



Resource Allocation Sub (Policy and Resources) Committee

Date: WEDNESDAY, 18 SEPTEMBER 2024

Time: 2.00 pm

Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members:

Deputy Christopher Hayward (Chairman)	Deputy Shравan Joshi MBE
Deputy Henry Colthurst (Deputy Chairman)	Alderman Vincent Keaveny, CBE
Deputy Randall Anderson	Alderman Alastair King DL
Deputy Keith Bottomley	Deputy Andrien Meyers
Tijs Broeke	Deputy Alastair Moss
Helen Fentimen OBE JP	Alderman Sir William Russell
Jason Groves	Deputy Sir Michael Snyder
Alderman Timothy Hailes JP	Deputy James Thomson
Caroline Haines	

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Ian Thomas CBE
Town Clerk and Chief Executive

AGENDA

NB: Certain items presented for information have been marked * and will be taken without discussion, unless the Committee Clerk has been informed that a Member has questions or comments prior to the start of the meeting. These for information items have been collated into a supplementary agenda pack and circulated separately.

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 11 July 2024.

For Decision
(Pages 7 - 14)

4. **CAPITAL FUNDING UPDATE**

Report of the Chamberlain.

For Decision
(Pages 15 - 26)

5. **PSDS PROJECT: RETROFIT ACCELERATOR - WORKPLACES PSDS PROJECT**

Report of the City Surveyor.

For Decision
(Pages 27 - 40)

6. ***CITY SURVEYOR'S BUSINESS PLAN 2024-29 - QUARTER 1 2024/25 UPDATE**

Report of the City Surveyor.

For Information

7. ***CITY SURVEYOR'S CORPORATE AND DEPARTMENTAL RISK REGISTER AUGUST 2024 UPDATE**

Report of the City Surveyor.

For Information

8. ***REPORT OF ACTION TAKEN**

Report of the Deputy Town Clerk.

For Information

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

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

11. **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

12. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the Sub-Committee meeting held on 11 July 2024.

For Decision
(Pages 41 - 44)

13. ***NOTE OF THE INFORMAL RESOURCE ALLOCATION SUB-COMMITTEE AWAY DAY MEETING HELD ON 4 AND 5 JULY 2024**

To receive the note of the informal meeting of the Resource Allocation Sub-Committee held on 4 and 5 July 2024.

For Information

14. **OPERATIONAL PROPERTY (NON-HOUSING) – UTILISATION ACTION PLAN**

Joint Report of the City Surveyor and the Chamberlain.

For Decision
(Pages 45 - 60)

15. **CPG MEES STATUS AND STRATEGY REPORT**

Report of the City Surveyor.

For Decision
(Pages 61 - 66)

16. **CITY FUND - PROJECT FUNDING**

Report of the City Surveyor.

For Decision
(Pages 67 - 76)

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

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

19. **CONFIDENTIAL MINUTES**

To agree the confidential minutes of the Sub-Committee meeting held on 11 July 2024.

For Decision
(Pages 77 - 78)

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RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Thursday, 11 July 2024

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources)
Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Thursday,
11 July 2024 at 10.00 am

Present

Members:

Deputy Christopher Hayward (Chairman)	Alderman Timothy Hailes JP
Deputy Randall Anderson	Deputy Shravan Joshi MBE
Deputy Keith Bottomley	Alderman Vincent Keaveny, CBE
Helen Fentimen OBE JP	Alderman Sir William Russell
Jason Groves	Deputy Sir Michael Snyder

In Attendance

Officers:

Ian Thomas	- Town Clerk and Chief Executive
Michael Cogher	- Comptroller and City Solicitor
Greg Moore	- Interim Deputy Town Clerk
Paul Wilkinson	- City Surveyor
Dionne Corradine	- Chief Strategy Officer
Emily Tofield	- Executive Director of Corporate Communications and External Affairs
Jack Joslin	- City Bridge Foundation
Bill LoSasso	- Environment Department
Rob McNicol	- Environment Department
Daniel Peattie	- Chamberlain's Department
Sonia Virdee	- Chamberlain's Department
John Galvin	- City Surveyor's Department
Myles Kaplan	- Central Criminal Court
Mark Kober	- City Surveyor's Department
Graeme Low	- City Surveyor's Department
Robert Murphy	- City Surveyor's Department
Peter Young	- City Surveyor's Department
Rachel Levy	- Community and Children's Services Department
Ben Dixon	- Town Clerk's Department
Polly Dunn	- Town Clerk's Department
Ben Dunleavy	- Town Clerk's Department

Also in attendance

Deputy Madush Gupta
Deputy Edward Lord OBE JP
William Upton KC

1. **APOLOGIES**

Apologies for absence were received from the Deputy Chairman, Tijs Broeke, Deputy Andrien Meyers and Deputy James Thomson.

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 summary of the meeting held on 2 May 2024 were approved as a correct record.

4. **CAPITAL FUNDING UPDATE**

Members received a report of the Chamberlain concerning funding for capital projects.

RESOLVED, that – Members, having reviewed the schemes summarised in Table 1, particularly in the context of the current financial climate, confirm their continued essential priority for release of funding at this time and accordingly:

- i. agree the release of up to £3.970m for the schemes progressing to the next Gateway in Table 1 from City Fund £3.490m (including £0.893m for OSPR and £0.150m from City Fund Contingency), City Estate £0.459m and £0.021m from City Bridge Fund (CBF).
- ii. Note the CBF element of £0.021m have been approved by delegated authority assigned to the CBF finance director.
- iii. agree release of £0.150m of City Fund contingency

5. **CIL ALLOCATION PROCESS AND POTENTIAL CIL RATES REVIEW**

Members received a joint report of the Interim Executive Director, Environment, and the Chamberlain, concerning the Community Infrastructure Levy (CIL).

A Member asked if the review would be impacted by changes from central government. In reply, officers said they would undertake initial scoping work on the potential CIL Rates Review, but would return to committees for a formal decision following the autumn budget, which was expected to include further information on the government's plans regarding local authority funding.

A Member suggested that officers should also consider the scope of Section 278, referring to recent projects where this had had an impact on City Corporation projects. In reply, officers said that the review would also consider Section 106 allocations, which included Section 278, and there was already work in the planning department to ensure that the implication considered the wider implications of development on the public realm.

In response to a query from a Member on the pipeline for Section 106, officers said that the recently published infrastructure funding statement set out the likely expenditure for Section 106.

A Member noted that the City Corporation had the lowest CIL rate for residential development of comparable London areas, and asked officers to consider how developers might react to increases. In reply, officers said that the scoping phase would include benchmarking to consider comparable rates in London boroughs. Members agreed that it was important that the City kept its global competitive position at the forefront of its thinking, and benchmarked itself against peers such as New York or Singapore rather than local authorities in London.

