

Committee(s)	Date:
Finance and Risk Committee – For information Barbican Board Committee – Starred item for information	4 July 2022 20 July 2022
Subject: Barbican CWP and Capital Projects Update Report	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1, 5, 12
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Jonathon Poyner – Director of Operations and Buildings	For Information
Report author: Cornell Farrell – Head of Engineering and Projects	

Summary

1. The purpose of this paper is to update members on the progress and financial position of the 59 live Barbican refurbishment and maintenance projects of which, six are capital projects.
2. The City Surveyor’s Department is delivering three of the six capital projects and the Centre is the client/intelligent client for these projects
3. The financial information on each project is in a separate non-public appendix due to commercially sensitive information. There are no serious financial concerns, related to any individual project raised in this report.
4. However, recent changes to the City process, where projects must now be completed within one financial year, continue to pose considerable risk to the delivery of projects at the Barbican Centre.

Recommendation(s)

- Members are asked to note the contents of this report.

Main Report

Background

1. The Operations and Buildings Director's strategic approach to the buildings includes measures to maintain, improve and enhance the facilities, for the benefit of the community, audiences, and staff. Improvement and enhancement are through the progression of building and refurbishment projects funded by the Cyclical Works Programme (CWP) or the Corporation's Capital reserves (City Fund).
2. Historically, CWP projects had to be completed within three years from when the funding started. From the beginning of the 2021/22 financial year, the City process was amended (agreed at CAsC) so that projects are now to be completed within a single financial year. The nature of the operations and restrictive access to venues/facilities to prepare and complete construction means that the change of process has resulted in increased risk to the successful delivery of projects.

Current Position

CWP projects

3. The Centre is managing 53 live CWP projects.
4. Funding for 19 new CWP projects became available in April 2022.
5. A financial summary of CWP projects is given in the table below:

Financial year approved	Original no of CWP Projects	Original CWP Combined Projects Value £000s	No of Live (Outstanding) CWP Projects	Combined Live CWP Projects Value £000s
2018/19	10	1,065	2	245
2019/20	14	1,255	6	655
2020/21	24	3,745	21	3,245
2021/22	10	972	5	500
2022/23	19	2,011	19	2,011

6. The project status summary is given for CWP projects below:

Financial year	No of Live (Outstanding) CWP projects	Project status (RAG)		
		RED	AMBER	GREEN
2018/19	2	2	0	0
2019/20	6	0	1	5
2020/21	21	0	1	20
2021/22	5	0	3	2
2022/23	19	0	0	19

7. Red status projects

The two projects with red status are:

- Replace Barbican Kitchen doors
Target project completion date was March 2022. An amendment to the Planning Permission and Listed Building Consent applications due to a design change caused a significant delay to the programme. The works will take place in August 2022.
- Replace Electrical Distribution Boards
Arranging full power shutdowns is problematic for operational reasons. Works have now been scheduled to take place out of hours (overnight) for completion by the end of Summer. Surveys currently underway.

8. Amber status projects

The five projects with amber status are:

- Replace catering grease traps
- Concert Hall accessibility study and minor works
- Replace level 4 flooring
- Level 4 heating replacement
- Frobisher Crescent Level 4 environmental controls

Three projects had a funding deadline of March 2022. The delays were due to increased lead times, which were caused by the pandemic. Construction dates have to be rescheduled to allow for business as usual. All works are now scheduled for completion before March 2023.

The two other projects marked as amber are delayed because of dependencies with other schemes which have later dates for completion.

9. The project status summary is given for the six Capital projects below:

Financial year	No of Live (Outstanding) Capital projects	Project status (RAG)		
		RED	AMBER	GREEN
2018/19	1	1	0	0
2019/20	0	0	0	0
2020/21	1	0	1	0
2021/22	2	0	0	2
2022/23	2	0	0	2

10. Red status projects

Fire Safety Projects - The projects have been in progress for three years and are now managed by the City Surveyor. A very complex project to deliver, for which the completion may now extend beyond March 2023.

11. Amber status Capital projects

Replacement Art Gallery Chiller - The intention was to replace the Chiller in 2021 but unforeseen emergency structural health and safety works in the Gallery delayed this scheme's development. Consultants have now been appointed and it is anticipated that this project, which remains essential, will now complete during winter 2022/23 dependent on the Art Gallery/Centre programme

Proposals

12. The Barbican Centre continue to deliver CWP, and capital funded projects for the on-going upkeep and improvement of the Centre using project management resource from the Barbican or City Surveyor Department as appropriate.

13. The Projects Department will work closely with the Barbican Renewal Team to ensure there is synergy between our work and Barbican Renewal

Options

14. No alternative options are suggested in this report.

Strategic Implications

15. This work contributes to the City's aim to 'shape outstanding environments' by ensuring 'our spaces are secure, resilient and well maintained'.

16. Financial implications

The Barbican Project Management Team aim to deliver Value for Money as part of a key output for all projects. Savings from CWP projects are returned to the City to help fund other essential projects across the Corporation.

17. Resource implications

The small team of four project managers (including one who started in May 2022) are responsible for delivering all the projects excluding the three allocated to the City Surveyor. This team also manage multiple projects for the Guildhall School of Music and Drama buildings as part of the operational alliance.

18. Legal implications

Legal implications are specific to each project. There are no current issues to be raised to the Board.

19. Risk implications

Every project carries some degree of risk that could impact on the project delivery. Rising prices, increased lead-in times, challenges in supply and delivery of materials and rising Covid levels are the current external generic risks to project delivery, whilst the internal risk are still access restrictions.

20. Equalities implications

Equality, diversity and inclusion are key to the Barbican Centre and to the project team. These are integral considerations in, for example, involving and including excluded groups when we request quotes or undertake procurement processes. We have started a process of questioning our own behaviours when inviting quotes for consultancy or works, and we have actively engaged with CoL colleagues to improve our EDI performance. We will continue to monitor and review our performance on this key issue with City of London colleagues.

21. Climate implications

The Barbican Centre has high energy use, and the trend has been upwards over the last year due to covid ventilation protocol. All MEP (mechanical, electrical, plumbing) and some fabric projects are an opportunity to replace kit with more efficient equivalents and to improve the controls and programming strategy to reduce our carbon footprint. We anticipate the current PSDS programme of environmental works will have significant effects in contributing to energy reduction and contributing to the City's carbon emissions reduction targets.

22. Security implications

There are no notable security implications within the current projects programme for the consideration of the Board.

Conclusion

23. The Centre currently has 59 live projects. The RAG status of these projects is detailed in this report. The financial data on each project is listed in appendix 1.

Appendices

Appendix 1 – Project financial information (Non-Public)

Cornell Farrell

Head of Engineering and Projects

T: 0207 382 7322

E: Cornell.Farrell@barbican.org.uk