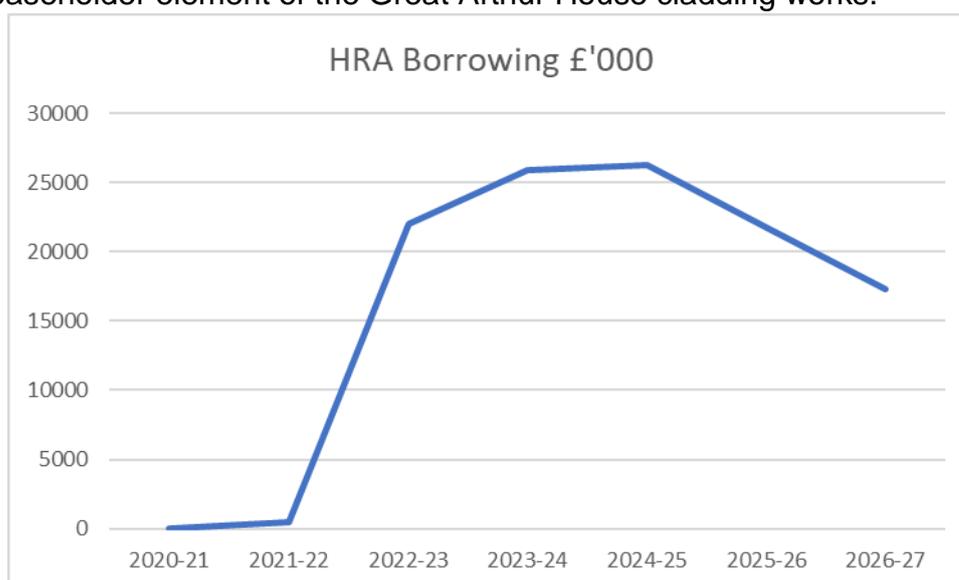
Major Repairs Reserve & City Fund Loan

7. Table 2 below sets out the movements on the Major Repairs Reserve and the City Fund loan over the period. Borrowing is expected to peak in 2024-25 before falling in subsequent years, however this assumes that there will be no further call on the major repairs programme in those years and there are no exceptional construction inflation costs beyond those already allowed for.

TABLE 2 - MAJOR REPAIRS RESERVE		Forecast	Forecast	Forecast	Forecast	Forecast
		2022-23	2023-24	2024-25	2025-26	2025-26
MRR	B/F	231	253	49	165	465
Depn/tsfr from Rev		3,000	3,100	3,200	3,300	3,400
Net Capital Financing (see Table 4)		(25,977)	(8,604)	(4,484)		
Loan Advanced/(Repaid)		23,000	5,300	1,400	(3,000)	(3,500)
MRR	C/F	253	49	165	465	365
CITY FUND LOAN						
Loan Balance	B/F	3,500	26,360	30,606	30,781	26,550
Loan Advanced/(Repaid)		23,000	5,300	1,400	(3,000)	(3,500)
HRA Minimum Repayments (4%)		(140)	(1,054)	(1,224)	(1,231)	(1,062)
Loan balance	C/F	26,360	30,606	30,781	26,550	21,988

8. HRA borrowing to fund the major repairs works is set to increase to just below £31.0m by the end of 2024/25 before falling back as loan repayments increase, .

Note the initial borrowing balance of £3.5m includes the cost of funding the leaseholder element of the Great Arthur House cladding works.



Forecast Income

9. Additional dwellings rental income streams have also been factored in as set out in Table 3 below.

TABLE 3 - Dwellings Income		Forecast	Forecast	Forecast	Forecast	Forecast
		2022-23	2023-24	2024-25	2025-26	2026-27
Income						
Existing Rent roll		11,340	11,907	12,145	12,388	12,636
COLPAI	(66 units)	155	450	459	468	478
Sydenham Hill (110 units)		0	0	0	393	801
York Way (91 units)		0	0	162	648	661
TOTAL		11,495	12,357	12,766	13,897	14,575

- The delayed new flats at COLPAI are expected to deliver an annual rent roll of £450k and this income has been included from January 2023.
- New flats at Sydenham Hill, generating income in the region of £801k annually in 2026-27, from a revised date of October 2025, having again slipped due to the ongoing judicial review process.
- New flats at York Way are also projected to begin generating additional rental income of £648k annually from July 2024.

Revenue Expenditure

10. Existing costs have been uplifted by inflation of 5% in the first two years of the forecast with this number falling back to 2% in subsequent periods. Prudently, no long-term savings from any potential restructures or costs savings on repairs as a result of the major works programme have been factored into the projections, however the overall cost base will need to be reviewed given the latest overall

projections. In terms of Option 1, annual savings of £550k would be required to bring the HRA back into balance. An external review to enable longer-term remodelling of the HRA to ensure its ongoing financial viability is recommended.

Major Works Capital Programme

11. The table below summarises the various categories of projects currently underway or being planned for which provision has been made in terms of borrowing capacity, loan repayments and interest charge within the rolling five-year plan. Significant changes since the last report have been identified in both the overall costs of some programmes and in the expected phasing of some works. No provision has been made for future additional projects that have been identified in the latest full, or any new stock condition survey and therefore the capital works are expected to complete by the end of 2024/25

TABLE 4				Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25
TOTAL COST OF PROJECTS						
Decent Homes/Electrical/Water/Lifts				111		
Heating				2,030	1,200	0
George/Eric & Other				1,300	0	0
Roofs				4,150	2,700	2,333
Windows				23,572	6,000	6,000
Sprinklers (fire safety)				3,603	1,000	0
Fire Doors (fire safety)				6,000	3,000	1,000
TOTAL Cost of Projects				40,765	13,900	9,333
<i>TOTAL Cost of Projects (without fire safety)</i>				<i>31,162</i>	<i>9,900</i>	<i>8,333</i>
TOTAL FUNDING FROM MRR						
Decent Homes/Electrical/Water/Lifts				78	0	0
Heating				1,421	900	0
George/Eric & Other				910	0	0
Roofs				3,550	1,620	1,400
Windows				10,416	2,084	2,084
Sprinklers (fire safety)				3,603	1,000	0
Fire Doors (fire safety)				6,000	3,000	1,000
TOTAL Funding from MRR				25,977	8,604	4,484
<i>TOTAL Funding from MRR (without fire safety)</i>				<i>16,375</i>	<i>4,604</i>	<i>3,484</i>

Heating Systems

12. The table below sets out future projections for the completion of current work to existing communal heating systems. York Way Estate and Middlesex Street have seen an increase against the previously forecasted costs. Crescent House and Cullum Welch heating system are largely dependent on other project outcomes such as the Windows and Roof Replacement Systems.

HEATING	PREVIOUS FORECAST					NEW FORECAST				
	TOTAL	Project Manager Forecast 2021/22	Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25	TOTAL	PROVISIONAL ACTUAL 21/22	Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25
Core Project										
L5-Crescent House & Cullum House Heating Replacement		266	1,000	1,781			52		1,200	
L5-Middlesex Street Estate - Replacement of Heating & Hot Water		1,278	1,000				1,062	1,365		
L5-York Way Estate - Replacement of Heating & Hot Water		1,025	365				1,329	665		
COST	6,713	2,568	2,365	1,781		5,672	2,443	2,030	1,200	
<i>CHARGE TO HRA (after estimated leaseholder recovery)</i>						<i>4,031</i>	<i>1,710</i>	<i>1,421</i>	<i>900</i>	

Other (inc. George & Eric Refurbishment)

13. The table below sets out future projections for the completion of current plans for work including the refurbishment of housing at George Williston & Eric Wilkins Houses. George Elliston and Eric Wilkins will pick up where the development project has left off with a full refurbishment project for the blocks and is currently under survey to build the tender specification.

OTHER (inc George/Eric Refurbishment)	PREVIOUS FORECAST					NEW FORECAST				
	TOTAL	Project Manager Forecast 2021/22	Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25	TOTAL	PROVISIONAL ACTUAL 21/22	Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25
Core Project										
L5-George Elliston & Eric Wilkins Houses Refurbishment		506	1,500	1,500	0			1,300		
L5-Housing Management System Upgrade		92								
L5-Petticoat Tower Stairwells		16					19			
L5-Play & Ball Games Areas Refurbishments		237			0		212			
L5-Great Arthur House Window Cladding		198					198			
L5-Other		11			0		19			
COST	4,060	1,060	1,500	1,500	0	1,747	447	1,300	0	0
<i>CHARGE TO HRA (30% leaseholder recovery on George & Eric)</i>						<i>1,747</i>	<i>447</i>	<i>910</i>	<i>0</i>	<i>0</i>

Roofs

14. The table below sets out future projections for the completion of current plans for work on roofs across the estates. Roofing work set to start on Golden Lane Estate as part of the Window Projects. The remaining roofing replacements will be procured separately.

ROOFS	PREVIOUS FORECAST					NEW FORECAST				
	TOTAL	Project Manager Forecast 2021/22	Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25	TOTAL	PROVISIONAL ACTUAL 21/22	Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25
Core Project										
L5-Roof Replacements - Various Estates		200	6,333	0				1,500	2,700	2,333
L5-Renewal of Flat Roof Coverings - Various Blocks		310	2,350	0				2,650		
COST	9,193	510	8,683	0	0	9,183	0	4,150	2,700	2,333
<i>CHARGE TO HRA (40% leaseholder recovery on Roof replacements only)</i>						<i>6,570</i>	<i>0</i>	<i>3,550</i>	<i>1,620</i>	<i>1,400</i>

Windows

15. The table below sets out future projections for the completion of current plans for work on windows across the estates. The budget forecasts were uplifted following the competitive tender of Dron House. Resources are now in place to deliver this. Window Replacements and Common Parts Redecorations are to be completed on the majority of the estates over the next 18 months. These estates have been tendered and are about to undergo section 20 consultation and Gateway 5 approvals in readiness for delivery. Golden Lane is more complex and planning applications are being prepared/ submitted with a start on site for Crescent House expected in 2023.

WINDOWS	TOTAL	PREVIOUS FORECAST				TOTAL	NEW FORECAST		
		Project Manager Forecast 2021/22	Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25		Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25
Core Project									
L5-Dron House Windows Replacement		1,579	0						
L5-Golden Lane Windows Replacement		1,054	3,094	3,998			8,383	6,000	6,000
L5-Holloway Estate Windows Replacement		1,136	2,017				3,825		
L5-Southwark Estate Windows Replacement		753	5,125				5,900		
L5-Sydenham Hill Windows Replacement		320	528				1,218		
L5-William Blake Windows Replacement		960	1,000				2,333		
L5-Windsor House Windows Replacement		824	764				1,913		
L5-Avondale Square Windows Major Refurbishment		6		0					
COST	23,156	6,631	12,528	3,998	0	37,582	23,572	6,000	6,000
CHARGE TO HRA (various % leaseholder recovery, Plus £5m Climate Action / Grants)						15,762	10,416	2,084	2,084

Sprinklers

The table below sets out future projections for the completion of current plans for work on installing sprinklers on designated properties across HRA estates. It should be noted that the works to sprinklers are being carried out despite not strictly being required by health and safety legislation. A contract is in place to deliver sprinklers to all three sites (5 blocks in total).

SPRINKLERS	TOTAL	PREVIOUS FORECAST				TOTAL	NEW FORECAST		
		Project Manager Forecast 2021/22	Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25		Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25
Core Project									
L5-Installation of Sprinklers - Avondale Square Estate		886	893				1,779		
L5-Installation of Sprinklers - Great Arthur House		17	870				886	1000	
L5-Installation of Sprinklers - Petticoat Tower		227	552				779		
L5-Installation of Sprinklers in Social Housing Tower Blocks		124	35	0			159		
COST	3,603	1,253	2,350	0	0	4,795	3,603	1,000	0
CHARGE TO HRA (no leaseholder recovery)						4,795	3,603	1,000	0

Fire Doors

16. The table below sets out future projections for the completion of current plans to install fire doors across HRA estates. Petticoat Tower Fire Doors are completed and LOT 1 of the main fire door contract (Holloway and York Way Estates) is due to complete summer 2022. Committee have now approved the direct award for the remaining estates. Great Arthur House Compartmentation Project budget, expected to decrease following a specification change affected by the sprinklers.

FIRE DOORS	PREVIOUS FORECAST					NEW FORECAST				
	TOTAL	Project Manager Forecast 2021/22	Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25	TOTAL	PROVISIONAL ACTUAL 21/22	Project Manager Forecast 2022/23	Project Manager Forecast 2023/24	Project Manager Forecast 2024/25
Core Project										
L5-Petticoat Towers - Fire Safety Doors		123		0			153			
L5-Fire Safety Doors - Great Arthur House		0	2,113	0						1,000
L5-Fire Door Replacements - Various Estates		1,311	5,565	2,304	0		22	6,000	3,000	
COST	11,417	1,435	7,678	2,304	0	10,175	175	6,000	3,000	1,000
<i>CHARGE TO HRA (no leaseholder recovery)</i>						10,175	175	6,000	3,000	1,000

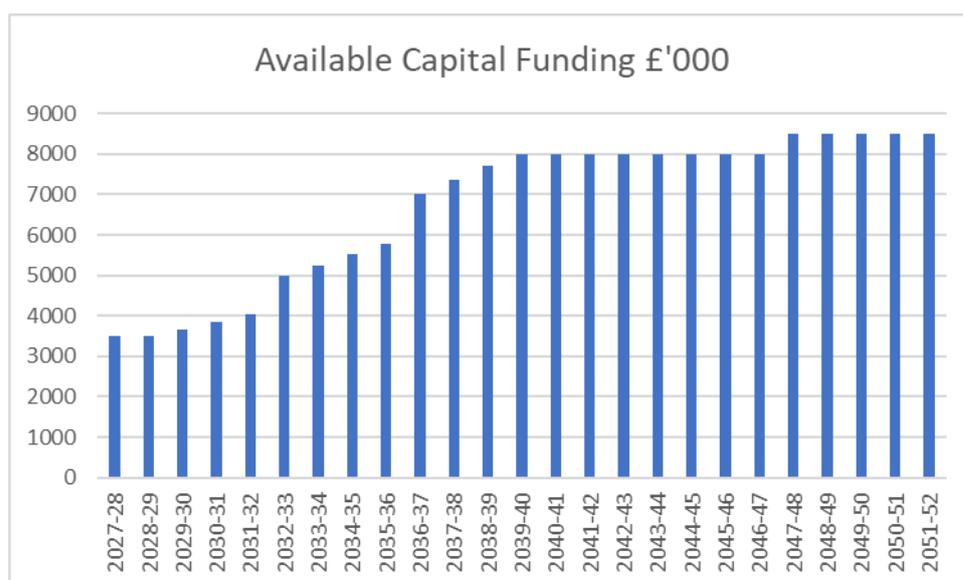
Financial Risks

17. The key risks to the affordability of the current five year plan are as follows :

- Further delay to new build rental income.
- Additional construction cost inflation on major works above that already provided for in individual project forecasts.
- Non-recoverability of leaseholder contributions to the cost of major works. The programme assumes full recoverability of the leaseholder element of the projects to be undertaken.
- The impact of the rising cost of living may well affect the level of long term income able to be generated by HRA commercial properties and the overall level of bad debt provision required.

