

## **CORPORATE ASSET SUB (FINANCE) COMMITTEE**

**Friday, 10 February 2017**

**Minutes of the meeting of the Corporate Asset Sub (Finance) Committee held at the Guildhall EC2 at 11.30 am**

### **Present**

#### **Members:**

Nicholas Bensted-Smith (Chairman)	Edward Lord
Deputy Brian Harris (Deputy Chairman)	Jeremy Mayhew
Randall Anderson	Deputy John Tomlinson
Chris Boden	

#### **Officers:**

Christopher Braithwaite	-	Town Clerk's Department
Neil Davies	-	Town Clerk's Department
John Galvin	-	Town Clerk's Department
Richard Horner	-	Town Clerk's Department
Kate Smith	-	Town Clerk's Department
Andrew Little	-	Chamberlain's Department
Dianne Merrifield	-	Chamberlain's Department
Paul Nagle	-	Chamberlain's Department
Paul Wilkinson	-	City Surveyor
Peter Collinson	-	City Surveyor's Department
Paul Friend	-	City Surveyor's Department
Richard Litherland	-	City Surveyor's Department
Dorian Price	-	City Surveyor's Department
Mansi Sehgal	-	City Surveyor's Department
Will Wright	-	City Surveyor's Department
Peter Young	-	City Surveyor's Department
Alan Bennetts	-	Comptroller and City Solicitor's Department
Sue Ireland	-	Director of Open Spaces
Jonathan Poyner	-	Barbican Centre
Jim Turner	-	Barbican Centre

#### **1. APOLOGIES**

Apologies were received from Alderman Alison Gowman.

#### **2. DECLARATIONS BY MEMBERS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

No declarations of interest were made.

3. **MINUTES**

**RESOLVED** – That the public minutes and non-public summary of the previous meeting held on 18 November 2016 are approved as an accurate record.

4. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

The Sub-Committee considered a report of the Town Clerk which provided information of outstanding actions from previous meetings.

In relation to item 1 within the list of outstanding actions, the City Surveyor confirmed that the lift contractor was unable to provide a live link to the Corporation's Website. However, he explained that the Corporation was working with Thames Valley Controls (TVC), who monitored the City's lifts, to determine whether it would be possible to provide live information of lift outages on the Corporation's website. The City Surveyor explained that such information was provided by the Department of the Built Environment for road closures, so it may be possible for that page of the website to also include information about lift outages. He explained that the feasibility of this was still being explored, and he hoped that a further update could be given at the Sub-Committee's May 2017 meeting.

**RESOLVED** – That the Sub-Committee notes the report.

5. **WORK PROGRAMME FOR FUTURE MEETINGS**

The Sub-Committee considered a joint report of the Town Clerk and City Surveyor which provided information of the Work Programme for future meetings.

**RESOLVED** – That the Sub-Committee notes the report.

6. **STANDING ORDER 55 (EFFICIENT AND EFFECTIVE USE OF OPERATIONAL PROPERTY ASSETS)**

The Sub-Committee considered a report of the Town Clerk which provided information of Standing Order 55 (which requires Committees to consider the efficient and effective use of operational property assets) and how effective the integration of a mandatory element within business plans had been in identifying assets that were surplus to requirements.

The Sub-Committee noted that this process had not been entirely successful, although it had been seriously explored by some of the Departments. Members were extremely concerned that no operational property assets were identified as surplus through this process. Members agreed that they would expect to see operational property assets being released through the embedding of this process within the business planning process for this and future years.

The City Surveyor explained that Standing Order 55 had been effective in ending some poor facilities management practices, but was yet to deliver the assets which had been hoped for. He explained that Departments did not always possess the skills to understand and assess their space and asset use, but the City Surveyor's Department was able to assist in this.

Members commented that, at their previous meeting, they had discussed options to incentivise Departments to declare assets as surplus when they were no longer required for the Department's operations. The Chairman explained that officers were preparing a report regarding the possible incentives which could be put in place to encourage the efficient use of operational property assets throughout the organisation, and to ensure that Departments were more proactive in declaring operational assets as surplus.

The Chairman explained that this issue was due to be discussed by the Summit Group in February 2017, and a report would be submitted to the Corporate Asset Sub-Committee in May 2017. Members commented that charging imputed rent to Departments for the use of operational property should be one of the options which was explored within this report. The Chairman confirmed that imputed rent would be one of the options.

