



Property Investment Board

Date: WEDNESDAY, 20 MARCH 2019
Time: 8.30 am
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members: Deputy Tom Sleigh (Chairman)
Deputy Alastair Moss (Deputy Chairman)
Chris Boden
Sir Mark Boleat
John Chapman
Alderman Alison Gowman
Christopher Hayward
Michael Hudson
Andrien Meyers
Dhruv Patel OBE
Deputy Philip Woodhouse
Stuart Corbyn
Tony Joyce
David Shaw OBE
David Brooks Wilson

Enquiries: Richard Holt
Richard.Holt@cityoflondon.gov.uk

Breakfast will be served from 8.00am

N.B. Part of this meeting could be subject to audio or video recording

**John Barradell
Town Clerk and Chief Executive**

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES FOR ABSENCE**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**
To approve the public minutes and non-public summary of the Property Investment Board meeting held on 20 February 2019.

For Decision
(Pages 1 - 4)

ALL ESTATES

4. **CSD NEW BUSINESS PLAN 2019-24**
Report of the City Surveyor.

For Decision
(Pages 5 - 12)

5. **BUSINESS PROGRESS REPORT 2018-23 - QUARTER 3 2018/19**
Report of the City Surveyor.

For Information
(Pages 13 - 24)

6. **CSD DEPARTMENTAL RISK REGISTER - 3RD QUARTER PROGRESS**
Report of the City Surveyor.

For Information
(Pages 25 - 40)

7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

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

9. **EXCLUSION OF THE PUBLIC**
MOTION – That under Section 100A(4) 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 1 of Schedule 12A of the Local Government Act.

For Decision

Part 2 - Non-Public Agenda

10. NON PUBLIC MINUTES

To approve the non-public minutes of the Property Investment Board meeting held on 20 February 2019.

For Decision
(Pages 41 - 46)

ALL ESTATES

11. DELEGATIONS SOUGHT DURING APRIL - ASSET MANAGEMENT & DEVELOPMENT - THE CITY SURVEYOR TO BE HEARD.

The City Surveyor to be heard.

For Decision

BRIDGE HOUSE ESTATES

12. BRIDGE HOUSE ESTATES: 185 TOWER BRIDGE ROAD, SE1 – FREEHOLD DISPOSAL

Report of the City Surveyor.

For Decision
(Pages 47 - 58)

13. BRIDGE HOUSE ESTATES: ELECTRA HOUSE, HEADS OF TERMS FOR LEASE SURRENDER

Report of the City Surveyor.

To follow

For Decision

14. BRIDGE HOUSE ESTATES: GATEWAY 4C DETAILED DESIGN: CANDLEWICK HOUSE, 116-126 CANNON STREET, LONDON, EC4

Report of the City Surveyor.

To follow

For Decision

15. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD

16. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

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PROPERTY INVESTMENT BOARD

Wednesday, 20 February 2019

Minutes of the meeting of the Property Investment Board held at Guildhall, EC2
on Wednesday, 20 February 2019 at 8.30 am

Present

Members:

Deputy Alastair Moss (Deputy Chairman)
John Chapman
Alderman Alison Gowman
Michael Hudson
Andrien Meyers
Dhruv Patel OBE
Stuart Corbyn

Officers:

Richard Holt	- Town Clerk's department
Andrew Little	- Chamberlain's Department
John Seeley	- Chamberlain's Department
Alan Bennetts	- Comptroller & City Solicitor's Department
Paul Wilkinson	- City Surveyor
Andrew Cross	- City Surveyor's Department
Tom Leathart	- City Surveyor's Department
Neil Robbie	- City Surveyor's Department

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from the Chairman Deputy Tom Sleigh, Sir Mark Boleat, Christopher Hayward, Deputy Phillip Woodhouse and Tony Joyce.

In the absence of the Chairman Deputy Tom Sleigh the Deputy Chairman Alastair Moss took the Chair for the meeting.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were no declarations.

3. MINUTES

The Board considered the minutes of the previous two meetings.

3.a) **RESOLVED** – That the public minutes and non-public summary of the meeting held on the be approved 12th of December 2018 be approved.

3.b) **RESOLVED** – That the public minutes and non-public summary of the meeting held on the 23rd of January 2019 be approved.

4. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

There were no questions.

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

There was no other business.

6. **EXCLUSION OF THE PUBLIC**

RESOLVED – That under Section 100A(4) 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 1 of Schedule 12A of the Local Government Act.