30 Year Financial Projections

18. Appendix B shows the details of the 30-year projections for the HRA. The projections are prudent and do not include any expected additional income from new building developments beyond those already included in this report. This gives the likely headroom available for investing in major works on existing housing stock over the extended period as set out in the graph below. Available funding rises from £3m per annum in 2027-28 to over £8m per annum from 2048-49.



5 Year Financial Projections without Fire Safety Works

19. Appendix A shows the details of the 5-year projections for the HRA without the costs of the Fire Safety Works i.e. Sprinklers £4.8m (para 16 above) and Fire Doors £10.2m (para 17 above), giving an overall £15.0m initial funding request from City Cash and City Fund. The removal of these costs from the HRA under Option 2 mean that reserves remain positive throughout the projected period and by the end of 2026-27 stand at £2.8m, although additional revenue savings of £250k are required from 2023-24..

Conclusion

20. This report presents the latest iteration of the five-year plan for the HRA and outlines the key risks to the revenue reserves position. It sets out two potential Options to enable these projections to be brought back into balance.

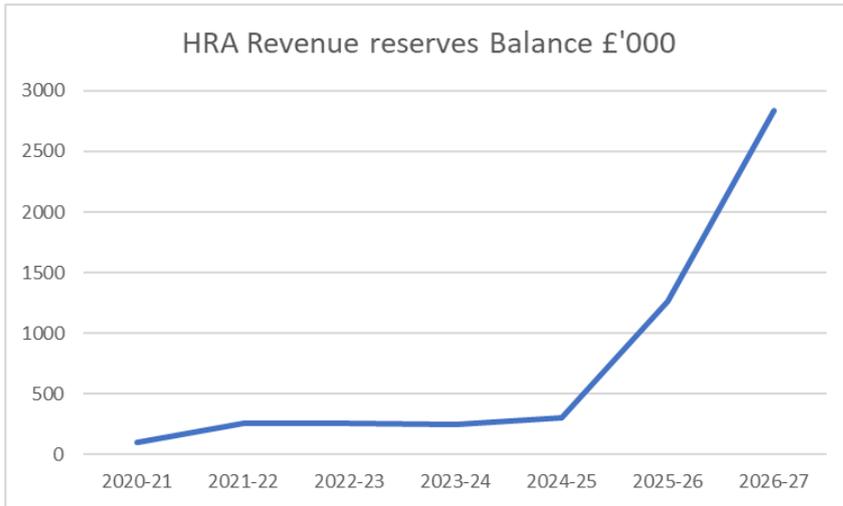
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APPENDIX A – HRA 5 YEAR PROJECTION WITHOUT FIRE SAFETY WORKS (OPTION 2)

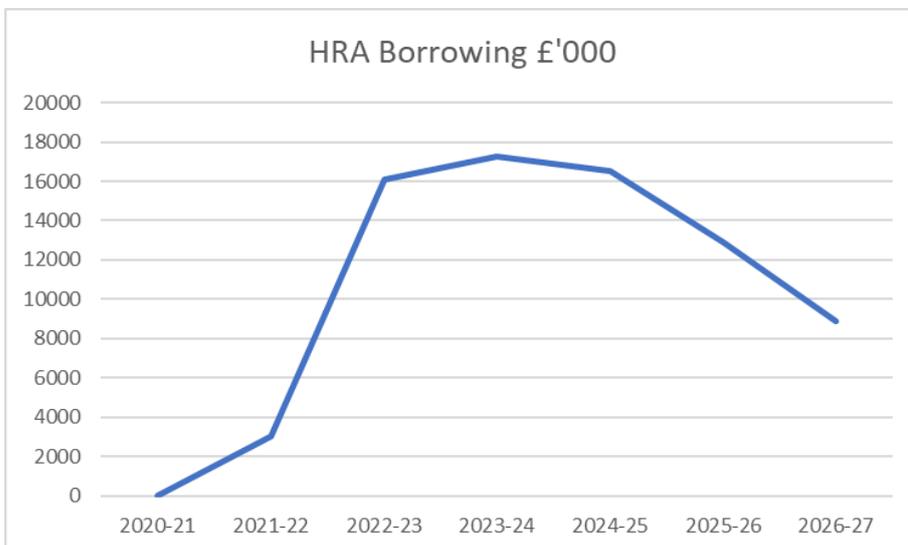
The projections below do not include the cost of supporting the £15.0m of major works in respect of the fire doors and sprinklers

TABLE 1A - HRA 5 Year Projections		Forecast	Forecast	Forecast	Forecast	Forecast
		2022-23	2023-24	2024-25	2025-26	2026-27
Income						
Rent	Dwellings	11,495	12,357	12,766	13,897	14,575
	Car Parking	651	684	697	711	725
	Baggage Stores	133	140	143	146	149
	Commercial	1,672	1,755	1,790	1,826	1,863
Community Facilities		99	101	103	105	107
Service Charge		2,049	2,151	2,194	2,238	2,283
Other		4	5	5	5	5
	TOTAL Income	16,103	17,193	17,698	18,928	19,706
Expenditure						
Repairs & Maintenance		(3,125)	(3,281)	(3,347)	(3,414)	(3,482)
Premises, support & supplementary revenue proje		(831)	(872)	(890)	(907)	(925)
Tech services + City Surveyor costs		(1,616)	(1,697)	(1,731)	(1,765)	(1,801)
Supervision & management		(4,429)	(4,650)	(4,743)	(4,838)	(4,935)
Revenue Savings/Efficiencies to be identified			250	250	250	250
Specialised Support Services		(2,749)	(2,886)	(2,944)	(3,003)	(3,063)
	TOTAL Exp	(12,749)	(13,137)	(13,404)	(13,677)	(13,956)
Loan Charges - Interest - 2%		(60)	(322)	(345)	(331)	(258)
Capital Repayment (4% Minimum Revenue Provisi		(120)	(643)	(689)	(662)	(515)
Total		(180)	(965)	(1,034)	(993)	(773)
	TOTAL Net Income	3,173	3,091	3,260	4,257	4,977
TSFR TO MRR (Depreciation)		(3,000)	(3,100)	(3,200)	(3,300)	(3,400)
Surplus/ (Deficit) In Year		173	(9)	60	957	1,577
Bal b/f		82	255	247	307	1,264
Bal c/f		255	247	307	1,264	2,841



The loans to the HRA would peak at £17.2m in 2023-24 before declining without the need to support fire safety works costs.

TABLE 2 - MAJOR REPAIRS RESERVE		OB	Forecast	Forecast	Forecast	Forecast
		2022-23	2023-24	2024-25	2025-26	2025-26
MRR	B/F	387	212	508	225	525
Depn/tsfr from Rev		3,000	3,100	3,200	3,300	3,400
Net Capital Financing (see Table 4)		(16,375)	(4,604)	(3,484)		
Loan Advanced/(Repaid)		13,200	1,800	0	(3,000)	(3,500)
MRR	C/F	212	508	225	525	425
CITY FUND LOAN						
Loan Balance	B/F	3,000	16,080	17,237	16,547	12,885
Loan Advanced/(Repaid)		13,200	1,800	0	(3,000)	(3,500)
HRA Minimum Repayments (4%)		(120)	(643)	(689)	(662)	(515)
Loan balance	C/F	16,080	17,237	16,547	12,885	8,870



APPENDIX B – 30 YEAR PROJECTIONS

	Forecast 2022-23	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26	Forecast 2026-27	Forecast 2027-28	Forecast 2028-29	Forecast 2029-30	Forecast 2030-31	Forecast 2031-32
Income	16,103	17,193	17,698	18,928	19,706	20,101	20,503	20,913	21,331	21,757
Expenditure	(12,749)	(13,137)	(13,404)	(13,677)	(13,956)	(14,235)	(14,520)	(14,810)	(15,106)	(15,408)
Loan Charges - Interest - 2%	(60)	(322)	(345)	(331)	(258)	(177)	(170)	(163)	(157)	(151)
Capital Repayment (4% Minimum Revenue Provision)	(120)	(643)	(689)	(662)	(515)	(355)	(341)	(327)	(314)	(301)
Transfer to MRR	(3,000)	(3,100)	(3,200)	(3,300)	(3,400)	(4,468)	(4,557)	(4,649)	(4,741)	(4,836)
Surplus/ (Deficit) In Year	173	(9)	60	957	1,577	865	915	963	1,012	1,061
Bal b/f	82	255	247	307	1,264	2,841	3,707	4,621	5,585	6,597
Bal c/f	255	247	307	1,264	2,841	3,707	4,621	5,585	6,597	7,658
MRR B/F	387	212	508	225	525	425	1,393	2,450	3,424	4,306
Depn/tsfr from Rev	3,000	3,100	3,200	3,300	3,400	4,468	4,557	4,649	4,741	4,836
Net Capital Financing	(16,375)	(4,604)	(3,484)	0	0	(3,500)	(3,500)	(3,675)	(3,859)	(4,052)
Loan Advanced/(Repaid)	13,200	1,800	0	(3,000)	(3,500)	0	0	0	0	0
MRR C/F	212	508	225	525	425	1,393	2,450	3,424	4,306	5,091
CITY FUND LOAN										
Loan Balance	3,000	16,080	17,237	16,547	12,885	8,870	8,515	8,175	7,848	7,534
Loan Advanced/(Repaid)	13,200	1,800	0	(3,000)	(3,500)	0	0	0	0	0
HRA Minimum Repayments (4%)	(120)	(643)	(689)	(662)	(515)	(355)	(341)	(327)	(314)	(301)
Loan balance	16,080	17,237	16,547	12,885	8,870	8,515	8,175	7,848	7,534	7,232

	Forecast 2032-33	Forecast 2033-34	Forecast 2034-35	Forecast 2035-36	Forecast 2036-37	Forecast 2037-38	Forecast 2038-39	Forecast 2039-40	Forecast 2040-41	Forecast 2041-42
Income	22,193	22,636	23,089	23,551	24,022	24,502	24,992	25,492	26,002	26,522
Expenditure	(15,717)	(16,031)	(16,352)	(16,679)	(17,012)	(17,352)	(17,699)	(18,053)	(18,415)	(18,783)
Loan Charges - Interest - 2%	(145)	(139)	(133)	(128)	(123)	(118)	(113)	(109)	(104)	(100)
Capital Repayment (4% Minimum Revenue Provision)	(289)	(278)	(267)	(256)	(246)	(236)	(226)	(217)	(209)	(200)
Transfer to MRR	(4,933)	(6,032)	(6,652)	(6,785)	(6,921)	(7,060)	(7,201)	(7,345)	(7,492)	(7,641)
Surplus/ (Deficit) In Year	1,109	157	(315)	(297)	(280)	(263)	(247)	(232)	(217)	(203)
Bal b/f	7,658	8,766	8,924	8,609	8,312	8,032	7,769	7,522	7,290	7,073
Bal c/f	8,766	8,924	8,609	8,312	8,032	7,769	7,522	7,290	7,073	6,870
MRR B/F	5,091	5,024	5,806	6,945	7,943	7,864	7,573	7,056	6,401	5,893
Depn/tsfr from Rev	4,933	6,032	6,652	6,785	6,921	7,060	7,201	7,345	7,492	7,641
Net Capital Financing	(5,000)	(5,250)	(5,513)	(5,788)	(7,000)	(7,350)	(7,718)	(8,000)	(8,000)	(8,000)
Loan Advanced/(Repaid)	0	0	0	0	0	0	0	0	0	0
MRR C/F	5,024	5,806	6,945	7,943	7,864	7,573	7,056	6,401	5,893	5,534
CITY FUND LOAN										
Loan Balance	7,232	6,943	6,665	6,399	6,143	5,897	5,661	5,435	5,217	5,009
Loan Advanced/(Repaid)	0	0	0	0	0	0	0	0	0	0
HRA Minimum Repayments (4%)	(289)	(278)	(267)	(256)	(246)	(236)	(226)	(217)	(209)	(200)
Loan balance	6,943	6,665	6,399	6,143	5,897	5,661	5,435	5,217	5,009	4,808

	Forecast									
	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50	2050-51	2051-52
Income	27,053	27,594	28,146	28,708	29,283	29,868	30,466	31,075	31,696	32,330
Expenditure	(19,158)	(19,542)	(19,932)	(20,331)	(20,738)	(21,153)	(21,576)	(22,007)	(22,447)	(22,896)
Loan Charges - Interest - 2%	(96)	(92)	(89)	(85)	(82)	(78)	(75)	(72)	(69)	(67)
Capital Repayment (4% Minimum Revenue Provision)	(192)	(185)	(177)	(170)	(163)	(157)	(151)	(145)	(139)	(133)
Transfer to MRR	(7,794)	(7,950)	(8,109)	(8,271)	(8,437)	(8,605)	(8,778)	(8,953)	(9,132)	(9,315)
Surplus/ (Deficit) In Year	(189)	(175)	(162)	(149)	(137)	(125)	(113)	(102)	(91)	(80)
Bal b/f	6,870	6,681	6,506	6,344	6,195	6,058	5,933	5,820	5,718	5,627
Bal c/f	6,681	6,506	6,344	6,195	6,058	5,933	5,820	5,718	5,627	5,546
MRR B/F	5,534	5,328	5,279	5,388	5,659	6,096	6,201	6,479	6,932	7,564
Depn/tsfr from Rev	7,794	7,950	8,109	8,271	8,437	8,605	8,778	8,953	9,132	9,315
Net Capital Financing	(8,000)	(8,000)	(8,000)	(8,000)	(8,000)	(8,500)	(8,500)	(8,500)	(8,500)	(8,500)
Loan Advanced/(Repaid)	0	0	0	0	0	0	0	0	0	0
MRR C/F	5,328	5,279	5,388	5,659	6,096	6,201	6,479	6,932	7,564	8,379
CITY FUND LOAN										
Loan Balance	4,808	4,616	4,431	4,254	4,084	3,921	3,764	3,613	3,469	3,330
Loan Advanced/(Repaid)	0	0	0	0	0	0	0	0	0	0
HRA Minimum Repayments (4%)	(192)	(185)	(177)	(170)	(163)	(157)	(151)	(145)	(139)	(133)
Loan balance	4,616	4,431	4,254	4,084	3,921	3,764	3,613	3,469	3,330	3,197

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Agenda Item 6

Committee(s): Police Authority Board (PAB) – For decision Resource Allocation Sub-Committee (RASC)– For decision Operational Property & Projects Sub-Committee – For information	Dated: 30/06/2022 19/07/2022 20/07/2022
Subject: ‘Interim’ Police Capital Loan-Funding Requirement, 22/23	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1
Does this proposal require extra revenue and/or capital spending?	It seeks approval for interim capital requirement for 22/23
If so, how much?	£3.936m
What is the source of Funding?	Corporation loan facility
Has this Funding Source been agreed with the Chamberlain’s Department?	Y
Report of: Commissioner of Police Pol 48-22	For Decision
Report author: Chief Finance Officer, City of London Police	

Summary

City of London Police (CoLP) is undertaking a review of its capital portfolio against the change roadmap set out in the 22/23 Policing Plan. This process will set future priorities, clear interlinkages between projects and robust project and resource plans, which should mitigate against the significant project slippage and capital underspends experienced in the last few years (some of which has been outside of CoLP’s control).