RESOLVED, that – Members approve the below recommendations:

- Temporarily limit the quarterly allocation of CIL to those projects that are 'critical' for supporting the City's development needs
- Refresh the City Corporation's Infrastructure Delivery Plan
- Bring in more specific assessments to inform prioritising infrastructure projects funded by CIL
- More widely publicise how CIL and other developer contributions are being used for public benefit
- Undertake a review of CIL rates and the Planning Obligations SPD
- Put in place robust mechanisms for collecting and spending developer contributions related to biodiversity net gain and cultural infrastructure

6. CIL AND OSPR CAPITAL BIDS (QUARTER 1 - 2024/25)

Members received a joint report of the Interim Executive Director, Environment, and the Chamberlain, concerning the Community Infrastructure Levy and On-Street Parking Reserve.

RESOLVED, that – Members:

- Agree to allocate £14.41m of CIL to transforming Fleet street, Golden Lane Leisure Centre podium damage repairs and Museum of London Highways Strengthening works on Charterhouse Street projects and £2.58m of OSPR to Vision Zero Safer Streets and Riverside Lighting Upgrade projects.
- Note that a CIL bid for the City of London School was received, which does not meet the criteria for allocating CIL.
- Note that the Museum bid of £2.4m has approval by Policy and Resources (22 Feb 2024); Finance Committee (under urgency) and Court of Common Council (7 March 2024).

7. COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND - APPLICATIONS FOR APPROVAL

Members received a report of the Managing Director, City Bridge Foundation, concerning the Community Infrastructure Levy Neighbourhood Fund (CILNF).

Officers provided assurance that the intent of 360 Giving's grant database was to make the process of funding applications more accessible.

Members agreed that BIDs had an important role in supporting and providing funding to groups and helping them become self-sustaining.

Officers undertook to work with a Member, also the Chairman of the Community and Children's Services Committee, in helping the Barbican and Golden Lane Forum on applications for grants from CILNF.

RESOLVED, that – Members:

1. Note the current position of the CILNF with respect to funds available.
2. Approve the grant recommended to London Symphony Orchestra for £454,642 at the meeting of the CILNF Officer Panel in May 2024 (Appendix 1).
3. Reject the grant to the Insurance Museum for £450,000 as recommended by the CILNF Officer Panel meeting in June 2024 (Appendix 1).
4. Note the approved and rejected grants under delegated authority at meetings of the CILNF Officer Panel from February to June 2024 (Appendix 2).
5. Approve listing of CILNF grants on 360 Giving's grant database GrantNav.

8. **CLIMATE ACTION STRATEGY (CAS) – CAPITAL DELIVERY PROGRAMME FOR OPERATIONAL BUILDINGS**

Members received a report of the City Surveyor concerning the Climate Action Strategy.

RESOLVED, that – Members:

- Approve, to change the scope of the Project to achieve significantly improved carbon and costs savings:
 - Limit the scope of the Project to only include energy efficiency works which provide ongoing energy cost and carbon savings.
 - Exclude proposed works which do not provide cost savings, and only provide carbon savings. These works relate to heat decarbonisation, primarily through heat pumps where the transition from gas to electricity for heat generation results in higher ongoing energy costs but achieve good carbon savings.
 - Note that the excluded works still required to support the net zero target but will be progressed through a separate Project and forthcoming Gateway 2 paper to committee which will further explain the business case, rationale and funding strategy.
- Approve a Costed Risk Provision of £379,535 (to be drawn down via delegation to the City Surveyor) to reach the next gateway stages for all sub-projects to be used for design fees if the procurement route changes from a single stage design and build to a two-stage design then build. This will be wholly funded through the Climate Action Strategy Year 4 Plan approved budget.

- Approve the proposed works, which will constitute sub-projects, will be reprofiled to account for the above change. This includes additional sites not included in the original Gateway 2.
- Approve the funding strategy

9. **CLIMATE ACTION STRATEGY CAPITAL DELIVERY PROGRAMME – HEAT DECARBONISATION**

Members received a report of the City Surveyor concerning the Climate Action Strategy.

RESOLVED, that - Members

1. Approve a budget of £42,368 for further development of the three proposed sub-projects (including building surveys, design and obtaining planning/listed building permissions, and project management) to reach the next Gateway to be funded through the Climate Action Strategy (CAS) Year 4 Plan approved budget;
2. Note the total estimated cost of the project at £3,163,749 (excluding risk);
3. Note the total estimated cost of the project at £3,638,311 (including risk);
4. Approve a Costed Risk Provision of £9,491 (to be drawn down via delegation to the City Surveyor) to allow for additional building surveys if required to reach the next Gateway, to be funded wholly through the CAS Year 4 Plan for buildings.

10. ***CITY SURVEYOR'S BUSINESS PLAN 2023-28 - QUARTER 4 2023/24 UPDATE**

Members received a report of the City Surveyor concerning the departmental business plan.

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

11. ***THE CITY SURVEYOR'S CORPORATE AND DEPARTMENTAL RISK REGISTER - JUNE 2024 UPDATE**

Members received a report of the City Surveyor concerning corporate and departmental risks.

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

12. ***23/24 ENERGY & DECARBONISATION PERFORMANCE Q4 UPDATE FOR THE OPERATIONAL PORTFOLIO**

Members received a report of the City Surveyor concerning the operational portfolio.

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

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

Members received a report of the Town Clerk concerning decisions taken under urgency and delegated authority procedures.

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

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**
There was no other business.
16. **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..
17. **NON-PUBLIC MINUTES**
The non-public minutes of the meeting held on 2 May 2024 were approved as a correct record.
18. **PROPOSED LEASE TO TFL AND REINSTATEMENT OF ARTHUR STREET SHAFT (BANK STATION UNDERGROUND CAPACITY UPGRADE PROJECT)**
Members received a report of the City Surveyor concerning the Arthur Street Shaft.
19. **CENTRAL CRIMINAL COURT - CELL AREA DUCTING AND EXTRACT SYSTEM BALANCING**
Members received a report of the City Surveyor concerning the Central Criminal Court.
20. **LAND AVAILABLE FOR ACQUISITION AT HAMPSTEAD HEATH**
Members received a report of the Interim Executive Director, Environment, concerning Hampstead Heath.
21. **SHOE LANE LIBRARY/HILL HOUSE REDEVELOPMENT TERMS**
Members received a report of the Executive Director of Community and Children's Services concerning Shoe Lane Library.
22. **SPORT & LEISURE FACILITY INVESTMENT – OPTIONS APPRAISAL**
Members received a report of the Executive Director of Community and Children's Service concerning Golden Lane Leisure Centre.
23. ***CITIGEN AND HEAT NETWORK ZONING UPDATE**
Members received a report of the City Surveyor concerning Citigen.
24. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
There was no other business.

