

City of London Corporation Committee Report

Committee(s): Resource Allocation Sub Committee Policy & Resources Committee	Date 24 th June 2025 3 rd July 2025
Subject: Capital Funding Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	The schemes for which funding is now requested span across a range of corporate outcomes
For City Bridge Foundation (CBF), which outcomes in the BHE Bridging London 2020 – 2045 Strategy does this proposal aim to support?	
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£2.05m
What is the source of Funding?	£1.91m - City Fund, £0.14m City Estate
Has this Funding Source been agreed with the Chamberlain's Department?	Yes
Report of: The Chamberlain	For Decision
Report author: Yasin Razaaq, Capital and Projects Manager	

Summary

The purpose of this report is for Members to consider release (following gateway approvals) to allow schemes to progress.

Members are reminded of the two-step funding mechanism for capital funding

- Firstly, within available funding, 'in principle' approval to the highest priority bids is sought and appropriate provisions are set aside in the annual capital and revenue budgets within the MTFPs.
- Secondly, following scrutiny via the gateway process to provide assurance of robust option appraisal, project management and value for money, Members are asked to confirm that these schemes remain a priority for which funding should be released at this time.

Members need to consider release (following gateway approvals) to allow schemes to progress.

Release of £2.05m to allow progression of six schemes summarised in Table 1 'Project Funding Requests' is now requested.

Recommendations

Resource Allocation Sub Committee Members and Policy & Resources Committee are requested:

- (i) To review the schemes summarised in Table 1 and, particularly in the context of the current financial climate, to confirm their continued essential priority for release of funding at this time and accordingly:
- (ii) To agree the release of up to £2.05m for the schemes progressing to the next Gateway in Table 1 from City Fund £1.91m (£0.75m from OSPR and £0.78m from CIL) and £0.14m for City Estate.

Main Report

Background

1. Schemes have been approved in principle through the annual capital budget setting process and, where appropriate, the CIL and OSPR quarterly approvals but they are subject to a drawdown approval when the funding is required to progress.
2. The scope of this prioritisation relates only to those funded from central sources, which include the On-Street Parking Reserve, Community Infrastructure Levy (CIL), flexible external contributions and allocations from the general reserves of City Fund, City's Cash or CBF¹. This means that projects funded from most ring-fenced funds, such as the Housing Revenue Account, Designated Sales Pools and Cyclical Works Programmes *are excluded*, as well as schemes wholly funded from external grants, and tenant/developer contributions e.g. under S278 agreements and S106 deposits.

Current Position

3. The total amount of funding available to draw down for approved schemes is shown in Appendix 1.

Current Requests for the Release of Funding

4. There are four schemes with 'in principle' funding approved that have progressed through the gateways, for which release of up to £2m is requested:

¹ Contributions from City Bridge Foundation are limited to its share of corporate schemes such as works to the Guildhall Complex or corporate IT systems and are subject to the specific approval of the City Bridge Foundation

Table 1 Project Funding Requests

Table 1: Project Funding Requests	Gateway	CIL/OSPR	City Fund	City's Estate	City Bridge Foundation	Total
			£m	£m	£m	£m
<u>Funding to progress to the next gateway</u>						
Barbican Library Refresh	GW3-GW5	CIL	0.78			0.78
Bank Junction Improvement	GW5	OSPR	0.75			0.75
Guildhall North and West Wing – Spaces	GW5		0.14	0.14		0.27
Barbican Fire Door Replacement	GW2		0.25			0.25
			1.91	0.14	-	2.05

5. Further details of the individual schemes are provided in Appendix 2 attached.
6. In accordance with step two of the capital funding mechanism, Members are required to approve the funding drawdown for these schemes
7. Funding for these schemes can be met from the provisions set aside from City Fund £1.9m with £0.8m from CIL and £0.8m and £0.1m from City Estate.

Conclusion

8. Members are requested to review the above and approve the funding drawdowns for the schemes in Table 1.

Appendices

Appendix 1 - Approved Bids

Appendix 2 - Requests for Release of Funding – Scheme Details

Background Papers

Yasin Razaaq

Capital & Projects Manager

Email: Yasin.Razaaq@cityoflondon.gov.uk