The objective is to revert to PAB and RASC in Autumn 2022 with a finalised requirement for the 22/23 capital budget and loan facility. In the meantime, this paper asks for PAB and RASC approval of an ‘interim’ capital loan funding requirement of £3.936m to progress work on the Fraud & Cyber Crime Reporting & Analysis Service (FCCRAS) programme, fleet replacement and other near-term priorities.

The Police MTFP is assessed as having sufficient provision for future ‘capital financing’ revenue costs arising from prior and current year requirements.

Recommendations

Members are asked to:

- i. Note the requirement to undertake a CoLP portfolio review
- ii. Approve the ‘interim’ capital requirement for 22/23 of £3.936m to be funded through the Corporation loan facility.
- iii. Agree that although the release of central funding is normally subject to further RASC approval at Gateway 4(a), the Committee delegates authority for the release of police loan funding to the Chamberlain in consultation with the CoLP.

Main Report

Background

1. New police capital priorities have, since April 2020, been funded by means of a Corporation loan facility up to a normal, annual limit of £5m.
2. There has been a history of slippage and consequent capital underspend on CoLP projects, as Table 1 shows for last two years. While some slippage has been outside of CoLP's control (e.g where due to slippage in National Policing Programmes), it does highlight the need for robust (project and resource) planning disciplines to be put in place as part of the Portfolio Review. Hence the requirement for an 'interim' capital budget and funding requirement to be set pending this Review.

Table 1 – CoLP capital spend against Corporation loan facility, 20/21 & 21/22

	Capital Budget £m	Draw down £m	Outturn Spend £m	Comments
20/21 Capital Priorities	4.5	1.5	0.7	
21/22 Capital Priorities (excl. Action Fraud)	8.4	2.9	0.9	Budget includes carry forward from prior year underspend
21/22 Action Fraud		2.0	2.0	Budget reallocated to this spend (RASC February 2022)

Note – additionally £4m was spent on Fraud & Cyber Crime Reporting & Analysis Service (FCCRAS) programme in 21/22, fully funded by Home Office

3. The Policy and Resources Committee has agreed the principle of the Police Loan facility on condition that the projects fulfil the established prioritisation criteria against which capital projects will be assessed:
 - i. Must be an essential scheme - Health and Safety Compliance, or Statutory Compliance, or Fully/substantially reimbursable, or Major Renewal of Income Generating Asset, or Spend to Save with a payback period within 5 years.
 - ii. Must address a risk on the Corporate Risk register; or the following items that would otherwise be escalated to the corporate risk register:
 - a. Replacement of critical end of life components for core services;
 - b. Schemes required to deliver high priority policies; and
 - c. Schemes with a high reputational impact
 - iii. Must have a sound business case (clearly demonstrating the negative impact of the scheme not going ahead, i.e., penalty costs or loss of income, where these are material.

Current Position

4. The areas of capital spend requiring approval to be progressed pending and prior to the Portfolio review outcomes, all of which fulfil the P&R funding criteria, are:

- Fraud & Cyber Crime Reporting & Analysis Service (FCCRAS) programme – to replace and enhance the current Action Fraud service. It is one of Government’s Major Programmes, jointly led by City and Home Office and approved through the Home Office’s Finance & Investment Committee and delegated Corporation governance. The Outline Business Case (March 2021) provided for £30m total capital / programme spend (including 50% optimism bias) of which £20m (2/3) will be funded by Home Office and £10m (1/3) by City. The capital requirement in 22/23 is £5.2m of which £3m is funded by Home Office, leaving a £2.2m funding requirement for CoLP via the Corporation loan facility.
 - Fleet replacement – to provide priority replacement requirements, which constituted part of the year 2 (22/23) spend profile in the paper submitted to RASC in March 2021 on CoLP’s loan-funded capital programme (which also presented the justification against the Corporation’s criteria for capital prioritisation). This comprises: (a) annual car replacement programme of £0.25m (b) Horsebox replacement to meet ULEZ requirements and mitigate against future penalty charges, of £400k and (c) VIP escort motorbike replacements of £0.236m. The cost estimate of the Horsebox has increased since 2021 due to manufacturing cost inflation, however £0.4m is expected to be a worst case. Also, while approval of these fleet capital requirements is needed in order to make contractual commitments, delays in the fleet supply chain increases the risk of non-delivery during 22/23.
 - Body Worn Video – near-term requirement to effect new contractual commitment to replace cameras that are end of life, out of warranty and unsupported, with officer uplift also being an important driver. Project represented one of the priorities set out in the March 2021 RASC paper and was justified against the Corporation’s criteria. £0.3m estimated capital spend requirement in 22/23.
 - Armoury Improvements – to rectify accreditation failures following inspection. Project represented one of the priorities set out in the March 2021 RASC paper and was justified against the Corporation’s criteria. Subsequently a lower cost solution has been identified at £0.1m.
 - Forensics Storage & Network – to digitise the service and provide scalable storage (utilising CoLP’s existing Azure capability). Also necessary for compliance with National Police Chief’s Council (NPCC) requirement for removal of tape storage. Linked projects which were among the priorities set out in the March 2021 RASC paper and was justified against the Corporation’s criteria. £0.45m estimated capital spend requirement in 22/23.
5. Table 2 summarises the ‘interim’ loan-funding requirement for 22/23, totalling £3.936m.

Table 2

	22/23 Budget £m	22/23 Loan- Funding Bid £m	Home Office funding £m
FCCRAS	5.2	2.2	3.0
Car fleet replacement	0.25	0.25	
Horsebox	0.4	0.4	
Motorbike fleet replacement	0.236	0.236	
Body Worn Video	0.3	0.3	
Armoury Improvements	0.1	0.1	
Forensics Network & Storage	0.45	0.45	
Total	6.936	3.936	3.0

Alistair Cook

Chief Finance Officer, City of London Police
Head of Police Authority Finance

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Markets Board - For Decision Resource Allocation Sub-committee - For Information	13 July 2022 19 July 2022
Poultry Market – Surplus Declaration	Public
Which outcomes in the City of London Corporation’s Corporate Plan does this proposal aim to impact directly?	2,3,4,5,7,8,9,10,11,12
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Markets Director, The Comptroller and City Solicitor, Major Programmes Director, Chamberlain, The City Surveyor	For Decision
Report author: Ben Milligan, Director of Markets	

Summary

Under the London Central Markets Act of 1875, in respect of the Poultry Market, City of London Corporation has the power to dispose or otherwise use this land if it no longer requires it to be retained for London Central Market purposes.

This report advises the Markets Board as to why City of London Corporation no longer requires this land and appurtenances thereon (known as the Poultry Market) for London Central Market purposes. The report further recommends that the Markets Board resolve, on behalf of the Corporation, to confirm, as described in this report and under s25 of the London Central Markets Act of 1875, that this land should therefore be made available for alternative use. The wording of section 25 of the 1875 Act is attached at Appendix A.

Recommendation(s)

This report recommends:

- a) That subject to completion of all Deeds of Surrender for leases within the Poultry Market and suitable alternative arrangements being made for relocation of services provided to the East and West Markets from the Poultry Market as explained in this report, the Markets Board resolve that the Poultry Market (save for the three first floor plant rooms containing cooling towers and related

apparatus) is no longer required to be retained for market purposes and can be disposed of or used for other purposes.

- b) That the Town Clerk be delegated, in consultation with the Chairman and Deputy Chairman of Markets Board, authority to determine when the provisos to Recommendation a) have been satisfied, if not fully satisfied by the date of this Board, and when Recommendation a) therefore comes into effect.

Main Report

Background

1. Smithfield Market, otherwise known as the London Central Markets, has three buildings in current use for market purposes: the East and West buildings and part of the Poultry Market. A plan of the London Central Markets is shown at Appendix B.
2. Wholesale markets have been a feature of the City of London for many centuries. Smithfield Market is the only remaining wholesale market within the City, but City of London Corporation ("CoLC") still owns and manages Billingsgate Fish Market and New Spitalfields Fruit & Vegetable Market which are located in the London Boroughs of Tower Hamlets and Waltham Forest respectively.
3. CoLC is progressing a Markets Co-location Programme ("MCP") for the possible co-location of all three markets at Dagenham Dock. There are also proposals to relocate the Museum of London to the General Market and (should it be vacant and available) to the Poultry Market. However, it should be noted at the outset that neither the MCP nor the Museum of London proposals are relevant to the question of whether or not the Poultry Market is required for market purposes.
4. The prior question and, importantly, the question to which this report is addressed, is whether or not the Poultry Market is required for market purposes in the light of the current extent and nature of its market uses (including ancillary market uses), the extent of vacancy and underuse of the building, the extent and nature of other non-market uses in the building and the ability to accommodate the markets uses elsewhere in the East and West buildings.

Current Use of Poultry Market

5. A drawing showing the current uses of the Poultry Market is attached Appendix C.
6. Over time, the Poultry Market has seen the greatest changes to its use, becoming the least well-utilised of any of CoLC's market buildings (which are still in occupation). This began in 1980 with the letting of the central basement for storage purposes as there was no demand for the extra cold store space, and on the basis it was no longer required for market purposes. Subsequently, the use for storage ceased and the basement became vacant. Only part of it is used today by Keltbray (which is not a market operator) for non-market temporary storage purposes.

7. The central basement space (former cold store) is surrounded by basement units and plant areas, including staircases giving access to the basement units. The basement units and adjoining areas on the western side (shown marked in Appendix C) are not reasonably capable of being put to market use for the reasons explained below.
8. The ground floors of units 232, 231 and 230 have formed part of the Animal By-Product Facility (“the ABP Facility”) since 2011. The basements of these units can only be accessed from a single staircase in the northwest corner of the building and are therefore for reasons of fire safety not occupiable. They have been vacant for many years.
9. The ground floors of units 229 and 228 are occupied by the market’s facilities team with 226 and 227 used as a forklift/pump truck recharging bay. The basements of those units are highly inaccessible. The only access is via narrow spiral staircases within the units, as the lifts in the units are not operational and the basements cannot therefore be readily occupied for market purposes. They have also been unoccupied for several years and are in a semi derelict state. The markets facilities team does not require the basement areas of the units mentioned above. For these reasons, the basement units described above and in paragraph 8 were determined to be no longer required for market purposes by Markets Committee in November 2021. As such, the recommendations in this report relate only to the remaining areas of the Poultry Market (in respect of which no decision that they are no longer required for market purposes has previously been made).
10. The remaining areas of the Poultry Market comprise 32 units. A number of these are vacant or used for other purposes other than market use. The occupation is now as follows:
 - a) 17 are market stalls let to traders;
 - b) 1 is a storage unit let to a market refrigeration contractor;
 - c) 5 are vacant (see the section ‘The Current Condition of the Poultry Market’ regarding impact of ongoing works);
 - d) 6 are used by the Corporation for stores, workshops and the ABP Facility (which can be readily accommodated elsewhere in the vicinity);
 - e) 3 are communal fork-lift/pumper truck charging facilities which can be accommodated elsewhere;
 - f) There are also market offices, welfare facilities and workshops on the first floor (which can be readily accommodated elsewhere in the immediate vicinity) and a Market waste consolidation/transfer area on the ground floor in the north covered way (which is to be relocated or managed by modified waste collection arrangements);
 - g) On the first floor there are 3 plantrooms containing the Market condenser water cooling towers; and
 - h) The Oriole Bar, formerly the Cock Tavern, is not an operational market area and will be vacated by 31 January 2023.

Proposed Arrangements for Accommodating Market or Market-Related Functions Currently Carried Out at the Poultry Market

11. It is proposed that the market and market-related activities currently undertaken at the Poultry Market are provided for as follows:

Use	Existing location	Relocation Site	Detail
Market maintenance office, lockers and welfare facilities	Poultry Market	79-83 Charterhouse Street	There is adequate space at CoLC's premises at Charterhouse Street, which is very close by and convenient
Maintenance stores & workshops	Poultry Market	Smithfield Car Park	There is adequate space at the car park, which is extremely proximate and convenient
Forklift storage/charging (CoLC equipment only)	Poultry Market	79-83 Charterhouse Street	There is adequate space for CoLC equipment at CoLC's premises at Charterhouse Street, which is very close by and convenient
Tenant forklifts/pumper trucks		Tenant premises	Tenants have confirmed their own equipment can be accommodated in their premises in the East and West buildings
Waste area	Poultry Market	Daily collection currently under scope and option decisions	It is proposed that all waste is collected daily to reduce/remove the need for storage (which arises only when there are less frequent collections). This is considered a satisfactory and more sanitary arrangement for market operations than existing
ABP Refrigeration Unit	Poultry Market	Daily collection service from 79 Charterhouse Street	Alternative provision within the curtilage of the East & West Market including the potential of a daily collection service
Stalls	Poultry Market	N/A	Use of stalls for active face-to-face trading between buyers and sellers is low level and generally limited to peak periods, mainly Christmas and Easter. Stall holders who also have premises at East & West Market will continue to carry out face-to-face sales from there. A small minority may cease trading but it is considered displaced trade in face-to-face sales can be adequately accommodated by

			intensification of this use at East & West Market
Break-up and consolidation	Poultry Market (covered ways)	East and West Market or off-site	Pallets are received by traders and the contents broken up into smaller quantities for sale from stalls (mainly at stalls at East & West Market) or for direct despatch to customers. To the extent this activity relates to some meat for sale from East & West Markets, this activity will take place at the East & West Markets. To the extent this activity relates to meat for direct despatch to customers it does not require face-to-face trading and the activity is not therefore dependent on market premises
Storage use by traders	Poultry Market	East and West Market or off-site	Significant areas of the let stalls are used for storage. To the extent this activity relates to storage of meat for sale from East & West Markets, this activity will take place from East & West Markets. To the extent this activity relates to some meat for direct despatch to customers it does not require face-to-face trading and the activity is not therefore dependent on market premises
Cooling Towers	Poultry Market	N/A - remaining at Poultry Market	The 3 1 st floor plant rooms containing the condenser cooling towers and related apparatus are not included in the surplus resolution. Access rights will be reserved

12. It should be noted that CoLC and the market traders (through the SMTA) have been liaising closely. The above arrangements have been developed (and continue to be refined) in discussion with the traders and, if the recommendations are agreed, it is proposed to continue working in close co-operation with the SMTA to ensure that the market activities in Poultry Market as described above are appropriately consolidated through an effective transition in the ways described above.

