



Finance and Risk Committee of the Barbican Centre Board

Date: MONDAY, 27 FEBRUARY 2023

Time: 1.45 pm

Venue: BARBICAN CENTRE

Members: Tijs Broeke (Chair) Deputy Ann Holmes
Tom Sleigh (Deputy Chair) Alderman Sir William Russell
Deputy Randall Anderson Robert Glick

Enquiries: Ben Dunleavy
ben.dunleavy@cityoflondon.gov.uk

Accessing the virtual public meeting

Members of the public can observe all virtual public meetings of the City of London Corporation by following the below link:

<https://www.youtube.com/@CityofLondonCorporation/streams>

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

Whilst we endeavour to livestream all of our public meetings, this is not always possible due to technical difficulties. In these instances, if possible, a recording will be uploaded following the end of the meeting.

Ian Thomas
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**

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

3. **MINUTES**

To approve the public minutes and non-public summary of the last meeting held on 16 January 2023.

For Decision
(Pages 5 - 8)

4. **BARBICAN CWP AND CAPITAL PROJECTS - UPDATE REPORT**

Report of the CEO, Barbican Centre.

For Information
(Pages 9 - 20)

5. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

6. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**

7. **EXCLUSION OF THE PUBLIC**

MOTION – That under Section 100A 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 Schedule 12A of the Local Government Act.

For Decision

Part 2 - Non-Public Agenda

8. **NON-PUBLIC MINUTES**

To approve the non-public minutes of the last meeting held on 16 January 2023.

For Decision
(Pages 21 - 24)

9. **BARBICAN BUSINESS REVIEW: NOVEMBER 2022 (PERIOD 10)**

Joint Report of the Chamberlain and CEO, Barbican Centre.

For Information
(Pages 25 - 40)

10. **RISK UPDATE**

Report of the CEO, Barbican Centre.

For Information
(Pages 41 - 94)

11. **CONTROVERSIAL PROGRAMMING RISK REGISTER**

Report of the CEO, Barbican Centre.

For Information
(Pages 95 - 110)

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

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

This page is intentionally left blank

FINANCE AND RISK COMMITTEE OF THE BARBICAN CENTRE BOARD **Monday, 16 January 2023**

Minutes of the meeting of the Finance and Risk Committee of the Barbican Centre Board held at Barbican Centre on Monday, 16 January 2023 at 1.45 pm

Present

Members:

Tijs Broeke (Chair)
Tom Sleigh (Deputy Chair)
Deputy Randall Anderson
Deputy Ann Holmes
Robert Glick

Officers:

Jayne Moore	- Town Clerk's Department
Claire Spencer	- CEO, Barbican Centre
Udhay Bhakoo	- Chamberlain's Department
Cornell Farrell	- Barbican Centre
Will Gompertz	- Barbican Centre
Natasha Harris	- Barbican Centre
Matthew Lock	- Chamberlain's Department
Jonathon Poyner	- Barbican Centre and GSMD
Sarah Wall	- Chamberlain's Department

1. APOLOGIES

Apologies for absence were received from Alderman Sir William Russell.

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

There were no declarations.

3. MINUTES

The public minutes and non-public note of the meeting held on 7 November 2022 were approved as a correct record.

4. BARBICAN CENTRE - THEATRE ELECTRICAL SUPPLIES

Members received a report of the CEO, Barbican Centre, on electrical supplies in the theatre.

Members thanked the Head of Engineering & Projects and his team on their diligent and committed management of the situation that ensured the show was kept on the road, noting the CEO's comment that it was an "unusual" and "unsatisfactory" situation.

In response to a question on the net cost implications of continuing to run the generator indefinitely, the Committee heard that £100K (covering hire, installation and fuel) of unbudgeted funds had been spent on the generator since October 2022, noting that the generator would be required to the end of the show's season in the third week of January 2023.

The Committee noted that further clarification on the cost of the electricity that would otherwise have been used would be provided at a later date.

Members commented that it was not viable to continue running a generator indefinitely.

A Member asked whether suitable (and renewable) batteries were feasible. The Committee heard that that was one of many options being explored, but that the current priority was to restore a supply and remove the generator.

A Member asked when a medium to long-term plan might be expected, and the meeting heard that normal supplies were expected to be restored by Easter 2023 and that longer-term plans were contingent on wider issues including financing- and that critical asset maintenance was an element of the renewal ask. The issue was expected to be discussed at the Barbican Centre Board meeting of 2 February 2023 prior to being progressed to other City of London Committees.

RESOLVED, that – the report be received and its contents noted.

5. **HEALTH AND SAFETY UPDATE**

Members received a report of the CEO, Barbican Centre, providing an update on health and safety.

