

City of London Corporation Committee Report

Committee(s): Barbican Centre Board – For approval Policy and Resource Committee – For Decision Court of Common Council	Dated: 28/01/2025 13/02/2025 06/03/2025
Subject: Barbican Renewal Governance	Public report: For Decision
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides statutory duties • provides business enabling functions 	Diverse Engaged Communities, Vibrant Thriving Destination, Dynamic Economic Growth, Leading Sustainable Environment
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	
What is the source of Funding?	
Has this Funding Source been agreed with the Chamberlain’s Department?	
Report of:	David Farnsworth, Interim CEO Barbican Caroline Al-Beyerty, Chamberlain
Report author:	Philippa Simpson, Barbican Director for Buildings and Renewal

Summary

This report proposes the establishment of bespoke governance arrangements to oversee the delivery of the Barbican Renewal Programme.

Following the approval of a £191m investment by the Court of Common Council in December 2025, the programme is moving into its delivery phase. To minimise financial, operational, and reputational risks while ensuring the Barbican Centre remains operational during the works, a governance framework that is both rigorous and agile is essential.

The report recommends the creation of a dedicated sub-committee under the Barbican Centre Board, with full Delegated Authority to manage the programme’s

£231m budget envelope (comprising £191m from the City of London Corporation and £40m to be raised by the Barbican Centre). This sub-committee would oversee drawdowns, expenditure, procurement, scope, and programme progress.

Furthermore, the appointment of joint Senior Responsible Officers (SROs) and a Delivery Director with agreed levels of Delegated Authority is proposed to enable timely decision-making while ensuring ongoing Member feedback and strategic direction are maintained.

Recommendation

That the Barbican Centre Board (in its capacity as the service provider) and the Policy and Resources Committee (with responsibility for major projects and matters relating to the creation of sub-committees), are invited to consider and approve, for onward consideration by the Court of Common Council:

1. The creation of a new sub-committee of Barbican Centre Board (**Barbican Renewal Sub-Committee**) as per the terms of reference set out in Appendix 1, for the delivery of the Barbican Renewal 2025-2030, noting that this is a departure from existing Major Projects arrangements (currently overseen by the Capital Buildings Board).
2. **Joint SROs are appointed (City Surveyor and CEO of the Barbican Centre) with delegations as set out in the table at paragraph 12.** It is requested that the CEO of the Barbican Centre is appointed joint SRO with the City Surveyor. It is recommended to Grant authority to the joint SROs to make decisions up to £5m, and to act in areas as defined by the Board, referring decisions above this value to the City Surveyor solely. The City Surveyor retains delegated authority up to £15m, noting that decisions above those thresholds remain subject to formal consideration by Barbican Renewal Sub-committee.
It is recommended to establish SROs delegation with immediate effect, with urgent decisions within the scope of the new sub-committee to continue to be presented to BCB and P&R, if needed before the establishment of the new sub-committee.
3. **A Delivery Director is appointed.** It is requested that the Director for Buildings and Renewal is named Delivery Director and granted Delegated Authority for the approval of Purchase Orders, procurement strategy and awarding of contracts up to £2m.
4. **Note that any requests for funds beyond the agreed budget envelope of £231m, within the Optimism Bias contingency of £57m** (noted in papers to the Court of Common Council on 5th December) are brought to the Policy and Resource Committee for consideration.
5. **Note that, subject to approval this day, an Options Analysis on use of the Exhibition Halls** is reviewed by Barbican Renewal Sub-Committee and

Barbican Board before presentation to Policy and Resource Committee in Spring 2025.

6. Following approval at Policy and Resources Committee in November, Members have endorsed the development of a **10-year business plan** to support the Barbican Renewal Programme and ensure its benefits are fully realised. It is proposed that the review and approval of the business plan be excluded from the remit of the Barbican Renewal Sub-Committee, with these responsibilities instead resting with the Barbican Centre Board, subject to final approval by the Policy and Resources Committee.