Impacts and Evaluation

13. There will be a small amount of market trade, in the sense of face-to-face buying and selling, which is displaced from the Poultry Market. However, it is considered

that this can be adequately accommodated through marginal intensification of this use at the East and West Market. The facilities at the East and West Market for face-to-face buying and selling are considered sufficient to meet any extra demand due to cessation of face-to-face buying and selling at the Poultry Market.

14. Other market-related activities and support services currently provided from the Poultry Market can be reasonably and conveniently accommodated in the immediate vicinity as set out in paragraph 11 (other than as set out at paragraph 15 below).
15. The exception to this is activity relating to break-up and consolidation of meat (mainly delivered on pallets), where the product is made up into orders for direct despatch to customers. It is considered that this logistics activity and related storage does not involve face-to-face trading and is not therefore dependent on market premises. As such, in some cases it can be carried out off site.
16. It is acknowledged that operational arrangements will need to be modified and carefully managed to ensure that the support services for the market function provided by CoLC, and the intensified storage and logistics activity at and around the East and West Market, can be provided efficiently and effectively (such as introduction of daily waste collections).
17. However, it is considered that all necessary modification can be achieved to ensure that all displaced demand for market services can be met from the East and West Market. The modifications will be put in place if the recommendations are agreed and given effect. It is further considered that Smithfield (through marginally intensified provision of face-to-face buying and selling at the East and West Market) could continue to offer the same range and availability of produce to its market customer base if market use were to cease at the Poultry Market
18. As such, it is considered the Markets Board is open reasonably to conclude that the Poultry Market (insofar as it has not already been found to be no longer required for market purposes) is not required for market purposes as provided for in the recommendations. Given the evident scope for consolidation and better use of the East and West Market and the ability for all market activity to be appropriately accommodated in those buildings, it is considered that the Poultry Market is no longer required for market purposes.

The Current Condition of the Poultry Market

19. This section of the report is not directly relevant to whether or not the Poultry Market is required for market purposes but is provided as background particularly in relation to the vacant units and as part of the context for their vacancy.
20. Smithfield Market buildings are older than the buildings accommodating Spitalfields and Billingsgate, and they are listed. Following a fire in 1958 which destroyed the original Victorian building a new market hall with basement, ground and first floor accommodation was completed in 1963. This building provides flexible open plan space for trading built, as was common in the 1960s, from a reinforced concrete frame. Integral to this frame is a single span reinforced concrete domed roof which when constructed was the largest of its kind in the

Europe. Reflecting the special nature of the roof, the building was listed Grade II in 2000.

21. The Poultry Market has never been fully refurbished and therefore the reinforced concrete frame and roof has gradually begun to deteriorate. Repair costs are recoverable by way of service charges payable by market tenants. Due to the impacts for tenants of service charge increases, market traders have requested routine and capital-intensive maintenance to be delayed. Following the 2013 lease renewal negotiations, major maintenance works were, by agreement with the tenants, deferred until the contractual expiry of the leases in 2028. This has contributed to the poor state of repair of this building at the current time.
22. In 2017, the Corporation began evaluating options to repair the concrete Dome roof and Monitor roofs by undertaking a programme of extensive repairs. Works to stabilise, re-screed and renew the copper covering on the Dome roof started in 2020 and is due for completion in 2023. Vacant stalls at the Poultry Market have not been let due to risks of disruption to tenants by the works.
23. The walls and roof of the Poultry Market are part of an integrated design. Works to the Dome roof have inevitably impacted the remaining fabric which was already deteriorating. The building has been extensively surveyed. Surveys note that the property encompasses a high volume of cracking and some areas of spawling to structural members. Many of the affected areas are within tenanted units. There is also visible cracking and deformation to the concrete frame at basement level.
24. As well as issues with the structural member it should be noted that the flat roofs and Monitor roofs have not yet been replaced; and if the building were to continue in occupation new stairwells, lifts, drainage pipework and ventilation equipment and MEP replacements would also be required. In the opinion of independent building surveyors, the extent of the works required through-out the building to return it to a state fit for full occupation would cause so such disruption that the Poultry Market would need to be closed for a period, likely to be in excess of a year following intrusive survey work.
25. The condition of the market building, impacts of works and the diminution of use of the building as a market has been the subject of extensive dialogue with the Smithfield Market Tenants' Association ("SMTA"). Following negotiation, arrangements for the Poultry Market tenants to vacate the building have been settled in principle (and is the subject of another report), subject to legal agreements. In the interests of continued joint working with the SMTA and to ensure proper management of the transition to new operational arrangements, Recommendation a) makes clear that any decision that the Poultry Market is no longer required for market use is subject to completion of the agreements with existing tenants relating to their departure from the Poultry Market.
26. As part of this negotiated agreement, a number of services will need to be seamlessly relocated by CoLC from the Poultry Market to enable continued operations in the East and West buildings, as set out at paragraph 11 above. The precise details of which are being discussed with the SMTA.

Legal Implications

27. CoLC is required to make provision for the operation of a market (being a “concourse of buyers and sellers”) at Smithfield Market (unless the relevant Smithfield legislation is amended or revoked by Act of Parliament). However, the extent of market provision which it is necessary to make available, whether this should include the Poultry Market and the determination of whether or not the Poultry Market is required to be retained by the Corporation, is a matter for the discretion of CoLC as market authority, acting reasonably. All other legal implications are in the body of the report.

Financial Implications

28. There are no specific financial considerations associated with the resolution to declare the Poultry Market land and buildings as no longer required for market purposes and available for another use.

Equalities Implications

29. Equality is about ensuring that every individual has an equal opportunity to make the most of their lives and not experience discrimination because of who they are, where they come from, what they believe or whether they have a disability.

30. The Equality Act came into effect in October 2010 and replaced the Disability Discrimination Act and other anti-discrimination legislation. It legally protects people from discrimination in the workplace and in wider society. Section 149 of the Equality Act (2010) sets out the general equality duty: “A public authority must, in the exercise of its functions, have due regard to the need to:

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.”

31. In relation to declaring the Poultry Market no longer required for market purposes, the main equality considerations include eliminating discrimination as far as possible and advancing equality of opportunity for anyone who used the Poultry Market and would be affected from its closure.

32. A Test of Relevance was undertaken to understand whether an Equality Assessment was necessary, and the test anticipated that there would be ‘no impact’ on protected groups. The closure of the Poultry Market building has no identifiable impact on any particular community, neither traders or customers. In particular, no protected characteristic will be negatively impacted by ceasing activities in the Poultry Market as any in-person buying (considered minimal) can still be made at grade in the East and West Markets a short distance away.

Conclusion

33. For the reasons set out in the Impacts and Evaluation section of this report, it is considered open to Markets Board to decide that the Poultry Market is no longer required for market purposes.

Appendices

A – Section 25 of the London Central Markets Act of 1875

B – A plan of the London Central Markets

C – Utilisation plan for the Poultry Market

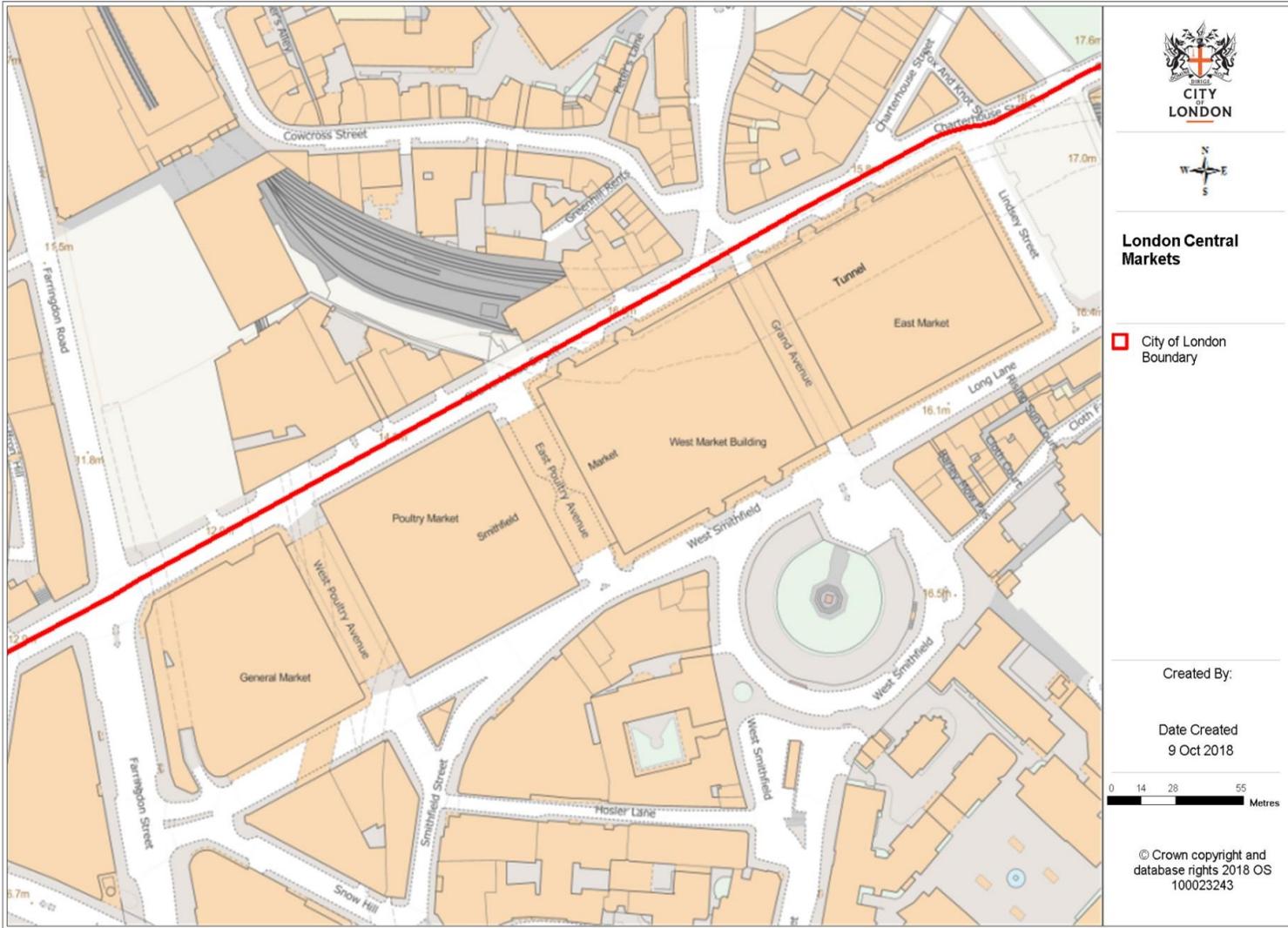
Appendix A – Section 25 of the 1875 Act

25. The Corporation may from time to time sell, lease, exchange, or otherwise dispose of, at such prices or rents, for such terms, and with and subject to such covenants and conditions, and generally in such manner as they think fit, or appropriate and use for any purpose, any lands acquired by them for purposes of the London Central Markets, or any of them, but not required to be retained by them for those purposes, and the site of Farringdon Market and its appurtenances, and may make, execute, and do any deed, act, or thing proper for effectuating any such sale, lease, exchange, disposition, appropriation, or use.

Power for Corporation to dispose of surplus lands and of site of Farringdon Market.

Appendix B – Plan of the London Central Markets

Page 61



Appendix C – Utilisation plan for the Poultry Market –

KEY

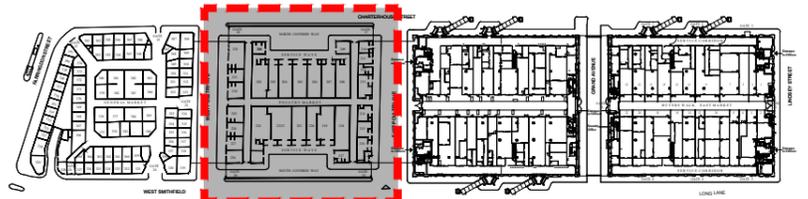
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-  Common Parts
-  Let Units
-  Vacant Units
-  City of London Market Department Areas



LONDON CENTRAL MARKET
WEST SMITHFIELD, LONDON EC1

**POULTRY MARKET
UTILISATION PLAN - BASEMENT FLOOR LEVEL**

Drawn By: S.B.- June 2022 -1:500@A3 - (Last Updated 05/07/22)
Drawing No. 1-C-43144-01



OVERVIEW KEY PLAN OF SMITHFIELD MARKET
(SPECIFIC AREA HIGHLIGHTED IN GREY)

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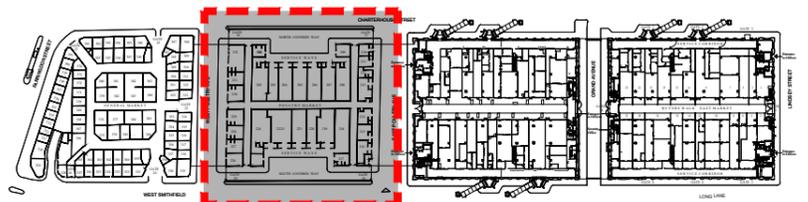
-  Non Market Use
-  Common Parts
-  Let Units
-  Vacant Units
-  City of London
Market Department Areas



LONDON CENTRAL MARKET
WEST SMITHFIELD, LONDON EC1

**POULTRY MARKET
UTILISATION PLAN - BASEMENT (MEZZ) FLOOR LEVEL**

Drawn By: S.B.- June 2022 -1:500@A3 - (Last Updated 05/07/22)
Drawing No. 1-C-43144-02



OVERVIEW KEY PLAN OF SMITHFIELD MARKET
(SPECIFIC AREA HIGHLIGHTED IN GREY)