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

There was one item of other business.

The meeting ended at 11.06 am

Chairman

**Contact Officer: Ben Dunleavy
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Agenda Item 4

Committee(s): Resource Allocation Sub Committee Policy & Resources Committee	Date(s): 18 th September 2024 26 th September 2024
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 City Bridge Foundation (CBF), which outcomes in the BHE Bridging London 2020 – 2045 Strategy does this proposal aim to support?	
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£31.5m
What is the source of Funding?	£23.2m - City Fund, £7.5m City Estate and £0.8m CBF
Has this Funding Source been agreed with the Chamberlain's Department?	Yes
Report of: The Chamberlain	For Decision
Report author: Yasin Razaq, Capital and Projects Manager	

Summary

The purpose of this report is for Members to consider release (following gateway approvals) to allow schemes to progress.

Members are reminded of the two-step funding mechanism for capital funding

- 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 within 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.

Members need to consider release (following gateway approvals) to allow schemes to progress.

Release of £31.5m to allow progression of eleven schemes summarised in Table 1 'Project Funding Requests' is now requested.

Recommendations

Resource Allocation Sub Committee Members and Policy & Resources Committee are requested:

- (i) To review the schemes summarised in Table 1 and, particularly in the context of the current financial climate, to confirm their continued essential priority for release of funding at this time and accordingly:
- (ii) To agree the release of up to £31.5m for the schemes progressing to the next Gateway in Table 1 from City Fund £23.2m (including £0.5m for OSPR and £12.6m from CIL), City Estate £7.5m and £0.8m from City Bridge Foundation (CBF).
- (iii) Note the CBF element of £0.8m have been approved by delegated authority assigned to the CBF finance director.

Main Report

Background

1. Schemes have been approved in principle through the annual capital budget setting process and the CIL and OSPR quarterly approvals but they are to subject a drawdown approval when the funding is required to progress
2. The scope of 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 CBF¹. 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.
3. 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.
 - 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

4. The total amount of funding available to draw down for approved schemes is shown in Appendix 1.
5. The current capital programme includes the 24/25 projects approved by Court of Common Council on the 7th March.
6. The City Bridge Foundation drawdown amounts have been approved by delegated authority.

¹ Contributions from City Bridge Foundation 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 City Bridge Foundation

Current Requests for the Release of Funding

7. There are eight schemes with 'in principle' funding approved as part of the capital bids that have progressed through the gateways, for which release of up to £31.511m is requested:

Table 1 Project Funding Requests

Table 2: Project Funding Requests	Gateway	CIL/OSP R	City Fund £m	City's Estate £m	City Bridge Foundati on £m	Total £m
Funding to progress to the next gateway						
Central Criminal Court, Additional Fire Alarm Replacement	GW3-GW5		0.700			0.700
Central Criminal Court, Old Pipework Replacement	GW3-GW5		0.250			0.250
Museum of London – Highway Strengthening Works	Major Project	CIL	4.660			4.660
Museum of London – Fabric Improvement Works	Major Project	CIL	2.400			2.400
HR, Payroll, Finance Solution, ERP (Enterprise Resource Planning).	GW5		9.185	7.204	0.810	17.200
City Commons: Entrance board replacement	GW1-GW5			0.160		0.160
City Commons: Boundary livestock fencing replacement	GW1-GW5			0.092		0.092
Smithfield Area Public Realm and Transportation	GW4	OSPR	0.370			0.370
Vision Zero Programme	GW2	OSPR	0.160			0.160
Secure City	GW5	CIL	3.306			3.306
JCCR Technical Fit Out from Secure City	Major Project	CIL	2.213			2.213
			23.244	7.456	0.810	31.511

8. Further details of the individual schemes are provided in Appendix 2 attached.
9. 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.
10. Funding for these schemes can be met from the provisions set aside from City Fund £23.2m, £7.5m City Estate and £0.8m City Bridge Foundation.

Conclusion

11. Members are requested to:

- 1) review the above and consider in the context of the completion of the capital review and the current financial climate their continued support for the schemes requesting internal resources to proceed, and;
- 2) Approve the associated release of funding in Table 1.

Appendices

Appendix 1 - Approved Bids

Appendix 2 - Requests for Release of Funding – Scheme Details

Background Papers

Yasin Razaq

Capital & Projects Manager

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Project Name	City Fund £'m	City's Cash £'m	CBF £'m	Total Funding Allocation £'m	Release of Funding Previously agreed	Release of Funding now requested
Barbican Replacement of Art Gallery Chiller	0.300	0.000	0.000	0.300	0.018	
Car Park - London Wall Joints and Waterproofing	2.000	0.000	0.000	2.000	0.783	
Car Park - Hampstead Heath, East Heath Car Park Resurface	0.000	0.415	0.000	0.415	0.387	
Finsbury Circus Garden Re-instatement	2.558	0.000	0.000	2.558	2.542	
Guildhall - West Wing - Space Cooling - Chiller Plant & Cooling Tower Replacement *****	1.860	0.990	0.150	3.000	4.554	
Guildhall event spaces - Audio & Visual replacement / upgrade	0.000	0.330	0.000	0.330	0.045	
Guildhall Yard - Refurbishment/ Replacement of Paviments	0.000	3.000	0.000	3.000	-	
I.T - Rationalisation of Financials, HR & Payroll Systems (ERP project)	14.800	11.700	1.300	27.800	1.900	17.2
LMA : Replacement of Fire Alarm, Chillers and Landlords Lighting and Power	1.397	0.000	0.000	1.397	0.145	
Oracle Property Management System Replacement	0.713	0.380	0.058	1.151	1.150	
Structural - Lindsey Street Bridge Strengthening	5.000	0.000	0.000	5.000	0.030	
Structural - West Ham Park Playground Refurbishment	0.000	1.279	0.000	1.279	0.863	
Chingford Golf Course Development Project	0.000	0.075	0.000	0.075	-	
Rough Sleeping - assessment hub*****	1.000	0.000	0.000	1.000	1.498	
Secure City Programme	15.852	0.000	0.000	15.852	12.546	3.306
Barbican Exhibition Halls	5.000	0.000	0.000	5.000	1.548	
Barbican Podium Waterproofing, Drainage and Landscaping Works (Ben Jonson, Breton & Cromwell Highwalk) Phase 2 – 1st Priority	13.827	0.000	0.000	13.827	2.417	
Guildhall - Great Hall - Internal Stonework Overhaul	0.000	2.000	0.000	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	0.118	
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	-	
Spitalfields Flats Fire Door Safety	0.146	0.000	0.000	0.146	-	
Energy programme of lighting and M&E upgrade works (Phase 1)****	0.440	0.489	0.049	0.978	0.165	
SVY - Smithfield Condenser Pipework Replacement		0.564		0.564		