RESOLVED, that – the report be received and its contents noted.

6. **BARBICAN CWP AND CAPITAL PROJECTS - UPDATE REPORT**

Members received a report of the CEO, Barbican Centre, providing an update on projects at the Barbican Centre.

The Committee noted, in particular, point 5 of the summary: 'There will be significantly less Cyclical Works Programme and potentially zero new Capital funding in 2023/24' commenting that the point represented a significant risk to The Barbican.

In response to a request for clarification of that risk, the meeting heard that the risk related mainly to infrastructure, health and safety, and commercial matters.

The Committee noted that projects dating back to the early 2020s had still not been rolled out, which was due (in part) to a shortage of project managers, and also to a City of London initiative to trim spending. A discussion ensued on whether any projects could be rolled out using hypothecated renewal funding.

The Committee noted that a wider discussion on funding would take place in the non-public session.

RESOLVED, that – the report be received and its contents noted.

7. **INTERNAL AUDIT UPDATE**

Members received a report of the Chamberlain providing an update on internal audit work.

The meeting discussed pending improvements to Corporate Purchase Card controls, including requirements to submit better-quality and more timely information to enable better scrutiny and management.

In response to a question on what was being done to ensure compliance, the Committee heard that requirements had been assertively communicated and that some procedures were being adjusted- and that non-compliance with procedures could result in withdrawal of the privilege once the training had taken place.

A Member asked whether a Purchase Card transaction could occur and subsequently not be approved, and the meeting heard that in such cases the money was paid back by the card user.

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

There were no questions.

9. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**

There was no other business.

10. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 7 November 2022 were considered.

11. **GUILDHALL SCHOOL OF MUSIC AND DRAMA AND BARBICAN CENTRE ROOF, EXPANSION JOINTS AND WATER / DRAINAGE SYSTEM PROJECT**

Members received a Joint Report of the CEO, Barbican Centre and the Principal, Guildhall School of Music and Drama relating to the expansion joints and water/drainage system project.

12. **BARBICAN BUSINESS REVIEW - NOVEMBER 2022 (PERIOD 8 - 22/23)**

Members received a Joint Report of the Chamberlain and the CEO, Barbican Centre, relative to the Barbican Business Review for November 2022 (Period 8 – 22/23).

13. **BARBICAN CENTRE - BAD DEBTS ANNUAL UPDATE**

Members received a Joint Report of the Chamberlain and the CEO, Barbican Centre, providing the annual update on bad debts for the Barbican Centre as at period 8.

14. **RISK UPDATE**

Members received a report of the Barbican Centre, providing an update on the risk management system at the Barbican Centre.

15. **CONTROVERSIAL PROGRAMMING RISK REGISTER**

Members received a report of the CEO, Barbican Centre, providing an update on controversial programming risks at the Barbican Centre.

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

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

The meeting ended at 3.25 pm

Chairman

Contact Officer: Ben Dunleavy
ben.dunleavy@cityoflondon.gov

Committee(s)	Date:
Finance and Risk Committee of the Barbican Centre Board – For information	27 February 2023
Subject: Barbican CWP and Capital Projects - Update Report	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 5, 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: Report of the CEO, Barbican Centre	For Information
Report author: Cornell Farrell – Head of Engineering and Projects	

Summary

1. The purpose of this paper is to update members on the progress and financial position of 49 live refurbishment and maintenance projects.
2. Four of these projects are capital funded projects. The City Surveyor's Department is project-managing three of these for the Barbican.
3. The financial information on each project is in a separate non-public appendix due to commercially sensitive information. There are no serious financial concerns, related to any individual project raised in this report.
4. There will be significantly less CWP and potentially zero new Capital funding in 2023/24.
5. The Centre has completed (the construction phase) of five CWP projects but no capital projects since the last report in January.

Recommendation(s)

- Members are asked to note the contents of this report.

Main Report

Background

1. The Centre remains committed to the buildings strategy to maintain, improve and enhance the facilities for the benefit of the community, audiences, and staff, utilising funds from the Cyclical Works Programme (CWP), the Corporation's Capital reserves or occasionally through the Centre's local risk.
2. All projects are within the context of Barbican Renewal. The Barbican Management and Project Management team work closely with the Renewal team to make sure projects are not delivered that could be "undone" in a few years. The condition of the estate, however, dictates that the Barbican should continue to plan and complete projects wisely to reduce the risk of failure, causing closures which would impact on staff, audiences, income and reputation.

