

<b>Committee:</b> Corporate Asset Sub Committee – For Information	<b>Dated:</b> 1 Nov 2018
<b>Subject:</b> Cyclical Works Programme – Progress Report	<b>Public</b>
<b>Report of:</b> The City Surveyor	report ref CS 422/18
<b>Report author:</b> Chris Hartwell, City Surveyor’s Department	<b>For Information</b>

## Summary

This report provides an overview of the progress and expenditure of the current Cyclical Works Programmes (CWP 17/18 and CWP 18/19) at the end of Q2 2018/19.

The programmes last for three years. CWP 17/18 comprises 436 individual projects with a total value of £12.1m, CWP 18/19 comprises 577 projects with a total value of £11.8m. The programmes are intended to deliver prioritised cyclical maintenance works (i.e. replacement or refurbishment of buildings, plant and equipment based on condition assessed at the end of normal useful service life and operational need) across the corporate operational estate, including The Barbican Centre and the Guildhall School of Music and Drama.

Governance of the CWP is overseen by your Committee and executed by the CWP Peer Review Group. There is provision in the governance arrangements to allow projects to be promoted into the programme in case of urgent need. Since the last report, three projects have been promoted as urgently required.

Progress is good with almost £6m spent or committed on CWP17/18, or 49% of the total at the half way mark, and a sound start has been made on CWP 18/19 with £1.76m spent or committed (15% of total) during the first 6 months.

## Recommendations

Members are asked to:

1. Receive this report, note changes to the programme and the overall progress.

## Main Report

### Background

1. There is need to conduct planned refurbishment and replacement of buildings and their associated equipment in addition to routine serving and repairs. Resources being limited, such works need to be prioritised across the entire corporate operational estate. The Cyclical Works Programmes consider the requirements of each and prioritises individual projects in the context of the whole to ensure that the City’s overall property maintenance objectives are met.

2. Governance arrangements for the CWP were agreed by your Committee in September 2016 (report ref CS 248/16). A separate description of the project prioritisation process is provided in report CS 492/17. The governance arrangements provide a mechanism for projects to be promoted into the programme.

3. Since last report, three projects have been promoted as being urgently required:

C178CW290L	Hampstead Heath Lido Leak Repairs	£117,000
C158CW039L	Guildhall West Wing Fall Arrest System	£20,000
C088CW102L	GSMD Sundial Court Ventilation to Flats	£80,000

4. Those projects are being funded from saving made on other projects, including cancelled projects as follows:

C178CW262, 263, 268, 274, 275L, C179CW091L, 92L	A package of works to the football changing rooms at Hampstead Heath. These projects were expected to be subsumed into a scheme to convert the rooms into an educational hub.	That scheme is now being reviewed and expenditure other than routine maintenance and repair is no longer justified.
R069CW001L	St John Cass School boiler replacement	The school elected to replace the boiler themselves, outside the CWP.

These projects will therefore not appear in subsequent reports.

### Current Position

5. CWP 2017/18 progress is summarised in the table below.

6. A fuller picture based on the fund and area of service can be found in Appendix A (insert URL).

### Cyclical Works Programme 2017/18 Progress

TABLE 1: TOTAL PROGRAMME PROGRESS TO DATE AT 30/09/18						
Fund / Service	Total Budget	Total Actual Spend	Further Committed	Total Cost	Balance Un-committed	Total Progress
	£000's	£000's	£000's	£000's	£000's	%
<b>2017/18 Programme</b>						
City's Cash	6,493	2,357	341	2,698	3,795	42%
City Fund	4,144	1,887	573	2,460	1,684	59%
Guildhall Admin *	1,452	459	360	818	633	56%
<b>TOTAL</b>	<b>12,088</b>	<b>4,703</b>	<b>1,273</b>	<b>5,976</b>	<b>6,111</b>	<b>49%</b>

**TABLE 2: SPEND AGAINST 2018/19 TARGETS TO DATE AT 30/09/18**

Fund / Service	Total Budget £000's	Budget £000's	Actual Spend £000's	Spend Against Target %
<b>2017/18 Programme</b>				
City's Cash	6,493	2,596	650	25%
City Fund	4,144	2,277	1,126	49%
Guildhall Admin	1,452	756	192	25%
<b>TOTAL</b>	<b>12,088</b>	<b>5,629</b>	<b>1,968</b>	<b>35%</b>

7. The 2017/18 CWP programme consists of 436 projects with a total value of £12.1m.
8. The current position is that an actual spend of £4.7m has been achieved and orders for a further £1.27m of work have been placed. Progress is good at the half way stage with 49% complete by value spent or committed. Momentum must be maintained.
9. The status of the 2017/18 programme may be summarised as follows:

Complete	In Hand	Not Started	Total
147	103	186	436

#### Cyclical Works Programme 2018/19 Progress

**TABLE 1: TOTAL PROGRAMME PROGRESS TO DATE AT 30/09/18**

Fund / Service	Total Budget £000's	Total Actual Spend £000's	Further Committed £000's	Total Cost £000's	Balance Un-committed £000's	Total Progress %
<b>2018/19 Programme</b>						
City's Cash *	5,906	614	747	1,361	4,544	23%
City Fund	4,446	116	158	274	4,171	6%
Guildhall Admin	1,429	52	77	128	1,300	9%
<b>TOTAL</b>	<b>11,780</b>	<b>782</b>	<b>982</b>	<b>1,764</b>	<b>10,016</b>	<b>15%</b>

\* £7k transferred to Capital Project

**TABLE 2: SPEND AGAINST 2018/19 TARGETS TO DATE AT 30/09/18**

Fund / Service	Total Budget £000's	Budget £000's	Actual Spend £000's	Spend Against Target %
<b>2018/19 Programme</b>				
City's Cash	5,906	2,124	614	29%
City Fund	4,446	1,099	116	11%
Guildhall Admin	1,429	176	52	30%
<b>TOTAL</b>	<b>11,780</b>	<b>3,399</b>	<b>782</b>	<b>23%</b>

10. The 2018/19 CWP programme comprises 577 projects with a total value of £11.8m. The current position is that £782,000 has been spent and a further £982,000 committed giving total progress of about 15% the programme, which is very similar to progress achieved on the previous programme at the same early stage.

11. The status of the 2018/19 programmed may be summarised as follows:

Complete	In Hand	Not Started	Total
33	171	373	577

12.

### **Corporate & Strategic Implications**

13. Cyclical Works Programmes set out to deliver three of the key objectives in the Corporate Property Asset Management Strategy.

- SO.1 – Operational assets remain in a good, safe and statutory compliant condition.
- SO.2 – Operational assets are fit for purpose and meet service delivery needs.
- SO.3 – Capital and supplementary revenue programmes are affordable, sustainable and prudent and that the limited available resources are directed to the highest corporate priorities.

### **Conclusion**

14. Progress on the 2017/18 CWP is good, and a good start has been made on the 2018/19 programme.

### **Appendices**

- Appendix A – 2017/18 Cyclical Works Programme
- Appendix B – 2018/19 Cyclical Works Programme

### **Report Author**

Chris Hartwell  
Assistant Director  
City Surveyor's Department  
T: 020 7332 1732  
E: [chris.hartwell@cityoflondon.gov.uk](mailto:chris.hartwell@cityoflondon.gov.uk)