Item No.

7-14

Paragraph No.

3

7. **NON PUBLIC MINUTES**

The Board considered the non-public minutes of the previous meetings.

7.a) A Member highlighted an error in the wording of the item 10 of the Non-public Minutes of the meeting held on the 12th of December.

RESOLVED- that the non-public minutes of the meeting held on the 12th of December 2018, pending the correction above, be approved.

7.b) RESOLVED- that the non-public minutes of the meeting held on the 23rd of January 2019 be approved.

8. **ALL FUNDS - RENTAL ESTIMATES MONITORING REPORT**

The Board received a report of the City Surveyor which provided Members on Rental Estimates Monitoring for all funds.

RESOLVED- that the report be noted.

9. **GLA ROADS - LAND DISPUTE WITH TRANSPORT FOR LONDON**

The Board received a joint report of the Comptroller and City Solicitor and City Surveyor on the Land Dispute with Transport of London.

RESOLVED-that the report be noted.

10. **REPORT OF ACTION TAKEN BETWEEN MEETINGS**

The Board received a report of the Town Clerk on the actions taken between meetings.

RESOLVED- that the report be noted.

11. **CITY FUND (SPE) : FIRST FLOOR, 9 BONHILL STREET - LEASE RENEWAL**

The Board considered a report of the City Surveyor regarding the lease renewal at 9 Bonhill Street.

RESOLVED- that the report be agreed.

12. **BRIDGE HOUSE ESTATES - THE LETTING OF ARCHES 1-16 (EXCL. 13-14) AT SOUTHWARK BRIDGE**

The Board considered a report of the City Surveyor regarding a grant of New Lease to WPP for the Southwark Bridge Arches 1-12 & and 15 & 16.

RESOLVED- that the report be agreed.

13. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

There were no questions.

14. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were three items of urgent business considered in the non-public session.

The meeting ended at 9.20 am

Chairman

Contact Officer: Richard Holt
Richard.Holt@cityoflondon.gov.uk

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Committee:	Date:
Property Investment Board Corporate Asset Sub (Finance) Committee	20 March 2019 04 April 2019
Subject: Final Departmental High-level Business Plan 2019-24 – City Surveyor’s Department (CS086/19)	Public
Report of: Paul Wilkinson, City Surveyor	For Approval
Report author: John Galvin, Business Performance and Improvement	

Summary

This report presents for approval the final high-level Business Plan for the City Surveyor’s Department for 2019-24.

Recommendation

Members are asked to approve the City Surveyor’s Department’s final high-level business plan for 2019-24 (Appendix 1) and provide feedback.

Main Report

Background

1. As part of the new framework for corporate and business planning, departments were asked to produce standardised high-level Business Plans for the first time in 2017/18. Members generally welcomed these high-level plans for being brief, concise, focused and consistent statements of the key ambitions and objectives for every department.
2. For 2018/19, departments were again asked to produce high-level plans in draft, which were presented to Service Committees in November and December 2017 alongside the departmental estimate reports, so that draft ambitions could be discussed at the same time as draft budgets. This represented the first step towards integrating budget-setting and priority-setting.
3. For 2019/20, to secure deeper Member engagement with Business Plans, a series of four informal ‘cluster’ meetings took place in early February to allow Chairmen and Deputy Chairmen of relevant approving Committees to scrutinise how departments are using their Business Plans to prioritise activities towards corporate goals. These meetings were chaired by the Chair and Deputy Chairman of Resource Allocation Sub Committee.
4. To complement this, and to give all Members a chance to ask questions and put their views to their Chairmen and Deputy Chairmen in advance of these meetings,

a 'Business Plan Surgery' was held on 10 January (immediately before Court of Common Council).

5. Taken together, these sessions replace the submission of draft high-level Business Plans to Committees. Final high-level Business Plans are still subject to Committee approval, as in previous years.
6. Work has also taken place to review the content and format of the supporting detail beneath the high-level Business Plans. This includes: information about inputs (e.g. IT, workforce, budgets, property and assets); improved links to project and risk registers; EEE Health Checks (economy, efficiency and effectiveness), and schedules of measures and key performance indicators for outputs and outcomes. This is a key element in the move towards business planning becoming a joined-up service planning process that links directly to Corporate Plan outcomes.

