

PROJECTS SUB (POLICY AND RESOURCES) COMMITTEE

FRIDAY, 23 JULY 2021

NOT FOR PUBLICATION

By virtue of paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972.

20. NON-PUBLIC MINUTES

RESOLVED – That the non-public minutes of the meeting held on 23rd June 2021 be approved as an accurate record.

21. NON-PUBLIC ACTIONS

The Sub Committee received a report of the Town Clerk regarding non-public actions. The Chairman advised that the Gateway 6 report in respect of Action Know Fraud was now expected to be submitted to the September meeting of the Sub Committee.

RESOLVED - That the non-public actions list be received.

22. CITY FUND, CITY'S ESTATE AND BRIDGE HOUSE ESTATES - SCHEME OF DELEGATIONS AND GATEWAYS

The Sub Committee considered a report of the City Surveyor recommending amendments to the Scheme of Delegations and Gateway process in respect of investment property projects. The City Surveyor introduced the report and outlined the proposed amendments, and their effect in the context of the Sub Committee's work. The Sub Committee noted that further approval would be sought from the Court of Common Council.

RESOLVED – That the Projects Sub Committee agree that:

1. The proposed amendments to the Scheme of Delegations relating to thresholds for Property Management issues and associated documents relating to the Scheme of Delegations;
2. Note that no change is being proposed to the current thresholds whereby a financial appraisal by the Chamberlain is required of a proposed/ existing tenant or guarantor;
3. For the City's investment property projects, Project Gateway Issues reports are exempt from review by the Corporate Projects Board (an Officer group), and instead authority be delegated to the City Surveyor in conjunction with the Chamberlain;
4. For the City's investment property projects, Project Gateway Issues reports will only be subject to review by Property Investment Board and Projects Sub Committee for City Fund and City's Estate, and Bridge House Estates Board for Bridge House Estates, if the project is no

longer achieving the target metrics agreed by the responsible Committee (reported at Gateway 3/4 for projects above £4.6m) or where they require an increase in the costed risk provision with authority delegated to the City Surveyor in conjunction with the Chamberlain where target metrics (reported at Gateway 3/4 for projects above £4.6m) and there is no increase in the costed risk provision;

5. Note that the updated procedures, once agreed, should apply to all investment property projects current going through the Project Gateway process and not just new projects;
6. Note that appropriate amendments would be made to the Project Procedure by the Town Clerk's Corporate Programme Office if the above proposals are approved;
7. Note that as a result of these proposed Project Procedure changes, provided that the project remains within the target metrics, any change in scope or risk will not be seen by Members by dealt with under the delegated procedures for these schemes. The only exception will be a request to change the costed risk provision which will remain outside the delegations proposed; and
8. Note that the property maintenance and Project Gateway proposals outlined in this report relate to Investment Property only and therefore not Corporate (operational or functional) property.

23. **GATEWAY 2 - BARBICAN FIRE SAFETY PROJECTS (MULTIPLE) BARBICAN CONFINED SPACES PROJECT**

The Committee considered a Gateway 2 report of the City Surveyor in respect of projects relating to aspects of fire safety at the Barbican Arts Complex and confined spaces at the Barbican Arts Complex and the Guildhall School of Music and Drama.

The Chairman introduced the item before asking the Chamberlain to provide further detail on the project finances, as the project was only part funded. The Chamberlain advised that there were aspects of the project with funding still to be agreed, adding that as the project was in respect of fire safety, this would be prioritised as essential work. The Chairman also commented that no project coversheet had been submitted as part of the reporting, which made referencing difficult, particularly as it appeared that there had been amendments to the timescale of the project.

The City Surveyor then introduced the report and gave the Sub Committee further detail on the report, which sought to combine five existing projects into one fire safety project, which would also be combined with the existing Confined Spaces project. This would generate efficiencies and allow the project to move at pace, and the combined project would be brought back to Committee at Gateway 3, with the scope and project finance considerations calculated as appropriate. In response to a question from the Chairman, the

City Surveyor advised that the Gateway 3 would be submitted before the end of the year, with works to be completed in a phased approach by August 2023.

The Chairman then asked that a project coversheet be included along with further detail to address the points raised by Members at the next Gateway, before drawing the Sub Committee's attention to the recommendations.