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KEY

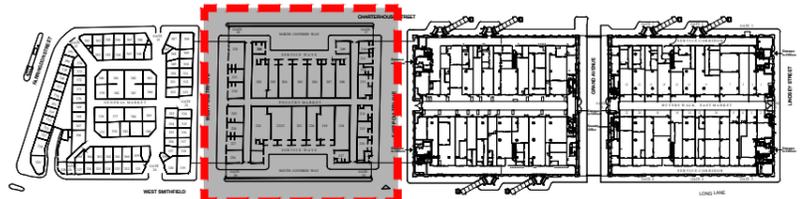
-  Non Market Use
-  Common Parts
-  Let Units
-  Vacant Units
-  City of London
Market Department Areas



LONDON CENTRAL MARKET
WEST SMITHFIELD, LONDON EC1

POULTRY MARKET UTILISATION PLAN - GROUND FLOOR LEVEL

Drawn By: S.B.- June 2022 -1:500@A3 - (Last Updated 05/07/22)
Drawing No. 1-C-43144-03

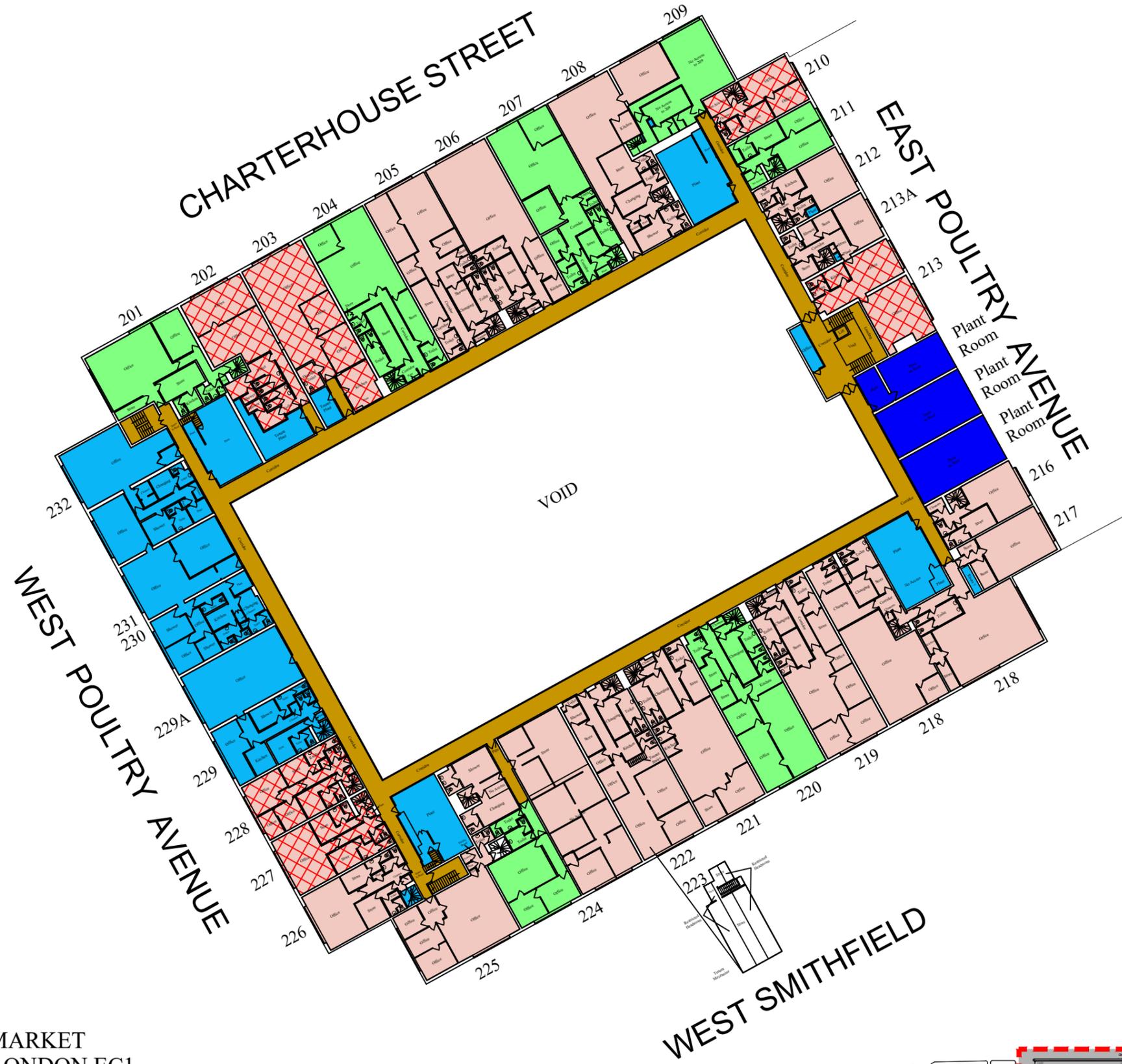


OVERVIEW KEY PLAN OF SMITHFIELD MARKET
(SPECIFIC AREA HIGHLIGHTED IN GREY)

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KEY

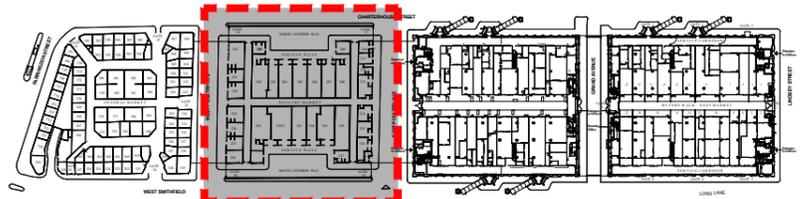
-  Non Market Use
-  Common Parts
-  Let Units
-  Vacant Units
-  Plant Rooms
-  City of London Market Department Areas



LONDON CENTRAL MARKET
 WEST SMITHFIELD, LONDON EC1

**POULTRY MARKET
 UTILISATION PLAN - FIRST FLOOR LEVEL**

Drawn By: S.B.- June 2022 -1:500@A3 - (Last Updated 05/07/22)
 Drawing No. 1-C-43144-04



OVERVIEW KEY PLAN OF SMITHFIELD MARKET
 (SPECIFIC AREA HIGHLIGHTED IN GREY)

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Agenda Item 8

Committee(s): Resource Allocation Sub (Policy and Resources) Committee – For decision	Dated: 19/07/2022
Subject: Community Infrastructure Levy Neighbourhood Fund – Applications for Approval	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1, 2, 3, 4, 7, 10
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Managing Director of the Bridge House Estate	For Decision
Report author: Jack Joslin, Head of the Central Grants Unit	

Summary

The City Corporation adopted a Community Infrastructure Levy (CIL) in 2014. National CIL Regulations require that 15% of CIL receipts be reserved for neighbourhood funding. Local authorities are required to engage with communities on how this neighbourhood funding should be used to support development of the area. Local authorities are required to report annually on the collection and use of CIL funds, identifying separately the amount of funds allocated to neighbourhood funding.

The Community Infrastructure Levy Neighbourhood Fund (CILNF) application process is managed by the City Corporation’s Central Grants Unit (CGU), with officers assessing applications and providing support to Committee in the consideration of larger applications. The administrative cost incurred in operating the City CILNF is recoverable from the 5% of City CIL funds allowed to cover such costs in Regulations.

Members are asked to approve the second year of funding to the Barbican Centre Trust Ltd after reviewing the comprehensive evaluation of the first year of the project.

Recommendation

Members are recommended to:

1. To note and endorse the evaluation report submitted by the Barbican Centre Trust Limited at **Appendix 1**.
2. To approve the second year of funding of £273,370 to the Barbican Centre Trust Limited, as agreed in principle by the Committee at its meeting 10 May 2021.

Main Report

Background

1. Management of the City CILNF process is aligned with the City's existing grant allocation process, through the Central Grants Unit. The original City CILNF Funding Policy is set out at **Appendix 2**.
2. At the meeting of the Resource Allocation Sub-Committee on 29 June 2021 Members approved an initial grant of £191,067 to the Barbican Centre Trust as the first part of a three-year grant of £737,807 to deliver a Creative Communities Programme in the City of London with a requirement that a comprehensive evaluation was received by the Sub-Committee each year before subsequent year 2 and 3 payments were released. This would ensure maximum benefit from the grant with continued Member oversight. The original assessment report can be found at **Appendix 3**.
3. An additional grant of £39,663 was approved under delegated authority in October 2022 to extend the reporting period for the first year of the grant, with this extension reducing the length and funding ask for the final year of the project.
4. At the meeting of the Sub-Committee in June 2021 it was noted as part of the assessment of the grant to the Barbican Centre Trust Ltd, that accounts for the last financial year were not Charity SORP Compliant. Through grant management and collaboration with the CGU and the BHE Charities Finance Team, accounts for 2021/22 are being prepared in line with the Charity SORP.

Current Position

5. The balance held within the City CILNF currently stands at £4,904,356, this is after the full grant to the Barbican Centre Trust is deducted. Approving the second year of funding today will not impact on the current funding pot.
6. The Barbican Centre Trust Limited has provided a comprehensive report of the first year of activity which can be read at **Appendix 1**. In the first year the Creative Communities programme delivered 8,240 in person engagements plus 74,385 digital engagements across its three programmes. Members are asked to note and endorse this comprehensive report and approve the second year of funding of £273,370.

Corporate & Strategic Implications

7. Corporate Plan Implications: the CILNF can resource community-led infrastructure improvements across the City and contribute towards meeting the 3 aims of the Corporate Plan 2018-23, particularly Contribute to a Flourishing Society and Shaping an Outstanding Environment.
8. Security Implications: the CILNF fulfils a statutory requirement for the spending of CIL. There are no direct security implications, though future funded projects may bring security benefits.

9. Financial Implications: the CILNF makes use of that proportion of City CIL monies which are required by statute to be used to assist in the delivery of new infrastructure to meet community needs (15% of CIL funds). The costs of management of the grant application process will be met through the 5% of CIL funds set aside by statute to cover CIL administration.
10. Equalities and resourcing implications: the CILNF has been subject to an Equality Analysis Test of Relevance. This has concluded that there are no impacts arising from these proposals for protected groups and that a full Equality Analysis is not required.
11. Volunteering programme: Projects funded by the CILNF may provide volunteering opportunities which can be offered to Officers via the Corporate Volunteering programme if and when appropriate.
12. Delivery of the Fund will be through existing staff resources in Departments. Staff resource requirements will be met through allocation of some of the City CIL funds set aside by statute to cover administration costs.

Conclusion

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

Appendices

- Appendix 1 – Creative Communities Report Year 1
- Appendix 2 – CIL Neighbourhood Fund Policy
- Appendix 3 – Creative Communities – Original Assessment Report May 2021

Background Papers

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

Jack Joslin

Head of Central Grants Unit

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Appendix 1

CREATIVE COMMUNITIES – REPORT 2021-2022

With our CILNF funding we said we would deliver the following activities or outputs:

1) Play & Imagine Programmes:

An annual programme of creative activities, events and resources, co-produced with local people and the City's cultural organisations. Projects will be accessible to all, inviting people to get creative at home and in their neighbourhoods as well as at live events in Culture Mile.

2) Creative Citizens Lab:

Testing new ways for residents to come together, share and contribute actively to local change. Building on the pilot of our first resident-led community grants programme, the "Imagine Fund", we will deepen our exploration of participatory decision-making models and develop spaces for peer-to-peer exchange.

3) Community Collaborators:

A yearly cohort of professionals from the culture, health, community sectors will come together to take part in a peer learning journey. The cohort will meet regularly, focusing on strengthening evaluation approaches, developing shared measures of value and building a stronger evidence-led case for the impact of community led and participatory practice.

With our CILNF funding we said we would deliver the following differences or outcomes:

1) Creative Participation:

Living near Culture Mile unlocks opportunities for residents to enrich their lives by participating in creative activities. Sharing stories, experiences, hopes and fears with others in imaginative and playful ways, strengthens connections with and between neighbours, nurturing emotional resilience, belonging and mental wellbeing and supporting a flourishing society.

2) Creative Citizenship:

The representation, visibility and civic engagement of the City's diverse communities is increased. People from all communities have the agency and opportunity to play an active role. There are clear ways for people to meet and share ideas, resources, and skills with each other and with the organisations and institutions on their doorsteps.

3) Cross-sector Collaboration:

To achieve the outcomes above, partners work, learn, and innovate together. A cohort of supported peers from the Culture, Community and Public Sectors collaborate to shift thinking, demonstrate impact and influence change. The Culture Mile partnership is recognised for the value it brings to local communities.

As part of our Y1 grant period (July 21-July21) we delivered the following activities or outputs:

1) PLAY & IMAGINE PROGRAMME

PLAY

We delivered a year-round programme of creative activities, events and resources, created with local families, inviting kids and their grownups to get creative at home, in their neighbourhoods and at Barbican.

Overview of outputs:

- Story Telling Evaluation and Story Report
- 1 x Artist Commission to bring Story Report to life and share with families (due Aug 2022)
- Distribution of 1 x new Play Pack to 1490 local families
- Free digital access to all 7 x Play Packs with 21,966 digital engagements
- 9 x Play Live events attended by more than 5500 people
- 12 co-design workshops with local families
- 1 x new commission from Barbican Retail for set of 3 x Play Pack Cards inspired by Play Packs to be launched autumn 2022
- 1 x new Play Packs commission to be launched summer 2022

After the incredible success of Play Packs during the pandemic, we worked with 3 story collectors to listen to 10 stories of impact connected to the programme. These have been pulled together into a story report with an artist commission currently underway to bring the insights to life in a creative and accessible way.

Based on learning from the report, we began working closely with local families and Children's Centres to collaborate on the design of a new set of resources that will go live in summer 2022. Artists Felix Taylor and Di Mainstone have been collaborating with three community centres, Mildmay Community Centre (Islington), St Lukes Community Centre (Islington) and Morningside Children's Centre (Hackney) to connect with their families and host workshops focused on developing ideas for a new under 5s sensory play space at Barbican. They will also co-create activities that can be done at home and in their settings as part of the new series of Play Packs.

Live family events have taken places across the city and in Islington including at Golden Lane Estate, Middlesex Street Estate, Whitecross Street and Paradise Park in Islington. In addition to this, we brought in artists and used our Play Pack resources to support the provision of the Afghan Playroom at the Apex Hotels, as well as supporting refugee families through a series of workshops in the lead up to the Aldgate in Winter lantern parade.

IMAGINE (Now Creative Neighbourhoods)

We worked with local residents and organisations to connect up and support creative activities already happening in the City to create more opportunities for people at risk of social isolation to get creative in ways that work for them.