Project Name	City Fund £'m	City's Cash £'m	CBF £'m	Total Funding Allocation £'m	Release of Funding Previously agreed	Release of Funding now requested
CHB - IT LAN Support to Replace Freedom Contract	0.096	0.043	0.011	0.150		
CHB - Libraries IT Refresh	0.220			0.220		
BBC - Barbican Centre - Catering Block Extraction	0.400			0.400	0.024	
DBE - Secure City Programme Year 2	4.739			4.739	1.700	
DCCS - Fire Doors Barbican Estate*	20.000			20.000	0.275	
SVY - St Lawrence Jewry Church - Essential works (Top-Up Funding)		2.565		2.565	2.136	
SVY - Denton Pier and Pontoon Overhaul Works	1.000			1.000	0.050	
DBE - Public Realm Security Programme	1.238			1.238	0.027	
DBE - Beech Street Transportation and Public Realm project (Top-Up Bid)	0.900			0.900	0.191	
MAN - Central Criminal Courts, Fire Safety and associated public address system (Top-up bid)	0.683			0.683		
SVY - Riverbank House, Swan Lane - repairs to foreshore river defence	0.500			0.500	0.438	
GSMD - Guildhall School of Music & Drama Heating, Cooling & Ventilation		2.000		2.000	0.355	
GSMD - Guildhall School - Milton Court Correction of Mechanical Systems		0.600		0.600		
GSMD - Guildhall School - John Hosier Ventilation and Temperature Control		0.700		0.700		
SVY - Energy Reduction Programme – Phase 2	0.194	0.181		0.375		
DBE - Public Realm (Pedestrian Priority)	6.050			6.050	6.034	
OSD - Climate Action Strategy		2.120		2.120	0.795	
DBE - Embed climate resilience measures into Public Realm works (Cool Streets and Greening)	6.800			6.800	6.422	
SVY -Energy Efficiency / Net Zero Carbon - Investment Estate - City Fund	4.340			4.340		
SVY - Climate Resilience Measures	4.000	0.000		4.000		
SVY - Climate Action Strategy Projects CPG Operational Properties	11.723	7.138	0.649	19.510	0.109	
Barbican and Golden Lane Healthy Streets	0.250			0.250	0.223	
BEMS Upgrade Phase 2 - Heathrow Animal Reception Centre and various OS sites at Epping	0.150	0.100	-	0.250	0.248	
Mansion House - essential roof repairs	-	0.330	-	0.330		

Project Name	City Fund £'m	City's Cash £'m	CBF £'m	Total Funding Allocation £'m	Release of Funding Previously agreed	Release of Funding now requested
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		
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		
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		
Secure City Programme - Year 3	8.936	-	-	8.936	0.400	
Guildhall Complex Masterplan - Redevelopment of North and West Wing Offices (top-up)		1.150		1.150	0.250	
St Paul's Cathedral External Re-lighting	1.160	-	-	1.160	0.665	
St. Paul's Gyratory Transformation Project	13.900			13.900	2.226	
West Smithfield and Charterhouse Street Highway Strengthening	8.160			8.160	3.500	4.66
Central Criminal Court Additional Fire Alarm Requirements	0.700	0.000	0.000	0.700		0.7
Pipework - Central Criminal Court	0.250	0.000	0.000	0.250		0.25
City Commons: Boundary livestock fencing replacement West Wickham & Coulsdon Commons (WW&CC) and Stoke Common	0.000	0.092	0.000	0.092		0.092

Project Name	City Fund £'m	City's Cash £'m	CBF £'m	Total Funding Allocation £'m	Release of Funding Previously agreed	Release of Funding now requested
City Commons: Entrance board replacement	0.000	0.160	0.000	0.160		0.16
Network Contract - Support and Refresh	2.338	1.468	0.400	4.205	0.535	
Public Switched Telephone Network (PSTN) Replacement	1.375	0.925	0.200	2.500	0.250	
Museum of London – Fabric Improvement Works	2.400			2.400		2.400
Smithfield Area Public Realm and Transportation	12.000			12.000		0.370
Vision Zero Programme	2.400			2.400		0.160
JCCR Technical Fit Out from Secure City	2.213			2.213		2.213
	189.202	46.144	2.902	238.247	59.302	31.511

Appendix 2

Requests for Release of Funding – Scheme Details

The following provides details of the 11 schemes for which approval to release funding of £31.5m is now sought, as summarised in Table 1 of the main report.

Central Criminal Court GW3 -GW5, Additional Fire Alarm Replacement 700k

To release £700k from City Fund to make improvements to the existing fire alarm system at the Central Criminal Court (CCC) as part of a wider (Fire Evaluation Strategy Rev 06) in line with current fire safety regulations.

Currently there is no funding source for a contingency, so any additional funding required will need to come from the revenue contribution/contingency route.

Central Criminal Court GW3 -GW5, Old Pipework Replacement 250k

250k from City Fund for replacement of the identified corroded pipework at the Central Criminal Court (CCC).

There has been a significant investment in the replacement of the old diesel boilers with a new gas boiler system, there are significant concerns with the remaining old pipework that is attached to the new system. As such, the system does not get adequately flushed for fear of leakages and burst pipes.

Museum of London – Highway Strengthening Works £4.66m

Further to the previous allocation released in March 2024 for strengthening works £3.50m to west Smithfield and Charterhouse Street, we require the release of £4.66m of CIL for highways strengthening works to Charterhouse Street (west) above the General market basement/shared access road to stabilise deterioration of the structure.

The previous CIL allocation provided for works to Charterhouse Street including the central carriageway and both north and south pavements. Additional funding is sought to continue these works to the northern pavement.

This was approved by P&R through the July 2024 Q1 CIL and OSPR bids paper

Museum of London – Fabric improvement Works £2.4m

This is additional funding for major fabric and infrastructure improvements necessary to facilitate the redevelopment of the Smithfield General Market to house the Museum of London, the £2.4m is funded by CIL.

This was approved by P&R through the July 2024 Q1 CIL and OSPR bids paper, after going to The Court of Common Council.