High-level Business Plan for 2019-24

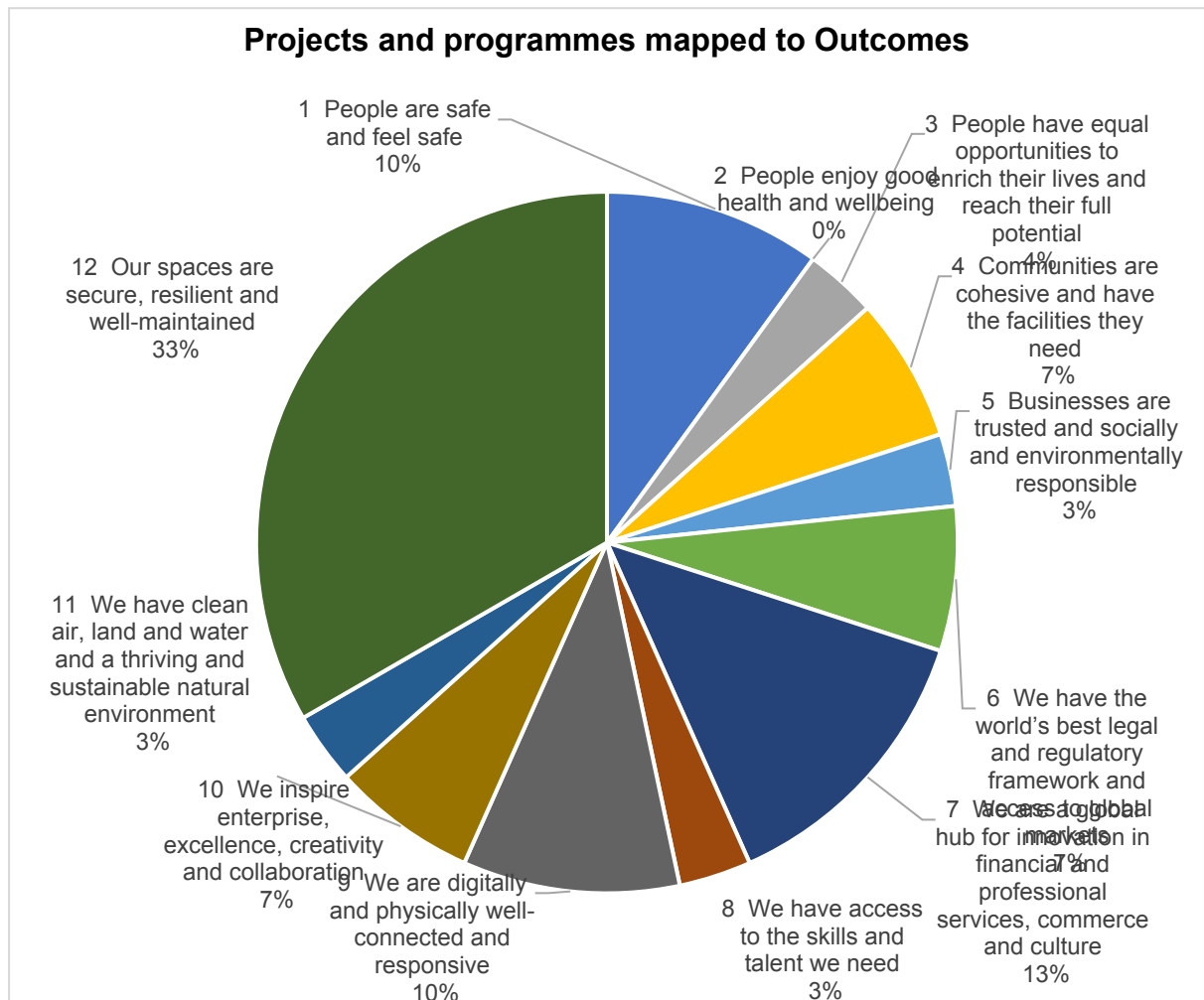
7. This report presents, at Appendix 1, the final high-level Business Plan for 2019-24 for the City Surveyor's Department.
8. The top line business objectives for the coming year are as follows:
 - Strategic Asset Management
 - Property assets and facilities management
 - Fund management and income generation
 - Support and promote the City as a business location.

These objectives are consistent with those from the 2018-23 plan and reflect the breadth of activity undertaken by the City Surveyor's Department. The objectives capture our role as strategic property owners and upon our contribution, through both income generation and promotion, to the wider aspirations of the organisation.