Overview of outputs:

- Story Collecting Evaluation and Story Report
- Artist Commission to bring Story Report to life.
- Distribution of 2 x Imagine Packs to 745 local elders
- 25 x in person workshop & activity sessions attended by 500 local neighbours
- Monthly drop-in sessions attended by 200 local neighbours
- 5,975 digital engagements with Creative Neighbourhoods content

Summary:

Coming out of the pandemic, this area of our work has moved from distributing packs to creating opportunities for in person connection. This includes a range of different projects led by local residents in community settings across the City:

Blooming City Quilt at Shoe Lane Library

A series of textiles workshops with 35 local residents at Shoe Lane & Barbican Library, creating two beautiful community quilts which are currently on display at Barbican Library and will move to Golden Lane & Portsoken Community Centres over the summer.

Carbon Smart City at Middlesex Street Estate

A series of craft and information workshops, where participants get creative while learning about how we can all be more sustainable. They are hosted in local café Fazenda at Middlesex Street Estate, who will display some of the creative works made.

Moving Pictures at Golden Lane Estate

Women Over Fifty Film Festival collaborated with the Golden Lane Memory Group and City Carers Community to develop a series of film screenings and associated workshops, activities.

Sensory Walk at Charterhouse

A new collaboration between Charterhouse, Flourishing Lives, Blind Aid & the Alzheimer's Society creating a sensory poetry and creative writing walk, to create respite for local community groups around the gardens at Charterhouse. The walk has been designed to be accessible for those with neurodiversity, disabilities and for marginalised groups such as carers.

Community Mapping

A group of local residents are working together to pilot an online network and map connecting people and community assets in the area.

1) CREATIVE CITIZENS LAB

We re-designed and launched our community-led participatory grant programme, supporting neighbours to share ideas, make things happen and tell their stories in the places they care about.

Overview of outputs:

- Story Collecting Evaluation and Story Report
- 7 local residents involved in co-design of Imagine Fund
- 8 local residents involved as decision makers
- 2 x new digital hosting platforms piloted
- 98 applications
- 10 Grantees
- £12,500 of new grants awarded in first round with rolling dates now planned throughout 2022/2023.
- 3 residents trained as Story Collectors
- 6 residents support as Story Tellers
- 7 residents involved in collective meaning making from story-telling process
- 45,708 digital engagements with online content

Summary:

Building on our pilot round of Imagine Fund in 2021, we brought together a group of community members (previous grantees & panel members) to co-design an updated process for 2022.

This group expanded the range of the grants (£500 or £2000), redesigned the application process to make it more inclusive and accessible, and simplified the scoring framework, as well as recommending that the fund move to a rolling year-round format.

We also embedded two new software platforms to support the process:

- GoodGrants, a CMS system for designing, managing & scoring grant applications – “Our mission is to democratise grants management, to help good organisations do good”
- Accountable from Open Collective / The Social Change Nest, a fiscal hosting service designed to support individuals and communities to receive & manage funding in a safe and transparent way – “The Social Change Nest specialises in creating and supporting people-powered networks and social movements. After years of supporting and incubating grassroots groups, we know how important it is to have a collaborative and transparent way to manage funds.”

We then recruited a new panel to score applications – 33 people applied for this role and 8 were selected (see below)

At the end of May the panel awarded 10 new grants (5 x Project grants of £2000 and 5 x Seed Fund grants of £500) supporting 10 new community projects.

Seed appendix for more information on the Imagine Fund Panel and Imagine Fund Grantees.

2) COMMUNITY COLLABORATORS

We recruited our first cohort of 8 x community leaders from across City Of London, working with them to co-create and deliver our first peer learning programme, the Community Impact Collective.

Overview of outputs:

- 6 drop-in surgery sessions during the application process
- 18 applications from community leaders
- 8 members of the collective
- 10 invited guest speakers
- 60 hours of participant contact time (live workshops, producer support, 1-1 and mentoring)
- 4 freelance artists commission to document every session
- 7 artworks produced including 6 live visual minutes and 1 visual booklet (to be shared in Sept 2022)
- £3500 distributed directly to freelance artists
- £2000 distributed directly to freelance facilitators
- £4000 distributed for cohort community commissions

Our Community Impact Collective launched in the Spring, taking a cohort of 8 community leaders from a great field of 26 applications.

The programme consists of 6 workshops across April, May and June delving into broad conversations around topics like Power, Anti-racism, Sustainability and Access and contextualising them more specifically for the City of London.

Additionally, each participant will receive £500 to continue their learning, or support a new project to take place in their context or institution which builds on their learnings through the programme. These can be used individually, or budgets can be pooled together to create larger scale impact.

The activities and outputs delivered as part of our Y1 grant period (July 21-July21) achieved the following impact and outcomes:

1) CREATIVE PARTICIPATION

In depth evaluation and impact of our Play and Imagine programmes can be explored in our full story reports, attached. A short summary below:

Play, fun and enjoying together.

Enjoyment, fun, creativity and playfulness were reoccurring themes in the stories from parents involved in our Play Programme. Play activities helped to bring families together in moments of creativity and fun at a time of increased pressure on family life at home.

“I really enjoyed spending time being creative with my children...and reconnecting with them through fun activities.”

Parent, City Of London

For Imagine Packs, our Storytelling Evaluation (see appendix) shows similar outcomes:

“the creative resources and activities brought moments of joy, mindful focus, and relief from isolation”

Imagine Pack participant

Creative confidence.

The Play programme is accessible, fun, simple, and non-threatening. It kindles creativity and play, even for parents who don't see themselves as creative or 'good with art'.

“It has made me realise that time is precious, and you need to spend as much time with your family doing things together as possible. I try now to play more with them or do creative stuff on weekends.” Parent, Islington.

A similar picture emerges from the Imagine Packs

“packs helped older people go about their daily lives with greater freedom and independence. [Packs and workshops] helped...build friendships which made it easier for people to ask for help.”

Creative lives.

Play Packs acted as a catalyst for new and renewed enjoyment and appreciation of play and creativity. For some families, creativity, play and bonding continued to flourish as children returned to school.

“The packs definitely got them all being creative and was a really good way of relieving the bickering and boredom...we have been pretty poor of late due to me being off of work, so it was good to get some free fun activities to keep them occupied.” Parent, Islington

We are working closely with families on the border of the City in Islington and Tower Hamlets. In Islington, 47.5% of children live in poverty (the third highest rate in London) and 52.9% of primary school age children are eligible for the Pupil Premium which assists children facing deprivation.

“When you're scraping to pull tins, bags of fresh fruit together, beyond what you can afford with any funding you get, you can't buy materials and craft materials. And to be able to give out those packs and at such high quality too. It was very beautiful. Every

quarter the kids would ask for the new packs...It really went to families that needed it." Staff member, Hackney

2) CREATIVE CITIZENSHIP

Imagination and creativity

The flexibility and open-endedness of the Imagine Fund helped people to generate ideas to benefit the local area and its people. The grantees valued and relished this opportunity to imagine, experiment and make things happen.

Representation

Diverse groups of residents, representative of the local population were involved in decision-making and funding allocation. See full bios attached. 27% of overall applicants were White British, compared to 40% in year one, and we had applicants from a wider spread of ethnic backgrounds.

Additionally residents who may not have previously engaged got involved with the community. Golden Lane Estate resident Aliaskar Torkaliaskari, who moved to London 5 years ago and has not been part of a process like this before said

"it was great experience to and glad we met. Please don't hesitate to [involve me in] any further opportunity!"

Sense of purpose and fulfilment.

Grantees and decision makers shared positively and passionately about their involvement in the Imagine Fund. A theme of purpose, pride, and fulfilment runs throughout the stories. People were able to devote time and energy to things that were important to them; personal and professional interests and ideas, affinity and friendship groups, artforms, places and spaces—channelling and sharing their interests with and for others.

"It was meaningful to participate as it made me aware of other ways of being involved in my local neighbourhood, and it was enlightening to be part of the decision-making process. It's a new and bold initiative from a large cultural institution, and I hope it continues to involve neighbours in this way in the future. Everything was very straightforward, from applying and scoring the applications, to the panel meetings. The participatory decision-making process also allowed us all to listen to one another, and challenge our own assumptions." Panel member

Leadership, changemaking and creative production.

Grantees discovered new capabilities such as confidence in convening and facilitating, creative risk-taking, resilience, and adaptability. Others transferred existing skills and capabilities to a challenge that stretched them. While each of the grantees' experiences are unique, the ways of being and doing they describe might be usefully grouped under the meta capabilities of social leadership, changemaking and creative production.

Creative opportunities.

The Imagine Fund projects led to new opportunities and pathways for the grantees to develop their ideas, specialisms or careers and opened doors to new collaborations.

Community impacts.

The projects brought people together in shared experiences that connected people to each other and to the heritage and environment of the local area. They sparked enjoyment, creativity, imagination, and escape. And they helped people to get physically active and enjoy outdoor space.

Connections & Relationships

Participants connected with new people and people not from their own culture, neighbourhood or background.

"Being part of the panel allowed me to meet my neighbours from further afield, people I wouldn't otherwise have the chance to meet. Hearing everyone's contributions made me aware of the City of London's diverse needs for community participation, which was taken in consideration by both panel members and facilitators." Panel member

"I was thrilled to meet people not just from different cultures but from other backgrounds who offered new insights and perspectives, and made me aware of the hyper-local challenges, opportunities, as well as idiosyncrasies." Panel member

3) CROSS SECTOR COLLABORATION

Participants in the Community Impact Collective have reported feeling supported and upskilled in their capacity to engage with and support communities –

'I found it really nice to have a leading role and I really appreciated you jumping in to support with some of the queries that I didn't know the answer to.' Participant

"Divya and Anna, so inspired by your work and what you have produced for this group so far. I feel we are part of a new mini-Social Movement Group. Do you know if anyone is doing this work anywhere else? I guess there is no place like the City of London.' Participant

"The speakers have been insightful and have helped me develop an understanding of new topics that are imperative to today's society." Participant

Participants in the Community Impact Collective have reported feeling more confident to engage communities that they wouldn't previously have worked with.

"I have been connected with different communities, organisations and businesses in the City and beyond" Participant

Other benefits

- **Increased confidence and resilience**

People involved in the Creative Neighbourhoods programme reported feeling supported and having the chance to develop capacity:

“The support...meant Madhumita was not alone in delivering the outreach and support. This was not just about funding or resources. It was as much about a sense of backing and people valuing what she was trying to do, as well as the benefits of working collaboratively together”.

The projects also helped her *“cope with challenges...it had a positive impact on her wellbeing”.*

Similarly for Lizzie, working on the Creative Neighbourhoods Programme *“the project really ignited the feeling of hope, and I think that was really needed”.*

The artists also enjoyed our community and values led way of working.

“There was just something so nice and simple about making something that was really good from the beginning and then being like, oh, we can offer this to so and so. Instead of having the pressure to reach a huge list of people it was like let’s make something really good that works for our audience and then we can look at who else can reap the benefits of that. I’m now taking a similar approach with my own work.”

- **Expanding relationships and seeding new ideas**

Great new ideas and connections have begun to emerge from bringing local people together in spaces like the Community Drop-ins, with local people getting to meet each other and share ideas. This has resulted in new collaborative applications to the Imagine Fund, connections for local events such as the May Day event at Golden Lane Estate and more.

- **Greater sense of trust between local people and the area’s institutions**

Local people feel a better sense of connection to Barbican and other local cultural institutions – they can put faces to names, know where to reach us and how to access funds through clear systems.

“Trust expands the range of conversations” it feels as if the cohort are already feeling very safe with each other, they have been really open in sharing personal stories about themselves in the space. A willingness to be present, even through uncomfortable conversations.

Conflict is welcome and part of the work. As a collective, part of holding each other to account is accepting that conflict may arise, and it will be uncomfortable but it’s important to face it head on. The learning is emergent and can be messy, but by embracing that we can challenge our thinking and get the group to reimagine a more positive equitable future for the communities they work with.

Key Learnings:

- **Investing in relationships**

Across all of our projects, an increase in collaboration with our partners, as well as a slower approach with more listening and co-production has had a fantastic impact on the quality of our relationships and therefore our work.

With Play, our evaluation shows that ‘community partners have felt involved and included in the Play programme. They are pleased to be part of an ongoing dialogue with Culture Mile and its partners about supporting play and creativity.’

In our Creative Neighbourhoods Programme, partners from our networks have commented on the value that they get from our regular meetings and best practice sharing, and taking time to connect and build relationships before we begin project delivery. A partner from The Poetry Exchange stated that the key value they get is ‘in being in relationship with so many other great partners’ and working to ‘animate and create joy and connections across the area.

- **Community-led Storytelling Evaluation and most significant change methodology**

Investing time and resources into a story-led evaluation process has had a transformative effect on our work. This methodology resists setting targets and expected outcomes in advance. Instead, those involved in the project are invited to share their experiences – what changed for them, and what was important? Together, these stories give a detailed emergent picture about the work and its impact, as well as offering a range of paid opportunities for community members to be part of the evaluation process, and collective discussion moments where anyone from the project can have their say on what’s come out of the process and where we to go next.

We have found this to be such an invaluable way of working, rich with insights and learning. Peer to peer story collection means that people are far more open and honest about their experiences, providing a great opportunity for community members to get to know each other better, inspiring connection, collaboration, and empathy.

The Story Collector role provides training and flexible paid work to community members, as well as giving them real insights to our projects and ways of working that builds and strengthens our connection with those we work with. Being a Storyteller creates an open space for community members to share their experiences and be listened to & represented in their own words.

- **Scale and speed**

Working in an iterative, community-led way takes time and needs to start small. This is still an incredibly challenging time for many people, and in order to ensure that our work is inclusive and centres the needs of those who are often excluded, we need to focus our attention on depth of impact rather than scale.

Through the learning and insights of the Story Collecting evaluation we are starting to developed a new collaboration strategy that aims work from the “inside out”, meaning we start with a small number of co-creators, working together to develop programmes, projects & content that provide opportunities for more people to get involved as collaborators & participants. These programmes/projects/content can then be shared at scale with networks of interested audiences.

This means numbers are smaller than in previous years. As the foundations grow and relationships are strengthened, we expect this scale to expand.

- **Trust expands the range of conversations**

Working with fewer collaborators in a more in depth way creates more space for honesty and transparency. Collaborators are able to share more personal stories about themselves and are more willing to be present, even through uncomfortable conversations.

- **Conflict is welcome and part of the work**

Through the Community Impact Collective we have learnt that part of holding each other to account is accepting that conflict may arise, and it will be uncomfortable but it's important to face it head on. The learning is emergent and can be messy, but by embracing that we can challenge our thinking and encourage people to reimagine a more positive equitable future with communities.