Main Report

Background

1. The full Masterplan for Barbican Renewal was approved by Policy and Resource Committee in March 2024, and a group of priority projects taken forward as 'phase one' to be delivered over the next five years. To progress delivery of this first phase, a new Director of Buildings and Renewal was appointed at the Barbican Centre, and a Project Team established, working alongside colleagues from the City Surveyors and Chamberlain's departments. Up to this point, oversight has been provided by the Barbican Centre Board, reporting to Resource Allocation Sub-Committee and Policy and Resource Committee for approval and drawdown of funds when necessary. The five-year budget for phase one is £231m, and therefore falls within the CoLC's Tier 1 category of capital projects.
2. Delivery of major capital programmes within the City of London has been managed in a number of ways over different periods. More latterly, at Member Level, governance for programmes over £100m have been overseen by Capital Buildings Board, which has been granted full delegated authority for drawdown and spend. At Officer Level each programme has had a Programme Board, which reports to the Chamberlain's Project Assurance Board and, when requested, Town Clerk's Portfolio Board.
3. An independent report commissioned in July 2023 by Paul Martin (the Martin Report) reviewed the efficiency and appropriateness of this approach, looking in particular at Member Level governance. It also looked in some detail at Barbican Renewal as a specific case in point. Key extracts are provided below:

"7.18 I would expect a strong case for a bespoke arrangement for the Barbican Centre as a globally significant cultural centre with significant stakeholder non-executive membership.

9.1 Service committees – including the Barbican Centre Board and the Police Authority but also external partner organisations like the Museum of London -

have the expertise and experience relevant to their responsibilities and should be responsible for projects within the new framework. They should be empowered to undertake their work with streamlined and proportionate oversight.

6.11: I have considered where the Sponsor Body role should be exercised for Tier 1 projects that will be overseen by members, as well as Tier 2 projects where applicable. The choice is between this responsibility being undertaken by the OPPSCC itself, and/or the relevant committee. I recommend that this role should be undertaken by a single relevant service committee. My reasoning is that it is a fundamental part of the service committees' role to oversee the high-level management of change in the committee's area of expertise and responsibility, and that the oversight of the more strategically significant projects should be undertaken in a way that aligns with the usual operating model of the Corporation.

7.13 My sense is that as the Barbican Centre Board has successfully developed a personality of its own featuring strong representation from the artistic and cultural industries it might be more analogous to the Museum project. Consideration should be given to the Sponsor Board being a subcommittee of the Barbican Centre Board with representation from the PRC/CBB as in the New Museum project."

4. Following these recommendations, it is proposed that the Barbican Renewal Sub-Committee functions as a Sponsor Board under Barbican Centre Board, with representation from PCR as laid out above.
5. This arrangement will:
 - Provide swift and informed decision making, combining CoLC expertise with in-sector experience
 - Allow for agility in responding to the live environment of an operating Arts Centre, minimising delay and cost
 - Reduce procurement periods without impacting rigour or detail of process, allowing for smooth transition into onsite delivery
 - Support swift and effective realisation of benefits, with matrix decision making across capital, operational and revenue areas
 - Guard against reputational and operational impacts, ensuring minimal and well managed disruption to public offer
 - Appropriate level of detailed and objective review, with relevant expertise embedded at every level

Current Position

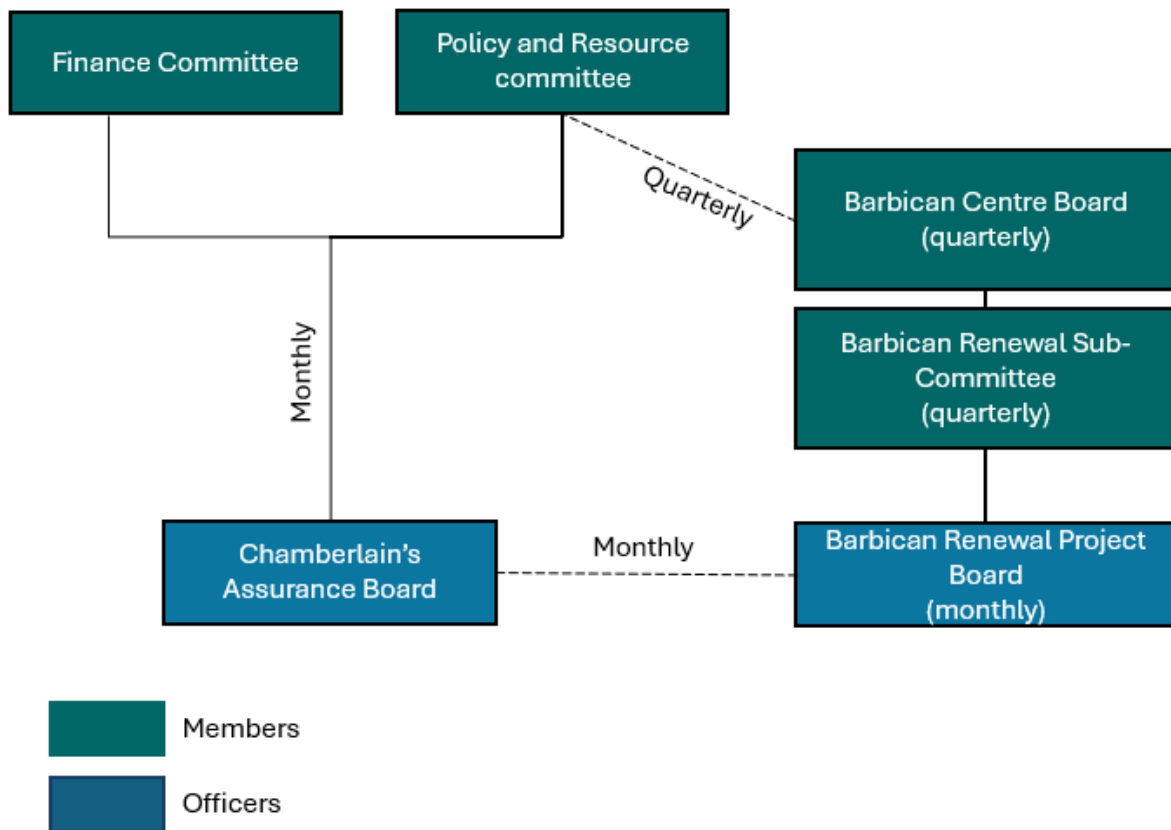
6. Barbican Renewal Phase one, as a programme with a budget over £100m, will automatically report to Capital Buildings Board unless a bespoke arrangement is established.