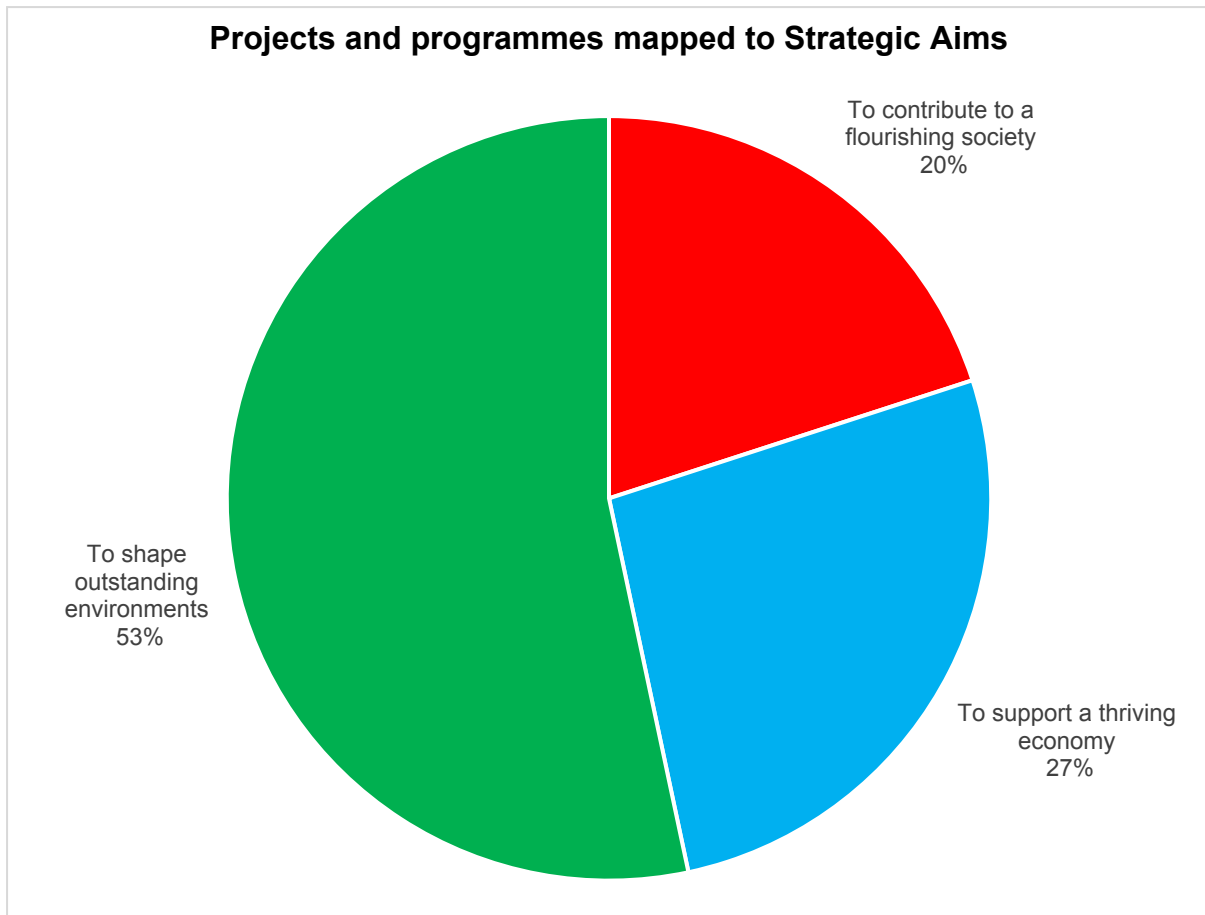
9. Greater change can be seen in the supporting projects and programmes, which help both to deliver these objectives, and the organisation's Corporate Plan. Here, the transformational programmes are clearly becoming a much bigger focus of the department (Combined Courts and New Police HQ, Museum of London relocation, Markets Consolidation Programme and Centre for Music). We have been working closely with our colleagues across the organisation in the development of these programmes, and this has been reflected in our plan.
10. Alongside these transformational programmes, we will continue to develop our expertise and deliver to the high expectations of our customers. The Management Team is very keen to ensure that it continues to develop our most significant asset – our staff. We will be developing an action plan following the staff survey to assist our staff achieve our collective objectives. We have also been working closely with colleagues in Town Clerk's to develop the Project Management Delivery Methodology, which will enhance our expertise and promote service delivery.