HR, Payroll, Finance Solution, ERP (Enterprise Resource Planning), GW5 £17.2m

The ERP Programme plans to deliver and implement a single cloud-based platform for HR and Finance functions. The ERP will not only replace legacy back-office systems (Midland HR and Oracle R-12) but embark on a Corporation-wide culture change.

The total budget is £19.1m with an additional £8.7m for costed risk provision with total maximum outlay of £27.8m.

Previously £1.9m has been requested previously, the additional £17.2m would allow the scheme to undertake GW5.

The system implementation is due to start in September 2024.

The Split of the £17.2m is £9.2m from City Fund, £7.2m from City Estate and £0.8m for City Bridge Foundation.

City Commons: Entrance board replacement GW1-GW5,£160k

The project seeks to replace 40 signs at Ashted Common and West Wickham and Coulsdon Commons. These will be based on off-the-shelf structures which provide a more financially sustainable option and also the much smaller overall size will greatly reduce the safety concerns that we are currently managing.

This will be £160k funded from City Estate.

City Commons: Boundary livestock fencing replacement, GW1-GW5, £92K

This will be £92k funded from City Estate.

Livestock fencing is an essential safety feature that prevents livestock (Sheep, cattle and goats) from getting onto the roads and impacting road use and adjacent properties. The grazing is an obligation to meet the habitat management requirements under the site's statutory Site of Special Scientific Interest (SSSI) designation and as a National Nature Reserve.

Smithfield Area Public Realm and Transportation GW4, £370K

The project aims to provide a coordinated approach for the delivery of new public spaces and improved environment in the Smithfield area.

£370K is requested from OSPR funding, this for design works, survey and legal costs to get the project ready for GW5.

The total estimated cost of the project is £12m.

Vision Zero Programme, GW2, £160K

A programme to investigate and deliver safer streets proposals at priority locations as identified in the Vision Zero Plan 2023 – 2028.

£160K of OSPR for the review and refine designs and prepare detailed cost estimates. We need to commission consultants to undertake technical assessments including traffic modelling and prepare GW3/4 reports for individual projects and or programme update reports as necessary.

The total estimate for the project is between £2.8m to £6.4m, £2.4m of OSPR has been secured but additional funding will be required.

This was approved by P&R through the July 2024 Q1 CIL and OSPR bids paper.

Secure City, GW5, £3.3m

The Secure City Programme (SCP) is tasked with establishing a stable CCTV security platform and capability that is commensurate with the needs of modern-day security and services across The City. The three active workstreams are CCTV & Telecommunications Video Management System (VMS) / Video Analytics (VA) and Vulnerable People (Bridge Security).

The total budget for this programme is £15.8m, with £12.5m already been drawn down.

The draw down is requested for the remaining budget envelope of £3.3m to ensure Video analytics and Vulnerable People work can be progressed at optimal pace (see below). Costed Risk Provision has also been made in the draw down request in view of the programme risks.

JCCR Technical Fit Out from Secure City, £2.213m

Equipping the technology in the new permanent home for the Joint Command & Control Room which will be the staffing space to host the monitoring and management of these systems within the wider Police Accommodation Programme.

The £2.213 of CIL funding was originally part of Secure City but these works are now being delivered by the City Surveyor as part of the Guildhall Yard East JCCR project.

26/09/2024 P&R Delegated (for RASC)

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Agenda Item 5

Committees: RASC - for decision Projects and Procurement Sub Committee - for information	Dates: 18 Sept 2024 23 Sept 2024
Subject: PSDS Project: Retrofit Accelerator – Workplaces PSDS Project Unique Project Identifier: 12134	Gateway 6: Outcome Report Regular
Report of: City Surveyor Report Author: Chris Spicer – PSDS Programme Manager	For Information
PUBLIC	

Summary

1. Status update	Project Description: Various energy efficiency upgrades across Barbican, Guildhall and GSMD (Silk Street, Milton Court and Sundial Court) funded through the Public Sector Decarbonisation Scheme RAG Status: Green Risk Status: Low Costed Risk Provision Utilised: £450,000 (funded by PSDS Grant) Final Outturn Cost: £7,077,401
2. Next steps and requested decisions	Requested Decisions: <i>Approve closure of the project</i>
3. Key conclusions	3.1 The project was delivered later than planned and exceeded the original budget, it should be noted that additional scope was added to the budget to allow full expenditure of the grant and prevent the need to hand back underspend to central Government. 3.2 Overall, the objectives were met, and the benefits realised. All projects were completed broadly in line with the original GW proposal. 3.3 Carbon savings achieved from the project have reduced from a forecast 397 Tonnes/annum at GW5 to 245 Tonnes/annum. The reasons for this reduction are being

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	<p>investigated although there are many variables linked to building operation which could influence this reduction,</p> <p>3.4 The total capital cost for the project increased to £7.07m from the original project budget of £6.75m, with the main cost increases driven by time delays due to supply chain issues and the requirement for electrical upgrades which were not included in the original budget (risk)</p> <p>3.5 The capital cost was funded through a combination of PSDS Grant (£6.975m) and Climate Action Strategy Funding (£101k) to cover any construction work which extended beyond the Salix funding deadline (June 2022)</p> <p>3.6 The original Salix completion date was extended to June 2022 (from original date of Sept 2021) to allow for unforeseen events, primarily caused by materials supply chain and resource issues resulting from the Covid pandemic. The project reached practical completion in March 2023.</p> <p>3.7 Due to the short timescales available to scope the project there were a significant number of additional cost items identified during the work e.g during the lighting project at Guildhall there was a requirement to replace the existing wiring which was not fit for purpose. This was added to the scope at a cost of £191k which was funded through the project risk budget (grant funded).</p> <p>3.8 The complexity of the programme meant that a specific process was needed to obtain asbestos surveys that took longer than allowed for in the original scope.</p> <p>3.9 Extra time needed to allow for resident engagement in future projects to avoid complaints from residents e.g., at the Barbican.</p> <p>3.10 It is recommended that dedicated full time project management is needed at the Barbican on future projects due of the complexity of the site and requirement for stakeholder and resident engagement. For example, the Barbican has specific needs regarding access and timings of on-site works.</p>
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Main Report