Options

7. There are three viable options for governance of Barbican Renewal. All of these pre-suppose appointment of joint SROs and a Delivery Director, with Delegated Authority for spend as outlined above:

Option	Benefits	Disadvantages
Capital Buildings Board	<ul style="list-style-type: none"> • Already established • In line with other major capital projects, overseen as part of broader portfolio 	<ul style="list-style-type: none"> • Limited expertise in performing arts operations and their relationship to capital development • Lengthy reporting and decision-making processes, unable to meet or review between fixed dates • Unable to respond at speed to the demands of a live public site still in operation • Restricts ability of team delivering a project to respond efficiently to issues arising
Barbican Centre Board	<ul style="list-style-type: none"> • Established service committee • Already invested in Barbican Renewal, and historic knowledge of its genesis and development • Extensive knowledge of Barbican Centre operations and requirements • Ability to draw together capital with operational and cultural change 	<ul style="list-style-type: none"> • Limited Board experience in capital project design and delivery • Meets quarterly, with limited ability to respond between meetings or delegate authority • Time is split between Renewal and all other areas of Barbican operations, including Business Planning
Barbican Renewal Sub-Committee RECOMMENDED	<ul style="list-style-type: none"> • Brings together knowledge, experience and expertise of Barbican Centre Board, relevant committees and co-opted expertise from external members • Ability to draw together capital with operational and cultural change • Meets quarterly, and can regroup more easily if required by exception between meetings, or delegate authority • Full focus on Barbican Renewal as the most significant capital project in the Barbican's history • Direct reporting line to Policy and Resource Committee 	<ul style="list-style-type: none"> • New sub-committee requiring set-up and administrative resource

Proposals



Officers' governance

8. **Barbican Renewal Programme Board:** The primary objective of the Barbican Renewal Programme Board is to provide strategic oversight and coordination for all aspects of the Barbican Renewal Programme. This includes managing risks, addressing dependencies between projects, and ensuring robust financial oversight of the associated budgets.
9. It will be chaired by the joint SROs and attended by all key project and design team members as well as representatives from Chamberlains and PMO departments
10. In addition, the Board will oversee the top-level communication and engagement strategy across all related projects.
11. The Board will also play a key role in coordinating reports to the Barbican Renewal Sub-Committee, Barbican Centre Board, Policy and Resource committee, and Chamberlain's Major Programme Assurance Board, with other relevant officer boards.
12. **Chamberlains Major Programmes Assurance Board:** The primary objective of the Chamberlain's Major Programmes Assurance Board is to provide strategic financial oversight and coordination for all financial, contractual, and procurement matters related to the approved Major Programmes within the City of London Corporation.