- **Conversations around language are important.**

A reoccurring theme in sessions with communities has been how we how we decolonise, unpack, unlearn, and reframe language. Because of this coming up so much, we have decided to add on an additional session to collectively think about the terminology we use and plan to create a community glossary at the end of the programme which will be shareable.

How many people benefited directly from your CILNF grant this year?

8,240 in person engagements plus 74,385 digital engagements

We ask certain data about your beneficiaries so that we can understand which communities our funding is currently reaching and identify any gaps. If you do not collect this data, please enter "not known".

Please list which City of London Ward(s) the funded project's beneficiaries live in and include the relevant percentages.

For the list of City of London Wards, click on the help icon. You might also need to check the Wards' boundaries.

All

Please list which of the Greater London Boroughs the funded project's beneficiaries live in and include the relevant percentages. If unsure, write "London-wide".

City Of London (all wards)

Hackney

Islington

Tower Hamlets

Camden

What ethnic group(s) were your beneficiaries? Please enter the relevant percentages, ensuring that the total is exactly 100%.

PLAY

Working in Children's Centres where the demographics are representative of their boroughs

Hackney:

White	54.7
Black / Black British	23.1
Asian / Asian British	10.5
Mixed	6.4
Other	5.3

Islington:

White British	48
White (other)	20
Black / Black British	13
Asian / Asian British	9
Mixed	6

Other	3
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Imagine Fund (overall applicants):

White British (English / Welsh / Scottish / Northern Irish)	26.59574
(blank – not known)	23.40426
White - Central or Eastern European	6.382979
Prefer not to say	5.319149
Other ethnic group	5.319149
Asian or Asian British - Indian	5.319149
Any other White Background	5.319149
White - Western European	5.319149
Asian or Asian British - Bangladeshi	2.12766
Black or Black British - Caribbean	2.12766
Mixed - White and Asian	2.12766
White British (English / Welsh / Scottish / Northern Irish), White - Irish	1.06383
White - Western European, Any other White Background	1.06383
Any other Black Background	1.06383
Black or Black British - African	1.06383
Any other Asian background	1.06383
Any other mixed background, Other ethnic group	1.06383
White British (English / Welsh / Scottish / Northern Irish), White - Western European	1.06383
White - Irish	1.06383
Asian or Asian British - Chinese	1.06383
Mixed - White and Black African, Other ethnic group	1.06383

Imagine Fund successful grant recipients:

Asian or Asian British - Indian	10
Any other Asian background	10
White British (English / Welsh / Scottish / Northern Irish)	40
Mixed - White and Black African, Other ethnic group	10
Any other White Background	10
Mixed - White and Asian	10
White - Western European	10

Imagine Panel:

White - Central or Eastern European	37.5
Middle Eastern	12.5
Any other Black Background	12.5
Asian or Asian British - Bangladeshi	12.5

Asian or Asian British - Indian	12.5
Latino American	12.5

Community Impact collective:

Asian or Asian British - Indian	22.22222
White British	11.11111
Any other White background	11.11111
Afro-Latinx American	11.11111
Asian or Asian British - Bangladeshi	11.11111
Other	11.11111
White - Irish	11.11111
White - British (English / Welsh / Scottish / Northern Irish)	11.11111

What proportion of your beneficiaries identify as disabled?

Carbon Smart City

Non Disabled	61.53846
Mental Health Condition	23.07692
Mobility Issues	15.38462

Imagine Fund (all applicants)

Non-disabled	48.42105263
(blank)	24.21052632
Prefer not to say	8.421052632
Other long-term chronic condition	7.368421053
Other	3.157894737
Mental Health Condition	2.105263158
Cognitive or Learning Disabled	1.052631579
Cognitive or Learning Disabled, Other	1.052631579
Cognitive or Learning Disabled, Physically Disabled, Mental Health Condition, Other long-term chronic condition	1.052631579
D/deaf/hard of hearing	1.052631579
D/deaf/hard of hearing, Physically Disabled, Mental Health Condition	1.052631579
Visual impairment	1.052631579

Imagine Fund (successful grantees)

Other long-term chronic condition	20
Non-disabled	50

Prefer not to say	20
Cognitive or Learning Disabled	10

Imagine Panel

Non Disabled	50
Mental Health Condition (Bipolar)	12.5
Cognitive or Learning Disabled, Physically Disabled, Mental Health Condition, Other long-term chronic condition	12.5
Cognitive or Learning Disabled, Other	12.5
Prefer not to say	12.5

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City of London

Community Infrastructure Levy

Neighbourhood Fund



City of London Community Infrastructure Levy

Neighbourhood Fund

Introduction and legislative background

1. The Community Infrastructure Levy is a charge levied on new development, introduced by the Planning Act 2008. It is intended to help local authorities deliver the infrastructure needed to support development. The power to set a charge came into effect from April 2010, through the Community Infrastructure Levy Regulations 2010, which have subsequently been amended.
2. The City of London Corporation implemented a Community Infrastructure Levy (CIL) for the City of London from 1 July 2014.
3. Further information on the City CIL is available on the City Corporation's website at: <https://www.cityoflondon.gov.uk/services/environment-and-planning/planning/planning-policy/Pages/Community-Infrastructure-Levy.aspx>

CIL Neighbourhood Fund Requirements

4. Community Infrastructure Levy Regulations require that 15% of CIL receipts should be reserved to enable the delivery of neighbourhood priorities. These receipts should be passed directly to existing parish and town councils where development has taken place. Where a neighbourhood plan or neighbourhood development order has been made 25% of CIL receipts from development in the plan area is reserved for the delivery of neighbourhood priorities.
5. Where there is no existing parish, town or community council, neighbourhood plan or development order, then the local authority will retain neighbourhood CIL funds, but should engage with communities where development has taken place and agree with them how best to spend the neighbourhood CIL.
6. Within the City of London, there are no existing parish, town or community councils and no adopted neighbourhood plans or neighbourhood development orders. The City Corporation therefore retains the CIL Neighbourhood Fund and should seek community views on how this Fund should be used. In exercising this role, the City Corporation has considered whether specific communities or

neighbourhoods should be identified. However, given that the City is little over one square mile in area, the City Corporation considers that it should be regarded as a single neighbourhood for the purposes of collection and spending of CIL Neighbourhood Funds.

What can CIL Neighbourhood Funds be used for?

7. CIL Regulation 59(F) requires that the Neighbourhood Fund be used to support the development of the neighbourhood. The scope of projects that can be funded by the Neighbourhood Fund is wider than that for general CIL funds and comprises:
 - a. The provision, improvement, replacement, operation or maintenance of infrastructure; or
 - b. Anything else that is concerned with addressing the demands that development places on an area.
8. This definition is deliberately wide and allows the City Corporation to work collaboratively with local communities to determine priorities and how the Fund should be used.

Scale of the City CIL Neighbourhood Fund

9. The City of London CIL was implemented from 1 July 2014.
10. At March 2019, the total amount of CIL monies received and allocated to the CIL Neighbourhood Fund was £4.5 million.

Community Priorities

11. The City Corporation has adopted a Regulation 123 List which identifies the types of infrastructure that it will consider funding using the Community Infrastructure Levy. This Regulation 123 List is kept under review and any proposals for change will be subject to public consultation. The current Regulation 123 List is available on the City Corporation's website at:
<https://www.cityoflondon.gov.uk/services/environment-and-planning/planning/planning-policy/Pages/Community-Infrastructure-Levy.aspx> . The Regulation 123 List is used principally to guide the use of CIL monies outside of the Neighbourhood Fund.
12. In considering how to use the CIL Neighbourhood Fund, Planning Practice Guidance states that where there is no parish, town or community

council, charging authorities should engage with communities where development has taken place on their priorities for funding.

13. The City Corporation consulted on priorities for the use of the City's CIL Neighbourhood Fund during December 2018 and January 2019. This consultation revealed support for the Fund to be used primarily to deliver infrastructure which meets local community identified needs.

14. The City's Neighbourhood Fund has been established to be applied to funding applications from local communities and community groups and to deliver improvements in infrastructure which have the potential to deliver benefit to City residents, workers and visitors. The Fund could be used for:

- Smaller scale projects, deliverable for under £50,000, in response to locally identified needs.
- Larger projects of over £50,000 and normally less than 15% of the total available Neighbourhood Fund.

Community Definition

15. The City of London has a resident population of approximately 8,000 and a daily working population of over 500,000 occupying nearly 9 million square metres of office floorspace. The City Corporation's Statement of Community Involvement already recognises that it is not appropriate to regard the 'local community' as just the resident community. For the purposes of the CIL Neighbourhood Fund, 'community' is defined as local residents, City workers and the owners and occupiers of City buildings.

Governance Process

16. The City CIL Neighbourhood Fund will be allocated following consideration of valid applications (i.e. those that meet the adopted assessment criteria for the Neighbourhood Fund) from communities within the City of London or close to the City of London where projects support the development of the City. The determination of these applications will rest with the City Corporation. The City Corporation will publish details of funding applications and its determination of those applications on the City Corporation's website.

17. The City Corporation will prepare an annual report for the CIL Neighbourhood Fund as a separate item within the wider annual CIL

and s106 monitoring report. The Neighbourhood Fund monitoring will include details of:

- Total CIL Neighbourhood Fund receipts for the reporting year;
- Total CIL Neighbourhood Fund expenditure for the reporting year;
- Details of CIL Neighbourhood Fund expenditure for the reporting year, including the amount spent on each individual project;
- Total CIL Neighbourhood Fund monies remaining.

18. City Communities will be consulted on an annual basis on community priorities for the City CIL Neighbourhood Fund. A full review of the Neighbourhood Fund, including priorities and governance, will be undertaken at least every 5 years.

Neighbourhood Fund Application Process

19. The application process will be managed by the City Corporation's Central Grants Unit. Information about the Neighbourhood Fund and how to apply will be posted on the City Corporation's website at: <https://www.cityoflondon.gov.uk/services/environment-and-planning/planning/planning-policy/Pages/Community-Infrastructure-Levy.aspx>

20. Fund applications can be made at any time and should be submitted via an online application form which will be posted on the City Corporation's website.

Organisations eligible to bid for funding

21. Neighbourhood Fund applications will be accepted from the following types of organisation:

- Constituted voluntary organisations and resident associations
- Constituted business organisations and associations
- Registered charities
- Registered community interest companies
- Charitable companies (incorporated as not for profit)
- Registered charitable incorporated organisations
- Exempt or excepted charities

- Registered charitable industrial and provident society or charitable cooperative.
22. Applications should be from City-based organisations or should demonstrate City-based support. Applications cannot be accepted from individuals. Individuals who wish to apply for funding should do so through a City-based constituted organisation or group falling into the above definition. Applications will not be accepted from political parties or organisations involved in political lobbying.
23. Applications from City Corporation service departments will be accepted where they:
- Have the support of a City-based community group, or
 - Can demonstrate that delivery will meet community priorities, either through consultation with communities, or through an adopted City Corporation strategy which can demonstrate community support.
24. Applications for infrastructure funding to mitigate the direct impacts of development will not be accepted. Such mitigation should be delivered as part of the development process and funded through s106 Planning Obligations.

Assistance with Applications

25. The Central Grants Unit can provide assistance to applicants with the completion of application forms. Contact details are available on the City Corporation's website. The Central Grants Unit cannot provide assistance with project management or delivery of schemes funded through the Neighbourhood Fund.

Assessment Criteria

26. Applications should demonstrate that funding will be used to meet the Regulatory requirements for CIL funding set out in Community Infrastructure Levy Regulations, namely to support the development of the area by:
- a. the provision, improvement, replacement, operation or maintenance of infrastructure; or
 - b. anything else that is concerned with addressing the demands that development places on an area.

27. Infrastructure improvements funded through the Neighbourhood Fund should deliver improvements necessary to support development of the City. Normally, such funding will deliver new infrastructure, but funding will also be available to meet reasonable on-going maintenance costs. Applications should, therefore, identify and include an allowance for future maintenance of any infrastructure to be provided.
28. CIL Regulations allow greater flexibility in the use of the Neighbourhood Fund compared with other CIL expenditure. Neighbourhood Funds may therefore be used to fund revenue expenditure. To avoid creating long term commitments on the Neighbourhood Fund, any requests for revenue funding should be clearly justified, showing demonstrable community benefit, and time limited to a maximum of 5 years. The City Corporation will not commit to providing CIL funding beyond the agreed time period and will need to be satisfied that alternative funding is in place if the proposed project is intended to continue beyond 5 years.
29. For larger projects of over £50,000 and up to 15% of the total value of the Neighbourhood Fund at the time of application, applications should also consider whether the project meets the priorities identified in the City Corporation's Regulation 123 List and projects identified in City Corporation strategies that have been subject to public consultation. Funding decisions will not be made solely on the basis of compliance, or otherwise, with the Regulation 123 List.
30. Applications should include evidence of the feasibility, deliverability and sustainability of the project.
31. Where possible, the application should be supported by a delivery plan or business plan, which sets out the timescales for delivery, that any necessary consents have been obtained and the mechanisms in place to ensure that the funds are used appropriately.
32. Projects should be delivered within a 12 month period from the grant of funding unless an alternative timescale has been agreed. If delivery over a longer timescale is anticipated, this should be set out clearly in the application and a justification provided for the extended timescale. The City Corporation will monitor delivery of projects, including taking action to ensure that projects are delivered on time, or seek to recover funds if projects do not proceed within agreed parameters.
33. Applications for funding in excess of £50,000 should demonstrate how the project will deliver value for money, including through the identification of any contributory or match funding. This can include contributions in time or expertise, for example, where a local community

delivers infrastructure improvements themselves, but is not necessary for a successful bid.

34. Applications to fund projects which are already in receipt of other City CIL funding, or s106, s278 funding for site specific mitigation will not normally be accepted.
35. Developers may wish to support an application from a constituted City-based organisation or group, as set out above, where the proposed infrastructure cannot be delivered through other means.

Value of Bids

36. The minimum value for applications for infrastructure funding is £1,000.
37. Individual applications should normally not exceed 15% of the total value of the available CIL Neighbourhood Fund at the time of application. Information on the available funds will be published on the City Corporation's website on a quarterly basis to inform applications.
38. Applications in excess of 15% will only be considered in exceptional circumstances, where there is demonstrable benefit to more than one of the City's communities and where the proposal aligns with other City Corporation ambitions, set out in published strategies.