**RESOLVED** – That the Sub-Committee notes the report and the proposals to improve departmental interaction through a revised business planning process.

**7. THIRD PARTY AGREEMENTS - OPERATIONAL PROPERTY PORTFOLIO**

The Sub-Committee considered a report of the City Surveyor which provided an overview of third party agreements across the operational property portfolio, to give Members a broad understanding of the type and nature of such agreements.

The City Surveyor explained that further detail on this matter would be provided to the Sub-Committee at its May 2017 meeting.

**RESOLVED** – That the Sub-Committee notes the report.

**8. ACCOMMODATION AND WAYS OF WORKING - ISSUE REPORT (GATEWAY 2)**

The Sub-Committee considered a report of the Comptroller and City Solicitor which provided information of a re-focusing of the Accommodation and Ways of Working Project.

The City Surveyor explained that the key reason for the delay to the project was to ensure that the IT Infrastructure was able to support the project. He explained that the preparatory work thus far in the project had been useful and work provide ongoing value to the organisation.

**RESOLVED** – That the Sub-Committee notes the report.

**9. HERITAGE AT RISK REGISTER REPORT 2016**

The Committee considered a report of the City Surveyor which explained the circumstances and issues for each of the City Corporation's heritage assets which were listed within the Heritage At Risk Register and set out the plans of action implemented to eventually remove those that the City wholly or partly owns from the HARR.

**RESOLVED** – That the Committee notes the report.

10. **GUILDHALL GREAT HALL STONWORK DEFECT - GATEWAY 2 PROJECT PROPOSAL**

The Sub-Committee considered a report of the City Surveyor which proposed a Project to access the west gable pinnacle of the Guildhall, by specialist scaffolding, and undertake any necessary repairs to prevent falling masonry.

**RESOLVED** – That the Sub-Committee notes the report.

11. **QUARTER 3 ENERGY PERFORMANCE REPORT (2016/17)**

The Sub-Committee considered a report of the City Surveyor which provided a performance update on energy reduction targets set out in the Carbon Descent Plan 2015 (CDP-15), covering the nine-month period from April to December 2016. The report indicated that there had been an overall energy consumption increase of 0.8% (absolute performance) compared to the same period in 2015/16.

A Member commented that it would be beneficial for future targets to be focused around energy consumption efficiency, rather than solely consumption. The City Surveyor agreed that this should be a KPI.

A Member asked that the Sub-Committee be provided with an update regarding progress in implementing the recommendations of the AECOM review, which were set out within the report., The City Surveyor agreed that an update on progress with these recommendations could be provided to the Committee at its May 2017 meeting.

**RESOLVED** – That the Sub-Committee notes the report.

12. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

There were no questions.

13. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There were no urgent items.

14. **EXCLUSION OF THE PUBLIC**

**RESOLVED** - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.

**Item No.**

15-34

**Paragraphs in Schedule 12A**

3

15. **NON-PUBLIC MINUTES**

The non-public minutes of the previous meeting held on 18 November 2016 were approved as an accurate record.

**16. OUTSTANDING ACTIONS FROM NON-PUBLIC MINUTES OF PREVIOUS MEETINGS**

The Sub-Committee noted a report of the Town Clerk which provided information of outstanding actions from previous meetings.

**17. CITY SURVEYOR'S DEPARTMENT BUSINESS PLAN 2016-19 - PROGRESS - QUARTER 3 2016/17**

The Sub-Committee noted a report of the City Surveyor which provided details of progress in Quarter 3 2016/17 against the 2016-19 City Surveyor's Departmental Business Plan.

**18. THE CITY SURVEYOR'S DEPARTMENT - DRAFT HIGH LEVEL BUSINESS PLAN 2017/18**

The Sub-Committee noted a report of the City Surveyor which provided a draft high-level City Surveyor's Departmental Business plan for review and feedback, before the Common Council elections in March 2017. The report explained that the final version of both the high-level Business plan and detailed Business plan would be presented to the Sub-Committee for approval after the elections.

**19. CITY SURVEYOR'S DEPARTMENTAL QUARTERLY RISK REGISTER UPDATE**

The Sub-Committee noted a report of the City Surveyor which provided a quarterly update on the management of high level risks within the City Surveyor's Department.