Delegated authority and Members' governance

13. The table below sets out which of the above responsibilities are proposed for delegation to the SROs and Delivery Director in respect of the Barbican Renewal Programme, alongside the role of the newly proposed sub-committee, Barbican Centre Board and Policy and Resources Committee:

	Delegation to SRO, to report to the Barbican Renewal Sub-Committee if approved	Reserved to Barbican Renewal Sub-Committee (BRC)	Reserved to BCB	Reserved to P&R
A	<ul style="list-style-type: none"> Day-to-day ownership of the Programme Plan and approved milestones Appointment of resources in support of the delivery of the programme (including professional services in line with B below) 	<ul style="list-style-type: none"> Initial approval of the Programme Plan and milestones 	<ul style="list-style-type: none"> Noting approval of the Programme Plan and milestones quarterly 	<ul style="list-style-type: none"> Noting approval of the Programme Plan and milestones quarterly
B	<ul style="list-style-type: none"> Monitoring of programme budget Release of monies at approved milestones in the project plan, up to £5m Award of contracts up to up to £5m (noting that one of the SROs holds current authorised signature limit of £15m), with the Delivery Director being able to award and sign contracts and Purchase order 	<ul style="list-style-type: none"> BRC to receive regular budget monitoring reports Variances of >15% must be reported to BRC and approval sought Award of contracts over the level permitted under Officer Delegation threshold 	<ul style="list-style-type: none"> Noting quarterly updates on the budget and spent. Review of anything above and beyond the envelope approved at P&R in November 2024. 	<ul style="list-style-type: none"> Noting quarterly updates on the budget and spent. Approval of anything above and beyond the envelope approved at P&R in November 2024, with subsequent approval at Court of Common Council.

	<p>for up to £2m in consultation with the SROs.</p> <ul style="list-style-type: none"> To remain in line with any future changes to the thresholds agreed for officer delegation under relevant corporate governance framework documents, e.g., Standing Orders, Scheme of Delegations, Financial Regulations, Procurement Regulations, Project Procedure. 			
C	<ul style="list-style-type: none"> Review of progress against programme plan 	<ul style="list-style-type: none"> Exception reporting of key risks and issues to BRC 	<ul style="list-style-type: none"> Reviewing and noting decisions above and beyond the pre-approved changes in strategy and policy of the programme 	<ul style="list-style-type: none"> Decisions above and beyond the pre-approved changes in strategy and policy of the programme
D	<ul style="list-style-type: none"> Initial consideration of questions around strategic direction and commercial viability of the Barbican Renewal 	<ul style="list-style-type: none"> Final decision-making regarding the strategic direction and commercial viability of Barbican Renewal Sub-committee Options Analysis on use of the Exhibition Halls is reviewed by Barbican Renewal Sub- 	<ul style="list-style-type: none"> Reviewing and noting of the options analysis on use of the Exhibition Halls before presentation to Policy and Resource Committee in Spring 2025. Reviewing and noting of the 10-year 	<ul style="list-style-type: none"> Decision options analysis on use of the Exhibition Halls before presentation to Policy and Resource Committee in Spring 2025. Decision on the 10-year

		Committee and Barbican Board before presentation to Policy and Resource Committee in Spring 2025.	business plan, subject to final approval by the Policy and Resources Committee	Business Plan.
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Summary of approvals for financial and procurement

Action / Stage	<£2m	>£2m-£5m	>£5m-£15m	>£15m (within approved budget of £231m)
Drawdown of funds	SROs	SROs	Barbican Renewal Sub-Committee (BRSC)	Barbican Renewal Sub-Committee (BRSC)
Procurement strategy report (pre-procurement)	Delivery Director	SROs	SRO (City Surveyor)	BRSC
Procurement award report (award of contracts)	Delivery Director	SROs	SRO (City Surveyor)	BRSC
Approval of procurement strategy and award of contracts	Delivery Director	SROs	SRO (City Surveyor)	BRSC
Contract extensions/variations (new contract value)	Delivery Director	SROs	SRO (City Surveyor)	BRSC
Signature of contract	Delivery Director	SROs	SROs (part of City Surveyor current responsibilities)	With comptrollers
Approval of Purchase Orders	Delivery Director	SROs	SROs	With comptrollers

Corporate & Strategic Implications

14. *Strategic Implications*: Barbican Renewal in itself delivers against all six of the CoLC's strategic aims, so any action that supports efficient and effective delivery of its benefits directly supports the Corporate Plan. In particular, timely and well-informed decision making will help accelerate progress towards a more equitable, resilient and successful site (Diverse Engaged Communities, Vibrant Thriving Destination, Dynamic Economic Growth) and achievement of the City's net zero targets (Leading Sustainable Environment).
15. *Financial implications* : no changes from those outlined in the approved business case, other than those associated with resourcing (see below.)
16. *Resource implications* : If Members choose to establish a new Sub-Committee, additional clerking/administration resource will need to be identified (either as part of the programme budget or otherwise) to provide sufficient support for new Barbican Renewal Sub-Committee. Currently, there is insufficient resource within the Governance and Member Services Team to support any additional committees.

