

Extracted Minute from Resource Allocation Sub-Committee – November 2021

6. CAPITAL FUNDING - PRIORITISATION OF 2022/23 ANNUAL CAPITAL BIDS - INITIAL REVIEW

The Sub-Committee considered a report of the Chamberlain regarding an initial review Capital Funding Prioritisation of 2022/23 Annual Capital Bids.

Members were informed that Senior Officers had debated and prioritised the bids into a traffic light system of Green (demonstrates the essential criteria), Amber (essential criteria less clear) and Red (does not demonstrate essential criteria/not essential to do now). The list had already been challenged by the Chair and Deputy Chairman who made some adjustments.

Members considered the proposed Green/Amber/Red Bids and approved them all. The following comments were made on individual bids on the Amber and Red lists:

- **Barbican Centre - Repairs to roof, expansion joint repairs and drainage and water systems** – it was felt a holistic approach to all works at the Centre, including the podium and the Renewal Project, was needed. Members were happy for Officers to take additional time to explore this.
- **DCCS - Library Management System** – it was hoped a plan would be developed to maximise a single management system.
- **Walbrook Wharf Feasibility Study - 2027 & beyond** – this project was considered too premature to be Green. The Corporate Property Group Director felt it was deceptive to refer to the project post-2027 as Officers hoped to be ready with planning consent, a waste management system decision and aspiration to introduce rivers by 2027 at the latest. A plea was made to the Sub-Committee for some funding to be made available to move the project forward.

The Deputy Chairman, after having discussions with the Chair for CASC, thought it unlikely to incur increased costs if the project was delayed for a year, and Members were content provided it was Green by next year.

In response to queries, it was confirmed this was to cover a number of key decisions, cap projects and surveys which required strategic direction. Officers agreed to come back to the Sub-Committee with a revised bid.

- **IT - Data Repository/Warehouse** – a Member noted the complexity of the subject and felt it would be helpful to invite Officers involved in individual projects to provide the Sub-Committee with relevant information, as often Members were only aware of issues and implications if the project fell within their own committee areas.

An Officer confirmed IT issues had been included within the TOM process and focus was given to what has to happen rather than what would be nice to happen. Officers agree to invite Chief Officers to the meeting considering Amber and Red projects.

- **Guildhall Complex Post Covid New Ways of Working - Stage 2 works and furniture** – Members acknowledged the difficulties as it was not yet clear where to aim. Officers

confirmed the project had begun looking and the North and West of Guildhall, and clear direction on the shape of the project was still needed.

- **St Paul's Gyrotory** – the Chair read comments received in advance of the meeting from a Member who asked if a) Officers could split out the different elements of the Gyrotory project to get clarity on what costs and timeline for realisation is of each element; b) endorsement of the recommendation that a “minimal allocation to fund investigations to inform the central funding requirement” is approved to be signed off under delegated authority to ensure the process progresses whilst not yet moving into Green for 2022/23, and c) instruct Officers to engage with developers of 81 Newgate Street and other local projects to get clearer understanding of the level of their financial contributions to improvements to the public realm. Members and Officers were supportive of the suggestions and approved the delegated authority.
- **St Paul's Cathedral Re-Lighting** – a Member noted that there were a number of upcoming important anniversaries plus other events with St Paul's at the heart of national events. Currently, half of the dome was not lit and there were general health and safety concerns. The Member asked if this could be considered as a Capital Bid, subject to necessary conditions, e.g. that it be made clear the revenue costs for lighting be borne from revenue at the Cathedral.

The Chair declared an interest in St Paul's noting that she sat on the Cathedral's Council.

Members discussed the informal agreement and questioned what the City Corporation's responsibilities were, the S106 obligations and why the Cathedral were not financing the costs as it was not a Corporation owned building and the Cathedral had its own funding stream. It was also noted that there were other funding options available including bids to the National Lottery Heritage Fund.

A Member advised that St Paul's had struggled during lockdown and was only back to 40% of donations experienced pre-pandemic. The Member also noted that the Corporation received a secondary income from people visiting the Cathedral.

Members were concerned by the vagueness of the agreement and the potential for the Corporation taking on responsibility for something that was not theirs. Whilst this was regarded as a good cause, Members felt that the project provided a luxury item for St Paul's and was not considered to be a sufficient responsibility to the City Corporation. Members requested more clarity, including the process for the potential S106 agreement and whether this should come from City's Fund when this was a private property, and were happy to put the bid on hold until this was provided.

It was agreed a fully thought out plan with conditions was needed and Members agreed to give delegated authority to progress this work pending further information. Officers agreed to provide a report providing more detail and place the bid in a separate waiting room.

- **IT tech bids** - A Member observed that all tech funding bids were not capital bids. Officers confirmed this was an ongoing issue with IT being addressed by the TOM and required more investigative working. This would be changed later.
- **Hampstead Heath Pergola Oak Structures repair and replacement** – Members were informed that there were opportunities for fundraising at this high-profile site and lots more

that could be done including weddings. A Member requested that funding opportunities be revisited and that the City Corporation do more to support all fundraising opportunities and outreach.

RESOLVED, that Members: -

- Note the total value of City Fund and City's Cash bids amounting to £61.9m against a target upper limit of £30m (excl BHE);
- Review the initial RAG rating of £24.3m green, £29.3m amber and £8.4m red contained in the appendices (determined in consultation with senior officers);
- Agree that, subject to Member feedback, funding for the green bids be incorporated into the medium-term financial plans, providing they remain within the £30m overall limits for City Fund and City's Cash and remain at a similar modest level for Bridge House;
- Agree in principle that bids with a final RAG rating of amber and red be deferred;
- Agree that amber-rated bids be placed on a reserve list to be progressed in the event that funding headroom is identified;
- Note that the final decision on the green-rated bids for inclusion in the 2022/23 draft budgets will be confirmed at the joint meeting of RASC and the service committee and Bridge House Estates Board chairmen in January 2022;
- Agree that a minimal allocation to fund investigations to inform the central funding requirement for the St Paul's Gyratory is approved under delegated authority to the Town Clerk, in consultation with the Chair and Deputy Chairman, to ensure the process continues to progress;
- Agree that delegated authority be given to the Town Clerk, in consultation with the Chair and Deputy Chairman, to allow Officers to progress with work concerning St Paul's Cathedral Re-Lighting and explore options in more detail to present to Members whilst the bid is placed in a separate waiting room.