Design & Delivery Review

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<p>1. Design into delivery</p>	<p>1.1 The design of the project was completed by the contractor Vital Energi as part of their responsibilities under the design and build contract.</p> <p>1.2 Overall, the design met the requirements of the project however, there were areas which could have been improved and resulted in a more accurate budget estimate. However, due to the limited amount of time available there was limited amount of time to carry out a full design process.</p> <p>1.3 There was an increased requirement for out of hours working – the contractor allowed for 50% of the light fittings to be installed out of hours, however in practice this was significantly higher due to the operational demands of the building.</p> <p>1.4 Requirements to meet Building Control were not included in the original contractor scope and were instructed as a variation to the contract.</p> <p>1.5 The original completion date that was dictated by the terms of the grant was not achievable for all the works. The delay was primarily due to unforeseen events relating to material supply chain and resource issues resulting from Covid pandemic.</p> <p>1.6 Extension of the completion date was applied for an agreed with Salix.</p> <p>1.7 All the technologies identified in the original scope were installed with the exception of some minor amendments to the lighting upgrade.</p>
<p>2. Options appraisal</p>	<p><i>Did the option chosen allow the project to meet the project's objectives and provide long term value? Yes</i></p> <p><i>Were any compromises or changes made against the options approved (i.e. Scope or time changes)? No</i></p> <p>2.1 The option set out in GW3-5 were as follows. - the chosen option was option 4.</p> <p>2.2 Option 1 (not recommended) – Do not proceed – Under this scenario, the project would be cancelled and the PSDS grant funding would be handed back to BEIS. COL would not benefit from the £450k per annum cost saving and 20% carbon reduction, against the 2019/20 baseline used for the project.</p> <p>2.3 Option 2 (not recommended) – Proceed with scope of Investment Grade Proposal – The scope of the project has been developed to meet the requirements of the Grant scheme and be delivered by the funding deadline of March 2022. This is not recommended as the estimated £420k currently unallocated to projects would need to be returned to Salix.</p> <p>2.4 Option 3 (not recommended) – Proceed with scope of Investment Grade Proposal excluding Guildhall Lighting – This option has the same scope as Option 2 but would exclude the Guildhall Lighting project from the scope. This is not</p>

	<p>recommended as the Corporation would need to hand a significant sum of money back to Salix and financial/carbon savings would not be realised.</p> <p>2.5 Option 4 (recommended) – Proceed with scope of Investment Grade Proposal and approve for Vital Energi to design additional project to be completed by March 2022 to utilise remaining PSDS Grant funding, for projects subject to separate approval as a variation to their contract with CoL. The level of variation will be limited to 20% of the original £6.27m (excluding risk) contract value.</p> <p>2.6 Option 4 was recommended and progressed. The scope was designed to be deliverable within the funding timescales dictated by Salix and BEIS. While the total project value increased it was within the 20% threshold outlined in option 4.</p>
<p>3. Procurement route</p>	<p>3.1 Vital Energi were procured through the GLA Retrofit Accelerator Workplaces programme. This framework provided rapid access to a framework of specialist providers which could be procured to meet the grant funding timescales.</p> <p>3.2 This is a design and build contract with guaranteed savings.</p> <p>3.3 The savings which are identified in the Investment Grade Proposal are monitored post installation, if the savings are not achieved then the Contractor will be required to make up the difference through additional energy efficiency measures or a financial payment.</p> <p>3.4 The client-side project management resource was procured through the BLOOM framework through a competitive tender process.</p>
<p>4. Skills base</p>	<p>7.1. Due to the scale of the project, external project and programme management resource was procured to deliver the project.</p> <p>7.2 The resource budget was managed at a programme level and details on the expenditure are provided in the PSDS Programme GW6 report which will follow this report at the next meeting.</p>
<p>5. Stakeholders</p>	<p>8.1. The project scope covered a range of buildings therefore required a significant level of stakeholder engagement. This included:</p> <ul style="list-style-type: none"> • Barbican estates team • GSMD occupiers • Sundial Court • Guildhall Estates <p>8.2. Specific stakeholders included:</p> <ul style="list-style-type: none"> • Contractor – Vital Energi • Project Manager – Beveridge Associates

	<ul style="list-style-type: none"> • COL Team – Energy team and site FM • CDM – Vital Energi (Principal Contractor and Principal Designer) • Engineering support – Elevate Everywhere (Silver EMS)/Beveridge Associates • Commercial Review – Currie and Brown • Measurement & Verification Review – EEV’s • Salix (grant administrators) <p>8.3. Stakeholders were keep informed and engaged as the project progressed.</p>
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Variation Review

6. Assessment of project against key milestones	<i>Please provide a short assessment of progress against key milestones/timescales during the project’s design and delivery.</i>			
		Key milestone set out in GW3-5:	Achieved?	Comment
	9.1.	The project is completed by the Salix programme deadline of 18 th March 2022.	No	Project reached practical completion on 31 st March 23. Delay due to unforeseen events relating to material supply chain and resource issues resulting from Covid pandemic. An extension agreed with Salix until 30 th June 2022.
	9.2.	Carbon savings of 397 Tonnes/CO2 per annum are achieved	No	Carbon savings from the project are forecast at 263 Tonnes of CO2
	9.3.	The project meets the needs of the building stakeholders and meets performance specification and standards.	Yes	
9.4.	Energy cost savings of circa £472k per	Yes	Higher energy cost savings/avoided	

		year are achieved, in line with the proposal.		costs of £947k per annum achieved due to increase in energy prices.
7. Assessment of project against Scope	<p><i>Please provide a short assessment of the project against its Scope, including any changes and subsequent impact, during the project's design and delivery.</i></p> <p>10.1. All the technologies identified in the original scope (outlined below) were installed with the exception of some minor amendments to the lighting upgrade.</p> <p>10.2. Lighting Upgrades – Replace existing fluorescent fittings with energy efficient LED luminaires across Barbican, GSMD Milton and the Guildhall with new controls. This is also expected to reduce maintenance costs and improve lighting levels.</p> <p>10.3. For the lighting project at Guildhall there was a requirement to replace the existing wiring which was not fit for purpose. This was added to the scope at a cost of £191k which was funded through the project risk budget.</p> <p>10.4. BMS Optimisation – Improvement to the Building Management System to enhance efficiency and optimise the operation of HVAC systems at BAC and GSMD buildings.</p> <p>10.5. Pipework Distribution Repair – Upgrades to the heating and chilled water pipework distribution circuits</p> <p>10.6. Ventilation Distribution Repair – improvements to the ventilation distribution systems through the replacement of failed equipment.</p> <p>10.7. Pipework Insulation – new insulation installed onto exposed pipework, valves and heat exchangers.</p> <p>10.8. AHU EC Fan Retrofit - This measure involved the replacement of fan motors, belts, and fan assemblies in selected Air Handling Units (AHUs).</p> <p>10.9. Metering – Installation of new energy metering to better understand energy consumption across the estate.</p> <p>10.10. Draught Proofing – Addition of new sealant around windows to stop cold draughts and reduce heating load.</p>			
8. Risks and issues	<p><i>Did identified risk occur, if so what was the effect? Did unidentified risks occur, what were their impact? Did the CRP facilitate delivery in an efficient manner?</i></p>			

