

Committee(s)	Dated:
Resource Allocation Sub-Committee – For Information	11 th December 2024
Subject: Previous Years Cyclical Works Programmes – Update Report	Public For information
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	<ul style="list-style-type: none"> • Leading Sustainable Environment • Flourishing Public Spaces • Dynamic Economic Growth • Providing Excellent Services
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?	Yes
Report of: The City Surveyor	Paul Wilkinson – The City Surveyor
Report author: Jonathan Cooper, City Surveyor’s Department	

Summary

This report provides an overview of the progress and expenditure of the historic Cyclical Works Programmes (CWP) across the Corporate property portfolio.

The report confirms that the remaining budget of c.£8.6m will be fully utilised by the City Surveyor by end of the 2024/25 fiscal year. Any remaining budget will not be required to be carried forward.

Please note that this report only relates to programmed works being delivered by the City Surveyor and the Department of the Built Environment. Previous updates have included projects being undertaken at the Barbican and Guildhall School for Music and Drama (GSMD), but they will be reported on separately.

Recommendations

Members are asked to:

1. Note the progress of the pre-2024/25 CWP programmes of work

Main Report

Background

1. There is an ongoing need to conduct planned refurbishment and replacement of buildings and their associated equipment in addition to routine serving and repairs.
2. This report deals with the historic CWP which are due to complete by the end of 2024/25. This is different from the new £133.7m CWP which, as agreed, is being delivered over five years from 2024/25.
3. The historic CWP continues to be overseen by the City Surveyor's department who undertake most 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.
4. Under the agreed governance, the Peer Review Group chaired by the Chamberlain has authority to agree funding increases on individual projects and/or to divert funding to new projects that meet a jointly agreed priority criterion. These changes are made within the agreed programme funding envelope and ensures that project issues can be dealt with promptly.

Current Position

5. The table below outlines overall programme performance to period 7 of the current fiscal year and provides a breakdown of various funds, their budgets, amounts paid and committed, balances, and percentage spent. The table also details the budget, paid and committed amounts, and balances for different award years
6. Please note that the below figures include the programmed works being undertaken at the Barbican, which amounts to c.£1.2m of the City Fund, and GSMD, which amounts to c.£1.15m of the City Estate. The works to the Barbican are the subject of a different report, to carry-forward c.£1.18m of funding, the contents of which will be discussed separately at this committee.

Fund	Budget	Paid & Committed	Balance	% Spend
City Fund	£ 4,060,000	£ 2,717,105	£ 1,342,895	67
Barbican	£ 1,196,000	£ 1,478,834	-£ 282,834	124
City Estate	£ 3,833,000	£ 2,526,332	£ 1,306,668	66
GSMD	£ 1,154,000	£ 956,700	£ 197,300	83
Guildhall	£ 753,000	£ 539,588	£ 213,412	72
Total	£ 8,646,000	£ 5,783,026	£ 2,862,974	67
Programme Award Year	Budget	Paid & Committed	Balance	% Spend
Older	£ 376,000	£ 159,619	£ 216,381*	42
2019/20	£ 956,000	£ 623,616	£ 332,384	65
2020/21	£ 1,529,000	£ 1,068,884	£ 460,116	70
2021/22	£ 192,000	£ 159,066	£ 32,934	83
2022/23	£ 2,784,000	£ 1,700,981	£ 1,083,019	61
2023/24	£ 2,809,000	£ 2,070,861	£ 738,139	74
Total	£ 8,646,000	£ 5,783,026	£ 2,862,974	67

* This budget has been earmarked as part of a funding strategy for the Golden Lane Leisure centre works. Based on the Department from Community & Children's Services (DCCS) programme estimates, it is unlikely to be spent before year end.

- The overall percentage spend commitment across all funds is around 67%, indicating a significant portion of the budget has been spent.
- In the 2023/24 programme, the budget spend stands at 74%, reflecting effective budget management. Additionally, all Project Managers have assured that all high-value projects will be committed by the end of December, well ahead of the financial year-end in March.
- Overall expenditure across all funds is at a good level for this time in the year. It should be noted that the uncommitted sums for 20/21 and 22/23 mostly relate to new projects that have benefited from 'underspends' from projects within those programmed years. All project orders are expected to be made before the end of the calendar year. Delivery contractors have also confirmed works will be complete within the fiscal year.

Corporate & Strategic Implications

- Strategic implications – Cyclical Works Programmes are a strategic initiative that not only maintains and enhances the operational estate but also aligns with and supports the broader goals of the City of London's Corporate Plan.

Leading Sustainable Environment	The inclusion of climate action strategy works demonstrates a commitment to sustainability, reducing the carbon footprint and promoting environmental stewardship.
Flourishing Public Spaces	Well-maintained public spaces contribute to the overall well-being and quality of life for residents and visitors.
Dynamic Economic Growth	By maintaining and improving the operational estate, the programme creates a conducive environment for businesses to thrive, supporting economic growth.
Providing Excellent Services	The programme allows for timely upgrades and repairs, ensuring that services remain excellent and responsive to changing demands.

11. Financial implications – The funding for these programmes of work have already been approved. Any unspent funds at year end will fall back to central reserves unless Members agree a carry-forward request. For the schemes being delivered by the City Surveyor, no request for carry-forward of funds is anticipated.
12. Resource implications – none.
13. Legal implications – none.
14. Risk implications - The central corporate risk register identifies risk CR37 – Maintenance & renewal of corporate physical operational assets (excluding housing). The delivery of this programme of works will address this risk and will be updated at the appropriate juncture(s). This has been updated to include any risk linked to this programme. Departmental risk register.
15. Equalities implications – none.
16. Climate implications – The CWP's include projects which will contribute modestly towards the reduction of carbon usage across corporate estate.
17. Security implications – none.

Conclusion

18. With regard to the programmed works being delivered by the City Surveyor and the Department of the Built Environment, all previous CWP programmes will complete before the end of the fiscal year.
19. Through the reallocation of project savings, additional reserve and priority projects of at least £1.2million have been able to take place. This was unspent money, which was diverted to new projects by the Peer Review Group and will lighten the financial burden on latter programme years. Going-forward, the only live CWP programme will be the 2024/25 programme, which has an agreed 6-monthly reporting strategy to this committee.

Report Author

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