RESOLVED, that – Approval be given to :

1. Combining the individual fire safety projects into one project.
2. Combining the Fire Safety Project with the Confined Spaces Project. This project will then be reported as one through the GW process and the budgets combined. This project will then be known as 'Barbican Fire Safety and Barbican/GSMD Confined Spaces'.
3. Including the three projects currently not within the 'Additional Resources for City Fund Properties*' funding scope within the overall Fire Safety Project; the existing approved fee allocation will be used to progress all schemes to the next Gateway.
4. Drawing down £72,500 against the provision for the Barbican Fire Safety Project for further surveys to reach the next stage of the project; and
5. It be noted that the estimated cost of the projects is £5,209,700, a combined costed risk of £2,212,076 is proposed, and that this is an early stage estimate based on limited information.

24. GATEWAY 5 - UPGRADE OF CITY OF LONDON POLICE CUSTODY CCTV AND CONTRIBUTION TO FORCE WIDE VIDEO MANAGEMENT SOLUTION

The Sub Committee considered a Gateway 5 report of the Commissioner, City of London Police, in respect of the update of the City of London Police Custody CCTV and its contribution to a force wide video management solution.

RESOLVED, that:

1. A budget of £23,000 be approved for purchase and installation of CCTV cameras and associated peripherals to complete the project and reach the next Gateway;
2. Note the revised project budget of £165,797 (excluding risk) be noted;
3. The estimated cost of the project of £165,797 (increased from £142,797) (excluding risk) be noted; and
4. Option 1 be approved for the budget of £23,000 for the purchase and installation of CCTV cameras and associated peripherals, to complete the project and reach the next Gateway.

25. **GATEWAY 5 - PLANNING & REGULATORY SERVICES CASEWORK MANAGEMENT SYSTEM (PRSCMS) PROJECT**

The Sub Committee considered a Gateway 5 report of the Director of the Built Environment in respect of the procurement of a Planning and Regulatory Services Casework Management System. The Chairman introduced the item and asked the Chamberlain to provide clarification on the project financing. The Chamberlain confirmed that the project had central funding, with drawdown having been agreed by the Resource Allocation Sub Committee. The Director of the Built Environment then introduced the report, also explaining the proposed change to the project cost calculation methodology and the implications of this change.

Members felt that the risk factors of the project were relevant to the work of the Digital Services Sub Committee, particularly in respect of the Application Programming Interface (API). The Chairman requested that the report be referred to the Digital Services Sub Committee, with delegated authority requested if necessary, and that the recommendations could be agreed on this basis.

RESOLVED, that :

1. The change in the project cost calculation methodology between 2018 and 2021 be noted, to include the full cost of servers and their management and the corresponding increase in revenue costs attributable to projects;
2. A capital budget of £240,410 be approved;
3. Authority be delegated to the Chief Officer to adjust the approved capital budget as necessary to deliver the project;
4. An increase in the total estimated cost of the project from £1.3M to £1.42M be approved;
5. It be noted that the revised project cost assumes that the revenue costs are fixed for 5 years, and are then subject to renegotiation, but in the absence of better information, it is assumed that the renegotiated revenue costs for Years 6-10 are the same as years 1-5. NB. On this basis the total (10 year) revenue cost is £1.18M;
6. CRP of £38,250 be authorised, to be funded from capital and the Chief Officer to be able to authorise draw down should the event occur; and
7. That the report be referred to the Digital Services Sub Committee for approval.

26. **GATEWAY 1-5 - YORK WAY ESTATE - COLD WATER DISTRIBUTION SYSTEM REPLACEMENT**

The Committee considered a report of the Director of Community and Children's Services in respect of a replacement cold water distribution system for 3 of the 4 Blocks on the York Way Estate.

RESOLVED, that:

1. A budget of £349,700 be approved for works, fees and staff costs to reach the next Gateway;
2. The project budget of £349,700 (excluding risk) be noted;
3. The total estimated cost of the project at £349,700(excluding risk) be noted;
4. TSG Ltd be approved to undertake the necessary works;
5. It be noted that a no Costed Risk Provision is required; and
6. Option One, as set out in the report, to replace the cold water distribution system, be approved.

27. **GATEWAY 1-5 - MIDDLESEX STREET ESTATE - COLD WATER DISTRIBUTION SYSTEM REPLACEMENT**

The Committee considered a report of the Director of Community and Children's Services in respect of cold water distribution systems for both of the blocks at the Middlesex Street Estate, which are in need of replacement.

RESOLVED, that :

1. A budget of £468,600 be approved for works, fees and staff costs to reach the next Gateway;
2. The project budget of £468,600 (excluding risk) be noted;
3. The total estimated cost of the project at £468,600(excluding risk) be noted;
4. TSG Ltd be approved to undertake the necessary works;
5. It be noted that a no Costed Risk Provision is required; and
6. Option One in the report, to replace the cold water distribution system, is approved

28. **GATEWAY 2 - SOFTWARE DEFINED WIDE AREA NETWORK (SD WAN) UPGRADE**

The Sub Committee considered a Gateway 2 report of the Chamberlain in respect of the Software Defined Wide Area Network Upgrade.