**20. GUILDHALL COMPLEX FUNDING**

The Sub-Committee noted a report of the City Surveyor which highlighted the 2015/16 Guildhall complex budgetary overspend of £707k, with anticipated projected overspend of £372k for 2016/17.

**21. SURPLUS LODGES IN THE NORTH LONDON OPEN SPACES TO BE DECLARED SURPLUS TO THE CITY CORPORATION REQUIREMENTS**

The Sub-Committee considered and approved a report of the City Surveyor which identified City's Cash properties within the North London Open Spaces which had been identified as surplus to the operational requirements of the Open Spaces Department.

**22. OPERATIONAL PROPERTY PORTFOLIO: CAPITAL PROJECTS 2016/17**

The Sub-Committee noted a report of the City Surveyor which provided information of the live and planned capital projects across the operational property portfolio.

**23. NATIONAL LOTTERY FUNDING MONITORING REPORT 2017**

The Sub-Committee considered and approved a report of the City Surveyor which presented the monitoring update on City of London Corporation (the City) bids for National Lottery Funding (NLF) grant-aid, to provide visibility and coordination of future bid submissions in order to prevent City applications failing by directly competing with each other.

24. **FIRST REGISTRATION OF THE CITY CORPORATION'S FREEHOLD TITLES - PROGRESS SINCE JANUARY 2016**

The Sub-Committee noted a report of the City Surveyor which provided an update on the City Corporation's title registration project, which was integral to the City Corporation fulfilling its property asset management responsibilities.

25. **SERVICE BASED REVIEW - STRATEGIC ASSET MANAGEMENT - FACILITIES MANAGEMENT REVIEW - UPDATE**

The Sub-Committee noted a joint report of the Town Clerk, Comptroller and City Solicitor, City Surveyor and Chamberlain which provided an update on the Strategic Asset Management (SAM) Programme. The report informed Members that the SAM Programme was making steady progress towards rationalising and consolidating service resource and contracts across the City Corporation to achieve greater collaboration, savings and better service outcomes.

26. **BUILDING, REPAIRS AND MAINTENANCE CONTRACT RE-TENDER**

The Sub-Committee noted a report of the City Surveyor which provided an update regarding progress in the procurement of the Buildings Repairs and Maintenance Contract. The report was supplemented by a presentation at the meeting.

27. **ADDITIONAL REPAIRS AND MAINTENANCE PROGRAMMES - PROGRESS REPORT**

The Sub-Committee considered and approved a report of the City Surveyor which provided an overview of the progress and expenditure of the three current Additional Works Programmes (AWP) as at 31 December 2016; the end of the third quarter.

28. **GUILDHALL WEST WING NORTH STAIRCASE WINDOW REPAIRS - ISSUE REPORT (GATEWAY 5)**

The Sub-Committee noted a report of the City Surveyor which advised of a delay to the Guildhall West Wing North Staircase Repairs Project.

29. **GUILDHALL GREAT HALL LEVEL ACCESS - GATEWAY 7 OUTCOME REPORT**

The Sub-Committee considered a report of the City Surveyor which provided information of the outcomes from the Project to create level access into the Great Hall for disabled access.

A Member commented, and the Sub-Committee agreed, that this report could be considered in public session.

**RESOLVED –** That the lessons learnt be noted and the project be closed.

30. **GUILDHALL IMPROVEMENT PROJECT - NORTH WING & OLD LIBRARY - GATEWAY 7 OUTCOME REPORT**

The Sub-Committee noted a report of the City Surveyor which provided information of the outcomes from the Project for extensive modernisation of the North Wing of the Guildhall.

31. **BARBICAN CENTRE - UPDATE ON CAPITAL WORKS**

The Sub-Committee noted a report of the Managing Director, Barbican Centre which provided an update on the Centre's projects, both Capital Cap and non-Capital Cap

32. **REVIEW OF PUBLIC CAR PARK PROVISION IN THE CITY**

The Sub-Committee noted a report of the Director of the Built Environment which provided information of proposals, agreed by the Markets Committee and Planning and Transportation Committee in November 2016, regarding the Corporation's public car parks.

33. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

There were no questions.

34. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There was one item of urgent business.

**The meeting closed at 1.20 pm**

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Chairman

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