Current Position

CWP projects

3. The Centre is managing 45 live CWP projects.
4. Financial summary of CWP projects:

Financial year approved	Original no of CWP Projects	Original CWP Combined Projects Value £000s	No of Live (Outstanding) CWP Projects	Combined Live CWP Projects Value £000s
2018/19	10	1,065	1	179
2019/20	14	1,255	4	585
2020/21	24	3,745	19	3,028
2021/22	10	972	1	43
2022/23	24	2,426	20	2,345

5. Project status summary of CWP projects:

Financial year	No of Live (Outstanding) CWP projects	Project status (RAG)		
		RED	AMBER	GREEN
2018/19	1	1	0	0
2019/20	4	0	0	4
2020/21	19	1	5	13

2021/22	1	0	0	1
2022/23	20	0	1	19

6. Red status projects

The two projects with red status are:

- Replace Electrical Distribution Boards
Contractor is on site. Works progressing – due to be complete by end of March 2023.
- Barbican Centre Lakes (De-silt)
Project to be extended beyond March 2023. A joint project with the Barbican Estates Office (DCCS) because of the service charge, requiring a Section 20 consultation process.

7. Amber status projects

The six projects with amber status are:

- Level 4 and 5 Environmental Controls Enabling Works
Works have commenced but were significantly delayed while appropriate permissions were sought. Due to be complete March 2023
- Concert Hall lighting, wiring and controls.
- Theatre Lighting, wiring and controls.
- Public spaces replacement lighting, wiring and controls - 1st phase.

These lighting projects are now due to be combined with funding from Climate Action Strategy for deliver in 23/24 although early feasibility works have commenced.

- Public Toilets Refurbishment (Include Equality Access)
- Theatre Toilets & Changing Rooms Refurbishment

The two toilet projects are combined and have been delayed significantly due to the planning permission process. The budget expires in March 2023 and will need to be carried forward to 23/24.

8. The project status summary is given for the four capital projects below:

Financial year	No of Live (Outstanding) Capital projects	Project status (RAG)		
		RED	AMBER	GREEN
2018/19	1	1	0	0
2019/20	0	0	0	0

2020/21	1	0	1	0
2021/22	1	0	0	1
2022/23	1	0	0	1

9. Red status projects

- Fire Safety Projects

The projects are managed by the City Surveyor. A complex project, for which the timeline has extended because of the delayed conclusion to the recent review of capital projects.

10. Amber status Capital projects

- Replacement Art Gallery Chiller

Poor consultant performance has caused long delays. A gateway 3/4 paper will be presented to board soon.

Proposals

11. The Barbican Centre continue to deliver CWP, and capital funded projects for the on-going upkeep and improvement of the Centre utilising project management resource from the Barbican and/or City Surveyor's Department as appropriate.

12. The Projects Department continue to work closely with the Barbican Renewal Team to ensure there is synergy between the cyclical and capital programme and Barbican Renewal

Options

13. No alternative options are suggested in this report.

Strategic Implications

14. This work contributes to the City's aim to 'shape outstanding environments' by ensuring 'our spaces are secure, resilient and well maintained'.

15. Financial implications

The Barbican Project Management Team aim to deliver value for money as part of a key output for all projects. Savings from CWP projects are returned to the City to help fund other essential projects across the Corporation.

16. Resource implications

A team of four project managers and an administrator deliver all the projects excluding the three allocated to the City Surveyor. This small team also manage multiple projects for the Guildhall School of Music and Drama buildings.

17. Legal implications

Legal implications are specific to each project. There are no current issues to be raised to the Board.

18. Risk implications

Every project carries some degree of risk that could impact on the project delivery. The recent financial review was brought about because inflationary costs put pressure on the entire City programme. Long lead-in times, challenges in supply and delivery of materials are the current external generic risks to project delivery, whilst the internal risk are access restrictions and size of the team.

19. Equalities implications

Equality, diversity and inclusion are key to the Barbican Centre and to the project team. Equality impact assessments are undertaken when appropriate to projects. The team consider how to include excluded groups when we request quotes or undertake procurement processes. We will continue to monitor and review our performance on this key issue with City of London colleagues.

20. Climate implications

The Barbican Centre is a high energy user, some of which is carbon based due to the reliance on Citigen District Network. All MEP (mechanical, electrical, plumbing) and some fabric projects are an opportunity to replace kit with more efficient equivalents and to improve the controls and programming strategy to reduce the Centre's carbon footprint.

21. Security implications

There are no notable security implications within the current projects programme for the consideration of the Board.

Conclusion

22. The Centre currently has 49 live projects. The RAG status of each project is detailed in this report. The financial data on each project is listed in the non-public appendix 1.

Appendices

Appendix 1 – Project financial information (Non-Public)

Cornell Farrell

Head of Engineering and Projects

T: 0207 382 7322

E: Cornell.Farrell@barbican.org.uk

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank