

## CITY OF WESTMINSTER

### AD HOC COMMITTEE OF THE CABINET (PADDINGTON STATION LONG TERM VEHICLE ACCESS)

#### MINUTES OF PROCEEDINGS

At a meeting of the **Ad Hoc Committee of the Cabinet (Paddington Station Long Term Vehicle Access)** held on **Monday 25 March 2002** at 6.00pm at City Hall, Victoria Street, SW1.

**Present:** Councillors Simon Milton (Chairman) and Charles Cronin.

#### 1. MEMBERSHIP

- 1.1 Apologies for absence had been received from Councillor Kit Malthouse.

#### 2. DECLARATIONS OF INTEREST

- 2.1 Councillor Simon Milton declared an interest in item 5 – Paddington Station Long Term Vehicle Access on the grounds that he lives within the consultation area for traffic amelioration measures for the LTVA.

#### 3. MINUTES

- 3.1 **RESOLVED:** That the minutes of the meeting held on 4 March 2002 be confirmed as a correct record and signed by the Chairman.

#### 4. EXEMPT REPORT UNDER THE LOCAL GOVERNMENT ACT 1972

- 4.1 **RESOLVED:** That the press and public be excluded from the meeting for the following item of business as it involves the likely disclosure of exempt information on the grounds shown below:-

<u>Agenda Item No.</u>	<u>Grounds</u>	<u>Para of Part 1 of Schedule 12A of the Act</u>
5	Information concerning expenditure to be incurred and terms proposed for the supply of goods and services.	8 & 9

#### 5. PADDINGTON STATION LONG TERM VEHICLE ACCESS (LTVA) (Report of Director of Planning and Transportation – agenda item 3).

- 5.1 The report updated the Committee on progress in relation to the procurement of insurance for the LTVA project.
- 5.2 A sheet showing a sample of key risks and inclusions in relation to the proposed insurance cover was tabled. Members questioned the officers in relation to this and the circulated report.

5.3 Representatives of Marsh, the City Council's brokers, were present and also answered questions from Members.

5.4 **RESOLVED:**

- (i) That the current structure and likely costs of the insurance programme be noted.
- (ii) That the extent of cover provided by the cost overrun policy and in particular the excluded risks, be noted.
- (iii) That the Director of Planning and Transportation be authorised to place cost overrun insurance in consultation with the Chief Financial Officer and the Chief Executive, and in accordance with Section 5, subject to:
  - cost not exceeding £1.2m for the risk financing and insurance elements.
  - confidence of full placement
  - participation of the other two funding partners

**REASONS FOR DECISIONS**

- The Due Diligence report notes that the scope of the project is well defined and the probability of significant change is mitigated. Key risks to the project have been identified and dealt with. The main concern in terms of probability and financial impact being the area of delay to progress of or completion of the project.
- The proposed cost overrun insurance reduces the City Council's risk of incurring exceptional and unplanned expenditure in future financial years.
- Notwithstanding a considerable hardening of the insurance market in general, and particularly since the events of 11 September 2001, the terms and premiums are the most favourable that can be negotiated.

**6. END OF MEETING**

6.1 The meeting ended at 6.29pm.

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Chairman

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Date