

Committee(s) Barbican Board Corporate Asset Sub Committee	Date(s): 22 nd July 2020 22 nd July 2020
Subject: Barbican Centre Capital CAP Programme – Annual Report (2020)	Public
Report of: Managing Director, Barbican Centre	For Decision
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Summary

The Capital Cap system commenced in 2003/04, funding many construction/refurbishment and other projects at the Barbican Centre. The final year of Capital Cap funding was 2016/17; a proportion of the funding has had to be carried forward each year to allow the completion of projects. This report is requesting the final carry-forward to 2020/21.

This report:

- Updates members on progress since the last report
- Sets out the reasons why expenditure is still required in 2020/21

Recommendation

Members are asked to

- Approve the carry forward of **£109,375.18 (ex. VAT)** to 2020/21
- Note the report
- Expect a Capital Cap Closure Report later in the year

Main Report

Background

1. The Centre operated a ring-fenced Capital Cap System until 2016/17. This is a budget allocated for capital works, agreed by members at the beginning of each Cap period.
2. The previous annual update report was received by members in 2018. The report showed that although the Capital Cap system is no longer used, there were three outstanding Cap projects still to be completed; the Car Park and Other Signage (Phase 3), the Concert Hall 2016 (Phase 1) and the Sand & Seal Woodblock Flooring projects.
3. The purpose of this paper is to advise members of the progress of those remaining Capital Cap projects and to seek approval to carry funding forward to 2020/21 to allow final account payments and the closure of the Centre's outstanding Capital Cap projects.
4. This report does not include an update on projects funded by the Cyclical Works Programme (CWP). A separate report which summarises CWP project progress is sent to the Barbican Board and Finance Committee of the Barbican Board on a bi-monthly basis.

Current Position

5. The table below sets out the current position of the three Capital Cap Projects:

Project Title	Last Gateway Past	Comments
Car Park & Other Signage phase 3	GW 5	<p>In 2017, 6 out of 8 new 'Barbican branded' signs were installed in the Barbican Centre; the remaining 2 signs required Listed Building Consent (LBC). The LBC application for the remaining 2 signs was validated on 16th April 2018 however it proved to be contentious because the new signage was illuminated and located near resident apartments. The consent also asked for the removal of the two 4Bs sign that are part of the listing.</p> <p>Despite the Centre's best efforts to compromise and investigate alternative locations for the new and old signage, the planning application received a significant number of objections. After lengthy conversations with the City of London Planning Section, the Barbican Directors decided to withdraw the planning application.</p> <p>The final account and outcome report are to be drafted and submitted for verification.</p>
Concert Hall 2016 Phase 1	GW 5	<p>Phase 1 Piano Lift - There have been significant operational issues since the new Concert Hall piano lift was installed in 2017. There is one outstanding 'snag' which remains unaddressed to date. The Barbican Project Department have recently come to an agreement with the contractor to resolve this outstanding issue.</p> <p>The project has stalled for several other reasons, not least of which is the departure of four Project Managers who have been responsible for this project at some point over the past 3 years.</p> <p>There are some outstanding contractual issues to resolve but the Centre has now agreed final accounts and will proceed to make final payments owed to the contractor and consultants if the carry-</p>

Concert Hall 2016 Phase 2	GW 5	forward is approved by members. This will allow an outcome report to be drafted and formal closure of the project. Phase 2 Projector Room Cooling – These works are now complete. Final account has been agreed. Outcome report will be submitted once phase 1 is complete.
Sand & Seal Woodblock Flooring	GW 7	This project is complete. Gateway 6 outcome report was approved by Barbican Board and Project Sub Committees in January 2020.

Financial information:

Barbican Centre Capital Cap Projects			
Project Title	Spent up until 2017/18	Anticipated spend 2020/21	Total estimate
	£'000	£	£'000
Car Park & Other Signage (phase 3)	101	0	101
Concert Hall 2016	681	109,375.18	790
Sand & Seal Woodblock Flooring	117	0	117

Options

- The purpose of this report is to provide members with an update on the Centre's remaining Capital Cap projects and to seek approval to carry forward funding to the 2020/21 financial year in order to make final payments and close the Centre's Capital Cap programme. The payments are contractually owed by City of London which is why the carry-forward is the only option proposed.

Proposals

- This report proposes and recommends that members approve the revised Capital Cap expenditure plan for 2020/21. This will allow final payments and the closure of the Centre's remaining Capital Cap projects.

Corporate & Strategic Implications

8. Capital Cap projects delivered at the Centre consist of building and/or engineering work. Under the Capital Cap these were often major improvement schemes, building fabric repairs or plant upgrade/replacement initiatives. Maintaining the fabric and infrastructure of the building assists in contributing to one of the City's twelve outcomes 'our spaces are secure, resilient and well-maintained'.

The City of London Corporation introduced the Cyclical Works Programme (CWP) in 2017/18 which replaced the Capital Cap.

Implications

9. 2016/17 was the last year of Capital Cap funding however for reasons stated in this report there have been significant delays to three of the Centres projects which required the funding to be carried forward.
10. These projects cannot be completed unless approval is given to this report to pay the outstanding monies owed.
11. Settling these accounts and closing these projects will allow the completion of the Barbican Centres Capital Cap System. Members can expect a Capital Cap Completion report later in the year. The progression from the Capital Cap System to the CWP system will then be complete.

Conclusion

12. There are three Capital Cap projects which are partially outstanding. They all have sufficient budget allocated to pay for remaining works.
13. Although the Capital Cap system ended in 2016/17, these three projects and associated budgets were carried forward because works were not completed in the financial period.

Appendices

- None.

Background Papers

Barbican Centre Capital Cap Project Update Reports 2003-2018

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