	<p><i>State the level of costed risk identified against the project at the start and how much of this was realised/mitigated. Confirm final total of CRP used (if applicable).</i></p> <p>11.1. For the Guildhall lighting it materialised that the existing wiring was not fit for purpose and so there was a requirement to replace it. This was added to the scope and funded through the project risk budget.</p> <p>11.2. Disruption caused to Barbican residents when completing night works. This matter was addressed and resolved.</p> <p>11.3. The complexity of the programme meant that a specific process was needed to obtain asbestos surveys that took longer than allowed for in the original scope.</p> <p>11.4. Extra time needed to allow for resident engagement in future projects to avoid complaints from residents e.g., at the Barbican.</p> <p>11.5. The delays on supply of materials plus the additional time required for asbestos surveys resulted in a delay to the programme and increased contractor costs</p> <p>11.6. The entire Risk budget of £450k was required to complete the project, this budget was funded entirely by the PSDS Grant.</p>
<p>9. Transition to BAU</p>	<p><i>Did the project have a clear plan for transfer to operations / business as usual? Did this work well?</i></p> <p>12.1. Project handed over, including training on all technologies where relevant, to the internal operations and maintenance team.</p> <p>12.2. There is a one-year retention for defects, which expires in March 2024.</p>

Value Review

<p>10. Budget</p>	<table border="1"> <tr> <td data-bbox="486 1556 782 1702">Estimated Outturn Cost (G2)</td> <td colspan="2" data-bbox="782 1556 1364 1702"> Estimated cost (including risk): £6,727,734 Estimated cost (excluding risk): £6,272,734 </td> </tr> </table>		Estimated Outturn Cost (G2)	Estimated cost (including risk): £6,727,734 Estimated cost (excluding risk): £6,272,734										
Estimated Outturn Cost (G2)	Estimated cost (including risk): £6,727,734 Estimated cost (excluding risk): £6,272,734													
	<table border="1"> <thead> <tr> <th data-bbox="486 1736 782 1825"></th> <th data-bbox="782 1736 1077 1825">At Authority to Start work (G5)</th> <th data-bbox="1077 1736 1364 1825">Final Outturn Cost</th> </tr> </thead> <tbody> <tr> <td data-bbox="486 1825 782 1859">Fees</td> <td data-bbox="782 1825 1077 1859">£</td> <td data-bbox="1077 1825 1364 1859">£</td> </tr> <tr> <td data-bbox="486 1859 782 1892">Staff Costs</td> <td data-bbox="782 1859 1077 1892">£</td> <td data-bbox="1077 1859 1364 1892">£</td> </tr> <tr> <td data-bbox="486 1892 782 1948">Works</td> <td data-bbox="782 1892 1077 1948">£6,277,734</td> <td data-bbox="1077 1892 1364 1948">£7,077,401</td> </tr> </tbody> </table>			At Authority to Start work (G5)	Final Outturn Cost	Fees	£	£	Staff Costs	£	£	Works	£6,277,734	£7,077,401
	At Authority to Start work (G5)	Final Outturn Cost												
Fees	£	£												
Staff Costs	£	£												
Works	£6,277,734	£7,077,401												

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	Purchases	£	£
	Other Capital Expend	£	£
	Costed Risk Provision	£450,000	£
	Recharges	£	£
	Other*	£	£
	Total	£6,727,734	£7,077,401
	<p>The project funding was allocated in the following way:</p> <ul style="list-style-type: none"> • £6,975,569 – funded through the Salix PSDS Grant • £101,833 – funded through the CAS programme, to cover remaining work after the June 2023 Salix deadline. This included additional prelims and additional scope of work • The increase in budget was approved by the PSDS Project Board and in consultation with the City Surveyor and CAS Programme Director as set out in the GW2 Governance Process <p>Please confirm whether or not the Final Account for this project has been verified. – Yes</p> <p><i>In addition, a key part of the PSDS Grant Scheme was the requirement to pass a technical and financial audit by Salix, the grant administrators. This includes providing Salix and their external auditors with statement of account and a copy of all the invoices which were spent against the grant scheme. This audit was passed with no findings.</i></p>		
11. Investment	<p><i>If this project was an invest to save or revenue generating opportunity, what were the expected returns (At Authority to start work stage G5)? What returns have been made so far, are these in line with initial expectations?</i></p> <p>14.1. The project was predominantly delivered through grant funded by the Public Sector Decarbonisation Scheme. Additional funding was required through CAS to cover work that went beyond the Salix approved deadline</p>		

	<p>14.2. The project was forecast to deliver significant energy consumption savings equating to £488k per annum. This was achieved and exceeded.</p> <p>14.3. The actual energy savings have been calculated at £947k per annum due to a significant increase in energy costs since the original estimate</p>																								
<p>12. Assessment of project against SMART objectives</p>	<p><i>Did the project deliver against its SMART objectives? Have measures of success been achieved?</i></p> <p>PSDS Programme SMART objectives set out in GW 2 paper are outlined in the table below. These objectives apply to each project within the programme with each project contributing to the completion of the SMART objectives.</p> <table border="1" data-bbox="491 824 1449 1964"> <thead> <tr> <th data-bbox="491 824 571 857"></th> <th data-bbox="571 824 970 857">SMART objective</th> <th data-bbox="970 824 1209 857">Achieved?</th> <th data-bbox="1209 824 1449 857">Comments</th> </tr> </thead> <tbody> <tr> <td data-bbox="491 857 571 936">1</td> <td data-bbox="571 857 970 936">The project commences before 31st March 2021</td> <td data-bbox="970 857 1209 936">Yes</td> <td data-bbox="1209 857 1449 936">.</td> </tr> <tr> <td data-bbox="491 936 571 1413">2</td> <td data-bbox="571 936 970 1413">The project (and all associated works/sub-projects) are complete by 30th September 2021, unless an extension is agreed by Salix.</td> <td data-bbox="970 936 1209 1413">No</td> <td data-bbox="1209 936 1449 1413">The Salix deadline was extended with agreement until 30th June 2022 and the project reached practical completion on 31st March 2023</td> </tr> <tr> <td data-bbox="491 1413 571 1525">3</td> <td data-bbox="571 1413 970 1525">Project achieves specified performance and design parameters.</td> <td data-bbox="970 1413 1209 1525">Yes</td> <td data-bbox="1209 1413 1449 1525">See section 4 above</td> </tr> <tr> <td data-bbox="491 1525 571 1709">4</td> <td data-bbox="571 1525 970 1709">Project achieves high levels of stakeholder and user satisfaction.</td> <td data-bbox="970 1525 1209 1709">Yes</td> <td data-bbox="1209 1525 1449 1709">Overall stakeholders were kept informed and engaged.</td> </tr> <tr> <td data-bbox="491 1709 571 1964">5</td> <td data-bbox="571 1709 970 1964">Minimise disruption to the site's occupants and services.</td> <td data-bbox="970 1709 1209 1964">No</td> <td data-bbox="1209 1709 1449 1964">Disruption caused to Barbican residents when completing night works.</td> </tr> </tbody> </table>		SMART objective	Achieved?	Comments	1	The project commences before 31st March 2021	Yes	.	2	The project (and all associated works/sub-projects) are complete by 30 th September 2021, unless an extension is agreed by Salix.	No	The Salix deadline was extended with agreement until 30 th June 2022 and the project reached practical completion on 31 st March 2023	3	Project achieves specified performance and design parameters.	Yes	See section 4 above	4	Project achieves high levels of stakeholder and user satisfaction.	Yes	Overall stakeholders were kept informed and engaged.	5	Minimise disruption to the site's occupants and services.	No	Disruption caused to Barbican residents when completing night works.
	SMART objective	Achieved?	Comments																						
1	The project commences before 31st March 2021	Yes	.																						
2	The project (and all associated works/sub-projects) are complete by 30 th September 2021, unless an extension is agreed by Salix.	No	The Salix deadline was extended with agreement until 30 th June 2022 and the project reached practical completion on 31 st March 2023																						
3	Project achieves specified performance and design parameters.	Yes	See section 4 above																						
4	Project achieves high levels of stakeholder and user satisfaction.	Yes	Overall stakeholders were kept informed and engaged.																						
5	Minimise disruption to the site's occupants and services.	No	Disruption caused to Barbican residents when completing night works.																						

