

It is felt that this success can be improved with a revised approach to CWP in future years, this approach was outlined on the recent 23/24 CWP bid report to your committee in November 2022.

Forecasts suggest that c.£1 million of the overall programme may not be spent in this financial year; this is for various operational reasons that means work can only be carried out in small windows, particularly to the Barbican and GSMD. The total amount will be formally requested to be carried forward in the end of year outturn report. The recommendation to carry forward any remaining budget was approved at the November committee.

Recommendations

Members are asked to:

1. Note the progress of current CWP programmes of work
2. Note the likely requirement to carry forward a portion (c.£1million) of the programme funding in to 2023/24

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. The CWP is overseen by the City Surveyor's department who undertake a large part of the project delivery, however projects undertaken by the Barbican and Guildhall School and the engineering projects for the Department of the Built Environment (DBE) are delivered by their own teams and so are accountable for their element of project delivery not the City Surveyors' Department.
3. The Peer Review Group, chaired by the Chamberlain, has authority to agree funding increases within the overall funding envelopment for individual projects and to divert funding to new projects that meet a jointly agreed criterion. These changes are made within the agreed programme funding envelope. This ensures that project issues can be dealt with promptly and has the potential to reduce the backlog of maintenance (bow-wave) where projects can be brought forward.
4. The recent CWP 2023/24 bid request titled 'Cyclical Works Programme 2023/2024 and beyond' seeks to revise the future funding approach (from 2024/25) to enable a better forward resource and Contractor planning of future programmes of work.

Current Position

The table below outlines overall programme performance, broken down to fund type and property type within that fund.

Table 1 – Total programme expenditure for 22/23 financial year (figures up to the end of October 2022)

Fund		Original Budget	Latest Budget	Committed	Actual	Total Cost	Balance
City's Cash	Corporate	1,807,000	1,864,000	746,560	520,192	1,266,752	597,248
	GSMD	2,207,000	1,960,000	532,013	473,333	1,005,347	954,653
	Heritage	0	375,000	63,610	43,592	107,202	267,798
	Open Spaces	2,011,000	2,242,000	932,544	236,375	1,168,918	1,073,082
		6,025,000	6,441,000	2,274,727	1,273,492	3,548,219	2,892,781
City Fund	Barbican	3,345,000	2,670,000	1,322,101	334,563	1,656,664	1,013,336
	Corporate	2,681,000	2,337,000	963,874	470,134	1,434,008	902,992
	Heritage	0	121,000	46,336	35,780	82,116	38,884
	Open Spaces	73,000	82,000	22,662	20,960	43,622	38,378
		6,099,000	5,210,000	2,354,973	861,437	3,216,410	1,993,590
Guildhall	Corporate	1,244,000	1,694,000	905,657	588,529	1,494,186	199,814
	Heritage	0	283,000	193,631	215,934	409,565	-126,565
		1,244,000	1,977,000	1,099,288	804,463	1,903,751	73,249
	Totals	13,368,000	13,628,000	5,728,989	2,939,392	8,668,381	4,959,619

5. The original budget was set at the start of 2022/23. Project managers were asked in September to provide realistic outturns for their respective projects so that the budget can be appropriately reprofiled, with project funding (and forecasts) aligned to projects that may require an increase or diverted to new projects that can be brought forward from the forward maintenance plan. This exercise has informed the figures for the 'latest budget' above. The overall budget has been able to increase as central 'pot' money has been agreed to be retained from previous financial years and can be reallocated in these instances.
6. Whilst the Open Spaces area across City's Cash is showing a lower expenditure, works have progressed with our current maintenance repairs Contractor (Skanska) but are yet to be invoiced. Over 50% of the £1.07million budget is already committed.
7. Circa.£2million is yet to be committed or spent at the Barbican (City's Fund) and the GSMD (City's Cash) due to difficulties the centre has in programming large-scale maintenance works that could affect shows or bookings within the centre. Should it not be possible to complete these works within the funding timeframe, consideration will be given to using the funding to deliver projects from the approved reserve list instead and the schemes will need to be included in a bid for future years.
8. There are a few larger projects (e.g., building services type projects) that are yet to take place, that sit within the Corporate estate of City Fund, these make up a

large portion of the uncommitted c.£900k in this area. Project Managers have confirmed that orders for these will soon be placed.

Table 2 - Progress against each fund and the remaining CWP programmes

By Fund								
	2022/23 Revised	Committed	Paid	Total	Balance		Paid / Budget	Total / Budget
City's Cash	6,441,000	2,274,727	1,273,492	3,548,219	2,892,781		19.77%	55.09%
City Fund	5,210,000	2,354,973	861,437	3,216,410	1,993,590		16.53%	61.74%
Guildhall	1,977,000	1,099,288	804,463	1,903,751	73,249		40.69%	96.29%
	13,628,000	5,728,989	2,939,392	8,668,381	4,959,619		21.57%	63.61%
By CWP Programme								
2017/18 & 2018/19	367,000	228,769	106,042	334,811	32,189		28.89%	91.23%
2019/20	2,929,000	1,041,134	1,068,958	2,110,091	818,909		36.50%	72.04%
2020/21	3,998,000	1,389,133	787,116	2,176,249	1,821,752		19.69%	54.43%
2021/22	1,117,000	372,655	443,371	816,025	300,975		39.69%	73.06%
2022/23	5,217,000	2,697,299	533,905	3,231,204	1,985,796		10.23%	61.94%
	13,628,000	5,728,989	2,939,392	8,668,381	4,959,619		21.57%	63.61%

9. Overall expenditure across all funds is positive for this point in the year. Focus has been on expending previous years budgets and to ensure appropriate planning of newly provided budget e.g., the 2022/23 CWP.
10. The overall 22/23 budget was c.£11million with c.£5.2million forecast for this year. The focussed programme management has resulted in a good level of orders placed (budget committed) within the first half of the year. A significant part of the remaining balance has already been committed with our repairs and maintenance contractor (Skanska).
11. Expenditure will always be higher in the second half of each financial year due to planning and design and lead in periods of orders placed.
12. A large majority of the 2020/21 budget is due to be spent by the GSMD against City's Cash. It is likely that a portion of this remaining balance – c.£1million will be requested to be carried forward to a further year. This is currently the only area where performance is lower than expected. This is largely due to limited access

to the School, for example in 2023, cyclical inspections and CWP projects have a 3-week window to undertake work. This is due to the Summer School and West End Stage occupying the majority of the buildings. Future delays will be mitigated by recently introduced logistics meetings with School stakeholders.

13. There are nominal sums of expenditure still against the earlier funds from 2017/18 and 2018/19. These sums were allocated against historic and capital projects hence the money has still been held.
14. There have been and will continue to be efficiency savings made until year end. The 2023/24 bid report recommended that any unspent funding from previous CWP programmes, due to savings achieved, are to be retained so that this can be reallocated by the Peer review group. This provides us with an efficient funding route to react quickly to any urgent, unforeseen requirements.

Corporate & Strategic Implications

15. 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

16. The overall performance of the 2022/23 CWP has been good and has improved over this point in recent years. The accuracy of forward planning will be bettered still with the revised CWP bid approach that is sought to be requested from 2024/25.
17. This year the City Surveyors delivery team has focussed on forward planning of new projects, this has resulted in a very good performance for the latest programme of works (2022/23) programme.
18. Various cost savings have been sought from projects, these savings have been returned to the central funding pot and have been diverted to high scoring projects that may not have had previous funding. This will reduce funding pressures on future works programmes and enable the City Surveyor (and other departments) to address high priority maintenance projects across the corporate portfolio.

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