It is estimated that this sub-committee will command administrative support equivalent to 0.5FTE at a cost of approximately £31,000 per annum (to increase with any staff pay increments).

If Members are supportive of the proposal within this paper, officers will review options on how this resource demand can be met and will bring these back under urgency to the relevant committee(s).

Other options do not present the same level of resource implications, unless there is a proposal to report matters via the Barbican Centre Board, which in turn requires an increase in the frequency of their meetings.

17. *Legal implications* : none
18. *Risk implications* : Reduced risk of programme delay and additional cost. Reduced risk of disconnect between capital programme and operations/business plan. Continued uncertainty around governance arrangements for this project will result in delays and, ultimately, likely add to costs associated with the project.
19. *Equalities implications* : Establishment of a new sub-committee with introduction of external members offers opportunities to create a more diverse and inclusive working culture. This can be achieved both through membership and terms of reference
20. *Climate implications* : supports efficient delivery of CoLC's net zero targets
21. *Security implications* : none

Conclusion

22. For the reasons outlined in the options table, Members are asked to endorse and approve the recommendations made above regarding governance of Barbican Renewal, with immediate effect.
In summary:

- Establishment of a Barbican Renewal Sub-committee operating with full Delegated Authority for the delivery of the Barbican Renewal 2025-2030.
- Appointment of joint SROs, and a Delivery Director with related Delegated Authorities, this being £5m for drawdown of funds for SROs, £2m for approvals of POs and contracts for Delivery Director.
- Review of options appraisal of Exhibition Halls at Policy and Resource Committee in Spring 2025, to be noted at Barbican Centre Board.
- Review of ten-year business plan by Policy and Resource Committee end 2025, to be noted at Barbican Centre Board.

23. Members are requested to endorse the recommendations outlined in this report for immediate implementation (subject to any necessary approvals by the Court of Common Council) to ensure the timely progression of the programme. It is important to note that, with the forthcoming pre-elections period, failure to establish agreed governance arrangements this day, may result in significant delays during the programme's critical initial phase.

Appendices

Appendix 1 – Draft Terms of Reference for the Barbican Renewal Sub-Committee

Background Papers

Court of Common Council – Barbican Report (December 2024)

Barbican Renewal Executive Summary Business Case (December 2024)

Independent Report, Paul Martin (July 2023)

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Draft Barbican Renewal Sub (Barbican Centre Board) Committee

Composition

- Chair and Deputy Chair of the Barbican Centre Board
- Two further Members of the Barbican Centre Board
- The Policy and Resources Committee Representative on the Barbican Centre Board, or another representative from P&R if necessary
- One Member of the Finance Committee
- Up to three external Members with necessary expertise and skills in major programmes, to be recruited and appointed by the Barbican Centre Board.

This number is in line with the two other subcommittees to the Barbican Centre Board, Finance and Risk committee and People, Culture and Inclusion committee

Quorum

Any three Members, with at least one representative of the Barbican Board and Policy and Resources Committee.

Terms of Reference

In respect of the Barbican Renewal Programme, which have been approved in principle by the Court of Common Council, to be responsible for:

- (a) Overall strategic direction and co-ordination, including commercial viability, providing it is in accordance with any relevant agreed strategies;
- (b) financial control and variances of up to +15%, within the overall approved budget for the project^[1], referring matters beyond this to the Barbican Centre Board and any other relevant committee(s);
- (c) review of progress;
- (d) decisions on significant option development and key policy choices;
- (e) oversight of the options analysis for the Exhibition Halls, making a final recommendation to the Barbican Centre Board and Policy and Resources Committee;
- (f) Monitoring the risks, budget, and progress against agreed milestones (referring matters to the Barbican Centre Board; and
- (g) The release of the City of London Corporation's funding that is within budget, without recourse to other committee(s).

The Barbican Renewal Sub-Committee will meet four times a year.

Delegated Authority requests will be submitted in the event that decisions are required between meetings (for example, where a tender exercise is due to close during a recess period).

[\[1\]](#) Including acting as the “Service/Spending Committee” in line with the Projects Procedure and Procurement Code.