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				This matter was addressed and resolved.
	6	Project contributes to PSDS programme energy cost savings of c.£875k/year.	Yes	Energy Consumption savings of circa £947k per year achieved
	7	Project contributes to PSDS programme carbon emission savings of c.1.5ktCO ₂ e/yr.	Yes	Carbon savings of 263 Tonnes/CO ₂ per annum achieved
	Due to increases in energy costs since the proposal was developed, the total cost savings achieved as exceeded targets			
13. Key benefits realised	<p><i>Have the Key Benefits been realised? Baseline against G2 report.</i></p> <p>The key benefits outlined in the GW2 report (and listed below) have all been realised for this programme. Specific information on the savings achieved is provided in section 12.</p> <ul style="list-style-type: none"> • Compliant and high-quality building services which satisfies needs. • Lower energy and maintenance costs for the City of London Corporation. • Energy and carbon emission savings contribute towards City of London Corporation targets. 			

Lessons Learned and Recommendations

14. Positive reflections	<p><i>What worked well within the project</i></p> <ul style="list-style-type: none"> • The project team worked well together in a challenging project environment, including a global pandemic, restricted labour markets and global supply chain shortages • The grant award scheme was set up with urgency and the governance structure developed at GW2 worked well
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	<ul style="list-style-type: none"> • While an extension for completion was needed, all projects did complete within a reasonable timescale • The development of a specific PSDS Project Board, with delegated authority to make decisions provided a fast and efficient approval route for any project changes, allowing quick decision making
15.Improvement reflections	<p><i>How will learning from things that went wrong on the</i></p> <p>15.1 Timelines were agreed in line with the grant application and were tighter than normal. The terms of the grant required fast timelines and project development which were not always compatible with internal timelines and turnaround times.</p> <p>15.2 Allowances for out of hours working during design should be increased when completing work within the COL buildings to minimise disruption.</p> <p>15.3 Extra time needed to allow for resident engagement in future projects to avoid complaints from residents e.g., at the Barbican.</p> <p>15.4 Specific process needed to obtain asbestos surveys that took longer than allowed for in the original scope.</p> <p>15.5 Dedicated full time project management needed at the Barbican on future projects due of the complexity of the site and requirement for stakeholder and resident engagement. For example, the Barbican has specific need in regard to access and timings of on site works.</p>
16.Sharing best practice	<p><i>How will information on the project be shared and used in the future?</i></p> <p>19.1. Lessons learned from this programme will be shared and considered when developing other PSDS and CAS projects and similar programmes of works.</p>
17.AOB	<i>Any other points of note that should be recorded.</i>

Appendices

Appendix 1	Salix Audit Outcome Letter
Appendix 2	
Appendix 3	

Contact

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Report Author	Chris Spicer
Email Address	Chris.Spicer@cityoflondon.gov.uk
Telephone Number	07734349268

Attention:
Peter Kane
City of London Corporation
Guildhall
PO Box 270
London
EC2P 2EJ

Our Ref: 16989

Date: 11/09/2023

Dear Peter,

PSDS Post Completion Audit Outcome Letter

Our Technical consultants, Faithful & Gould undertook an onsite review of the energy efficient capital projects, which were funded by PSDS Phase 1 grant of £9,445,944 awarded to the City of London Corporation.

The onsite review was undertaken on 09.02.2023 covering Category 2 & 3 technologies. Please see Appendix A for the details of sites visited for this post-completion audit. The following was the consultant's overall commentary on the site visit:

Summary of Key Findings Following Site Visit

5 sites received Salix funded upgrades and 1 was audited: Guildhall Complex EC2V 7HH
Guildhall was revisited at completion as it had the largest grant values and the most technologies under the grant funding.

Installation of all technologies agreed in application were completed by the 30/06/22 at this site.

During the evidence-based verification process the auditor identified no real areas of concern but did identify the following low risk item:

There were technical issues with the automatic daylight dimming on the luminaires that were part of the Chilled Beams above the North Wing Office desks. City of London Corporation confirmed that the issue would be resolved.

Consultant's Overall Opinion:

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The work undertaken onsite was consistent with what was approved and reported to Salix.

All findings from the post completion audit carried out on 9th February 2022 by Faithful+Gould were resolved. A financial audit review was undertaken and there are no issues to report.

Please feel free to contact me if you would like to discuss this report's outcome further.

Yours sincerely,

Manisha Mehta
Senior Internal Auditor
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Phone number: +4420 8059 1908

Appendix A: Sites Visited and Technologies Inspected

Location	1
Site Name	Guildhall Complex
Postcode	EC2V 7HH
Reasons for selection	Largest site with greatest spend and technologies
Date of site visit	09.02.23
Number of project buildings	1
Number of buildings visited	1
Technology Types	Cat 2 + 3

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