RESOLVED, that:

1. That budget of £50,000 is approved for Discovery, High level design and development of Business case to reach the next Gateway; and
2. The total estimated cost of the project at £500,000 (excluding risk) be noted.

29. **GATEWAY 6 - SECURITY ENHANCEMENTS/SECURITY CROSS CUTTING - GUILDHALL, BARBICAN CENTRE, CENTRAL CRIMINAL COURT & MANSION HOUSE**

The Sub Committee considered a Gateway 6 report of the City Surveyor in respect of the provision of a range of security enhancements (Hostile Vehicle Mitigation, Bomb Blast Mitigation and CCTV) at the Guildhall Complex, Mansion House, Central Criminal Court and the Barbican Centre. The Deputy Chairman suggested that the project could be used as a case study in Project Management Academy training modules, with measures taken to make this appropriate such as anonymising locations.

RESOLVED, That:

1. The content of the report and lessons learnt be noted; and
2. The project be closed, subject to the satisfactory verification of the final account by the Chamberlain and noting that the final outturn cost will be reported back in the event of a significant variation over the estimate of £13,877,741.

30. **DELEGATED AUTHORITY REQUESTS**

a) **City Fund – Refurbishment/Extension of 6 Broad Street Place, EC2M**

The Sub Committee considered a report of the City Surveyor requesting delegated authority for a project concerning the refurbishment/extension of 6 Broad Street Place, EC2M.

RESOLVED – That the Projects Sub Committee grant delegated Authority of Gateway 3 for the continued development of the design to RIBA Stage 2 and 3 and submission of a planning application in advance of a Gateway 4 report, subject to the scheme being in accordance with the City's Metrics Report.

b) **Delegated Authority Request: Refurbishment of Tower Chambers, 74 Moorgate, EC2 - Bridge House Estates – Gateway 5**

The Sub Committee considered a report of the City Surveyor requesting delegated authority for a project concerning the refurbishment of Tower Chambers, 74 Moorgate, EC2.

RESOLVED – That authority will be delegated to the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Project Investment Board, Projects Sub Committee and Bridge House Estates Board to consider a

Gateway 5 report for 74 Moorgate.

c) **Delegated Authority Request: Refurbishment of Electra House, 84 Moorgate, EC2 - Bridge House Estates – Gateway 5**

The Sub Committee considered a report of the City Surveyor requesting delegated authority for a project concerning the refurbishment of Electra House, 84 Moorgate, EC2.

RESOLVED - That authority will be delegated to the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Project Investment Board, Projects Sub Committee and Bridge House Estates Board to consider a Gateway 5 report for 84 Moorgate.

31. **PORTFOLIO OVERVIEW**

a) **Red Report: City of London Primary Academy Islington (COLPAI)**

The Sub Committee received a report of the City Surveyor in respect of the COLPAI project. In response to a question from a Member, the City Surveyor confirmed that the project was on schedule for the school to open in September 2021.

RESOLVED – That the report be noted.

b) **Red Report: City of London Freeman’s School Main House Refurbishment**

The Sub Committee received a report of the City Surveyor regarding the Main House refurbishment at the City of London Freeman’s School. The City Surveyor confirmed that the project was expected to remain within budget, but was now expected to complete in early August due to a delay to final deliveries.

RESOLVED – That the report be noted.

c) **Red Report: Bridge House Estates – Candlewick House, 116-126 Cannon Street, London, EC4**

The Sub Committee received a report of the City Surveyor regarding the project in respect of Candlewick House, 116-126 Cannon Street, London, EC4. The City Surveyor confirmed that a claims consultant had been employed to assist with challenges from the contractor.

RESOLVED – That the report be noted.

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

There were no questions.

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

The Sub Committee agreed to extend the delegated authority requests granted for the Town Clerk, in consultation with the Chairman and Deputy Chairman, to

consider Gateway reports in respect of the Law Enforcement Community Network (LECN) and Covert Video Transmission Systems projects respectively.

RESOLVED – That delegated authority be granted for the Town Clerk, in consultation with the Chairman and Deputy Chairman, to consider Gateway reports in respect of the Law Enforcement Community Network (LECN) and Covert Video Transmission Systems projects respectively.

34. **CONFIDENTIAL MINUTES**

RESOLVED – That the confidential minutes of the meeting held on 23 June 2021 be agreed as a correct record.

The meeting ended at 10.22 am

Chairman

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