Awards Process

39. The determination of applications will be made through a combination of officer delegation and Committee approval, depending on the financial value of the application. The adopted thresholds accord with those used by the City Bridge Trust in its consideration of grant applications.
40. Funding applications for under £25,000 will be determined by City Corporation officers under delegated authority. Decisions should normally be made within 12 weeks of the receipt of a valid application.
41. Applications for between £25,000 and £50,000 will be determined by a City Corporation officers under delegated authority and in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub-Committee. Decisions should normally be made within 16 weeks of the receipt of a valid application.
42. Decisions taken under delegated authority will be reported to the Resource Allocations Sub-Committee.

43. Applications for over £50,000 will be considered by the City Corporation's Resource Allocation Sub-Committee, normally on a quarterly basis. Applications will be considered as items in the public part of the meeting agenda.

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COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND

Barbican Centre Trust Limited
(ref.18557)

Amount requested: £737,807

Amount recommended: £737,807

Purpose of grant request: To deliver a Creative Communities programme, collaborating with partners across the City to strengthen connections with and between neighbours and the culture on their doorstep.

Type of cost: Revenue

Ward(s) benefitting: All Wards

The Applicant

Barbican Centre Trust Limited (BCTL) is an entity registered under charity number: 294282 and company number: 01962950. First established as a charitable company limited by guarantee in November 1985 and subsequently registered as a charity in May 1986. The Barbican is one of Europe's largest multi-arts venues, based in London. The Barbican creates space for people and ideas to connect, championing and providing a home for the artistic community at the heart of the UK's cultural life and internationally.

This application is led by BCTL but has been created and will be delivered in partnership with all of the Culture Mile stakeholders. Culture Mile: established by the City of London Corporation in partnership with the Barbican Centre, the Guildhall School, the LSO and the Museum of London to bring culture and commerce together in the north-west part of the City, has become an internationally recognised part of the City of London's cultural life. It has played a valued part in sustaining cultural and community activity during the recent months of the pandemic.

Background and detail of proposal

This is an application for funding that builds on work that has been initiated by the Culture Mile partnership. The CILNF is being asked for funding to support the 'Creative Communities' programme being delivered by Culture Mile. The funding required consists of activity costs (£341,747 over three years), development and delivery costs (£226,040 over three years) a contribution towards management costs (£85,799 over three years) and marketing & evaluation costs (£84,221 over three years). It is anticipated that this programme will deliver nearly 150,000 engagements with culture in the City and beyond over the course of three years.

This application aims to provide three main outcomes:

- Creative Participation: Living near Culture Mile unlocks opportunities for residents to enrich their lives by participating in creative activities. Sharing stories, experiences, hopes and fears with others in imaginative and playful ways, strengthens connections with and between neighbours, nurturing

emotional resilience, belonging and mental well-being and supporting a flourishing society.

- Creative Citizenship: Representation, visibility and civic engagement of the City's diverse communities is increased. People from all communities have the agency to play an active role. There are clear ways for people to meet and share ideas, resources and skills with each other and the organisations on their doorsteps.
- Cross-sector Collaboration: To achieve the outcomes above, partners work, learn, and innovate together. A cohort of supported peers from the Culture, Community and Public Sectors collaborate to shift thinking, evidence impact and influence change. The Culture Mile partnership is recognised for the value it brings to its local communities.

To achieve these outcomes, 'Creative Communities' will deliver three main strands of activity:

- Play & Imagine Programmes: Delivery of an annual programme of creative activities, events and resources, co-produced with local people and the City's cultural organisations. Projects will be accessible to all, inviting people to get creative at home and in their neighbourhoods as well as at live events in Culture Mile.
- Creative Citizens Lab: An ambitious new initiative, testing ways for residents to come together, share and contribute actively to local change. Building on the pilot of our first resident-led community grants programme, the "Imagine Fund", we will deepen the exploration of participatory decision-making models and develop spaces for peer-to-peer exchange.
- Community Collaborators: Each year 10 professionals from the culture, health, community sectors will come together to form a peer cohort. The cohort will meet regularly, focusing on strengthening evaluation approaches, developing shared measures of value and building a stronger evidence-led case for the impact of community led work.

Each activity strand is composed of a number of elements that are detailed below.

The Play & Imagine Programmes build on Culture Mile's existing activities which engage lower-income families and isolated older people. These activities are delivered at home and in the community. The activity costs the CILNF is being asked to fund for this strand of work will total £88,407. Overall, it is anticipated that this strand of activity will have 31,200 engagements per year.

This strand of work consists of a number of activities that reach people at home, on the streets of their neighbourhoods and across the City.

Radio Local provides a platform for local businesses, residents, guest artists and young people to tell their stories about the City. Radio Local has been a valuable form of connection for its 10,000 listeners, featuring the voices of 120 local

participants, 11 local businesses, several guest artists and involved two groups of local young people as presenters.

Play Packs were created with local cultural institutions and artists to provide families at home with materials and resources that they would not have otherwise been able to access during lockdown. So far, 12,000 Play Packs have been distributed via foodbanks, community centres, schools, refugee services, housing associations, charities, playgrounds and more. Feedback on this provision has noted how valuable they have been to low-income families that would have otherwise struggled to entertain their children during lockdown. The Play Packs are a great example of how Culture Mile activities responded to the pressures of the pandemic and are also a way of engaging people in digital poverty by providing a range of offline cultural resources.

Imagination Packs are aimed at the City's older population and provided creative inspiration and connection through poetry, music & visual art activities and materials to support creativity and well-being. The Imagination Packs also encouraged participants to share their creative responses and write encouraging messages to other local residents. Nearly 2,000 Imagination Packs have been distributed and the feedback from recipients has been positive, noting the way in which they have helped combat social isolation.

In addition to these at-home activities, Play Packs In The Streets and Play Streets provided accessible and inclusive play activities and opportunities for families to connect with their local area. Taking place prior to the pandemic, the first two Play Streets sessions attracted 1,000 visitors, an estimated 60% of whom were children and young people.

The Play & Imagine Programmes the CILNF is being asked to fund will build on the existing work that has been well received by participants, residents and local businesses in the Square Mile. The applicant has provided many examples of positive feedback for this work: it is clear that a range of communities value and appreciate the activities and resources offered through this work.

The Creative Citizens Lab strand of activities provides spaces to test ways for residents to come together, share and contribute to their neighbourhoods. There is a strong streak of co-production with local communities that runs through all of the proposed activities in this strand. The activity costs the CILNF is being asked to fund for this strand of work will total £223,160. Overall, it is anticipated that this strand of activity will have 18,280 engagements per year.

Within the Creative Citizens Lab, The Imagine Fund will support the creative ideas of local people by providing small amounts of seed funding. The design and delivery of this activity reflects some of the best practice in participatory grant making. The Imagine Fund will bring together a panel of local people to design the process and then make decisions on the distribution of small amounts of funding to support community-led projects. This is a really strong element of the proposed work that the CILNF is being asked to fund as it places members of the community right at the heart of the decision-making process. Feedback on the existing work of the Imagine Fund has noted the valuable community spirit that it fosters, and the learning gained

from this process can be hugely valuable to other funds: it has been agreed that should this application be successful, the Central Grants Unit will be part of the process to provide support and learn from this place based participatory grant programme.

The Creative Citizens Lab also provides a Peer to Peer support network for local creative freelancers. Initially started as a way to include freelancers in the wider conversation about culture, commerce and recovery – the work has since evolved to respond to the needs of the freelance community that it supports by providing spaces and opportunities to work and learn together.

The final element of the Creative Citizens Lab will be the Community Commissions programme, which works with cultural and community partners to deliver co-designed projects to meet local needs identified by the partners involved. Previous commissions have included work with Age UK to reduce social isolation, creative workshops with children in playgrounds and online creative workshops with Women for Refugee Women.

The third strand of activity that the CILNF is being asked to support is called Community Collaborators. The activity costs the CILNF is being asked to fund for this strand of work will total £30,180. Whilst this strand provides a smaller number of engagements per year (110) the work has the potential to impact on thousands of lives through its intention to create a peer learning cohort of community engagement leads who work in the City. Providing the space and encouragement to share resources and good practice amongst practitioners working in any given sector is widely recognised as a valuable thing. Whilst this strand of work will have the lowest number of engagements, it is arguably one of the most meaningful ways in which the City and CILNF can support communities in the Square Mile.

Underpinning all of the work that will be delivered is a robust monitoring and evaluation framework that the applicant has supplied with their application. Using a mixture of methodologies to capture and share information, the applicant will analyse qualitative and quantitative data about the impact of the proposed programmes and the people they will reach. The indicators of success are linked to the outcomes articulated and there is an emphasis on monitoring the impact of this work on the most disadvantaged and under-represented groups. Alongside more established methods, the applicant also proposes what they have described as a 'storytelling methodology' as part of the monitoring framework. The intention behind this approach is to reflect the values that underpin how the applicant wishes to work: with a commitment to creative participation, collaboration, sharing power and learning. The methodology involves recruiting and training a team of 'story-collectors' who then have structured conversations with people involved in the various programmes (the 'storytellers') about what has changed for them as a result of participating; how that change has occurred and why that change is important to them. These conversations are then written up into stories, retaining the teller's voice, and discussed in a facilitated meeting by a group of people involved in the work to draw out and understand the themes and learning they reveal and what that means for the ongoing development of the work.

Financial Information

The applicant has a relatively stable level of income that has ranged from £1.19m to £1.59m over the last five years. BCTL's latest accounts show income of £1.2m for the financial year 2019/2020 and whilst this is expected to fall to £996k for the financial year 2020/2021, this is attributed to lost income and donations from visitors to the Barbican Centre as a result of the pandemic.

BCTL holds no liabilities beyond money that it has committed in the form of grants. BCTL is governed by 11 trustees but has no staff as support services for the day to day running of BCTL are provided by the City of London Corporation. The cost of providing support services to the Trust amounted to £253,879 in 2020 (2019: £309,228) and is based on a portion of the salary costs of fourteen City of London Corporation employees. Support services are recognised as 'donated services' and are cited in BCTL's annual accounts as donations within Incoming Resources and Charitable Activities within Resources Expended.

As a consequence of how the operations of BCTL are managed and its low operational costs thanks to support from the City of London Corporation, the Trustees consider it necessary only to retain a relatively low level of unrestricted reserves. It is the policy of the Trustees at all times to maintain sufficient reserves within the Trust to meet all future commitments in full. The Trustees have a policy of only committing to grants once income has been received into the Trust and has low net expenditure on running costs. BCTL appears to be on a stable financial footing and the financial controls outlined in their governance documents follow recognised good practice.

Year end as at 31 March	2020 Signed Accounts £	2021 Forecast £	2022 Budget £
Income & expenditure:			
Income	1,264,686	996,421	1,206,591
- % of Income confirmed as at	N/A	75%	0%
Expenditure	(1,171,608)	(1,142,538)	(1,206,591)
Total surplus/(deficit)	93,078	(146,117)	0
Split between:			
- Restricted surplus/(deficit)	34,473	(39,596)	0
- Unrestricted surplus/(deficit)	58,605	(106,521)	0
	93,078	(146,117)	0
Cost of Raising Funds	235,199	235,000	244,701
% Income	19%	24%	20%
Operating Expenditure (unrestricted)	553,059	657,873	1,206,591
Free unrestricted reserves:			
Free unrestricted reserves held at year end	123,074	16,553	16,553
No of months of operating expenditure	2.7	0.3	0.2
Reserves policy target	138,265	164,468	301,648
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	(15,191)	(147,915)	(285,095)

Recommendation

This is a large application for an ambitious, multi-year programme of activities that are grounded in the Square Mile but with an impact that reaches far beyond the borders of the City.

The applicant has demonstrated its ability to deliver these activities at the proposed scale with feedback from participants and other stakeholders that has been positive and points to the value of this work. The impact of the pandemic on Culture Mile has shown the adaptability at the heart of this work, which is led by the needs of the communities it wants to reach. The emphasis on co-production and working with communities is a particularly strong element of this application and the recommendation is for this application to be fully funded.

£737,807 over three years (£191,067; £273,370; £273,370) to deliver a Creative Communities programme, collaborating with partners across the City to strengthen connections with and between neighbours and the culture on their doorstep.

Committee(s)	Dated:
Resource Allocation Sub-Committee	19 July 2022
Subject: Report of Action Taken Between Meetings	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	n/a
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	£n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain’s Department?	n/a
Report of: The Town Clerk	For Information
Report author: Polly Dunn, Principal Governance and Member Services Manager	

Summary

This report advises Members of action taken by the Town Clerk outside of the Board’s meeting schedule, in consultation with the Chairman and Deputy Chairman, in accordance with Standing Order Nos. 41(a) and (b).

Recommendation(s)

That Members note the report.

Main Report

Delegated Authority – Community Infrastructure Levy Neighbourhood Fund Barts Heritage Application [1 July 2022]

At the meeting of the Resource Allocation Sub-Committee in May 2022 Members reviewed the Funding Proposal for Barts Heritage for a 5-year programme of community activity that would coincide with the 900 year anniversary of the hospital and operate alongside the restoration of the historic North Wing. The Central Grants Unit recommended an option to support the project over an initial three years, which is detailed below. This recommendation was based on the strong steer from the Committee to reduce the size of projects at its meeting in February 2022. An initial grant of three years was approved with the further two years being delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman of the Sub-Committee.

After the meeting of the Sub-Committee Officers had extensive discussions with Barts Heritage about the project. Discussions included clarification on any detriment to the project if the full five years was not approved, and the anticipated public benefit it would achieve.

From these discussions with Barts, the Central Grants Unit revised their recommendation to seek approval that the project was funded in full. 5 years of agreed

funding for the project would get Barts to its Fundraising target, which in turn will release up to £8 Million worth of other funding to be invested in an important City Asset. This project had demonstrated clear community benefit over the period of the grant.

As part of any grant management relationship the Central Grants Unit has regular meetings with Funding Partners and requests annual monitoring and evaluation reports to ensure the agreed project is on track.

The Town Clerk, in consultation with the former Chair and current Deputy Chairman of the Resource Allocation Sub-Committee approved the funding of the Barts Heritage project for years 4 and 5, i.e. resulting in the overall funding of the project in full, at a total cost of £774,000 over 5 years. (£120,000; £97,000; £256,000; £256,000; £45,000).

Catherine McGuinness was consulted in the place of the Chairman of the Sub-Committee (Deputy Christopher Hayward) owing to a declaration of interest, as Trustee to the Bart's Guild.

Conclusion

Background papers for Members are available from Polly Dunn on the email address provided below.

Polly Dunn

Principal Governance and Member Services Manager, Town Clerk's Department
E: polly.dunn@cityoflondon.gov.uk

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of the Local Government Act 1972.

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