Corporate & Strategic Implications

11. The department has considered each of its projects and programmes (items 1 through 35 in Appendix 1) and mapped these against one of the 12 outcomes contained within the Corporate Plan. In this way we are attempting to determine how our efforts were contributing to the wider aspirations of the City Corporation. Whilst this is a reasonably rough-and-ready approach (for instance not all activities have the same weight and impact) it does give a flavour of how the City Surveyor's Department is allocating its efforts.



12. As can be seen through the graph above the department contributes across 11 of the 12 Corporate Outcomes. As would be expected, our main contributions come on the property side, where Outcome 12 includes 'maintain our building to high standards'. However, we are also contributing to a wide range of other outcomes, through programmes as diverse as promoting energy efficiency, to supporting internet connectivity.
13. The Corporate Outcomes themselves are grouped into three Strategic Aims, and the below graph describes where the department's contribution is made.



Conclusion

14. This report presents the final high-level Business Plan for 2019-24 for the City Surveyor's Department for Members to approve and provide feedback.

Appendices

- Appendix 1 – Final high-level Business Plan 2019-24

John Galvin

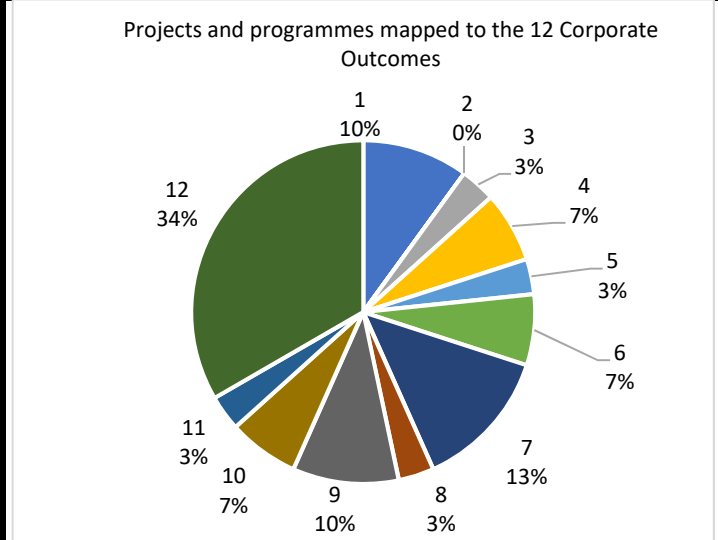
Business Performance and Improvement

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We optimise the City's property assets for the benefit of our customers, our community, our partners and our colleagues.

The corporate outcomes we aim to impact on are:



Our budget is:

Service Area	Expenditure	Income	Net
IPG	-38,919	153,520	114,600
CPG	-21,256	21,089	-167
PPG	-1,261	1,261	0
Operations	-9,893	3,553	-6,340
CPAT	-1,463	551	-912
Directorate & BPI	-776	348	-428
Total	-73,568	180,321	106,753

figures are in £'000 and based on 2019/20 original budget

figures include Cyclical Works Programme (CWP)

What we do is:

The City Surveyor's department has a major strategic impact on the work and services of the Corporation. It is responsible for:

- actively managing the £4b corporate investment portfolio to generate circa £133m pa income supporting the aspirations of the City of London,
- achieving efficiencies in the asset management of City's operational properties,
- managing and delivering capital build projects to meet or exceed customer expectations,
- providing facilities management, building engineering services and building surveying projects as well as technical advice to operational and investment properties,
- providing property health and safety compliance and energy management,
- providing advice and services to the wider business and property communities in the Square Mile.

Our top line objectives are:

Service deliverables

Strategic asset management: We will develop and implement asset management strategies that align Corporate Property Asset Management Strategy, Investment Property Strategy and risks. We will ensure that we unlock the potential of our property assets in a way that supports the efficient delivery of the Corporate Plan and Service Departments' business plans.

Property assets and facilities management: We will ensure buildings are fit for purpose, sustainable, safe and secure, providing access for all, meeting service needs and community expectations and delivering value for money through enhancing our efficiencies; this includes asset management and forward maintenance plans, provision of facilities management, delivery of cyclical projects, minor improvements and major capital projects for refurbishments and new builds.

Fund management and income generation: We will efficiently manage the City of London's property portfolios (City Fund, City's Estate and Bridge House Estates) to generate and grow income that can be reinvested into the organisation and underpin delivery of corporate priorities, deliver our local authority services, support the charitable organisations through the Bridge House Estates and support the efficiency challenge.

Support and promote the City as a business location: We will champion the City as the best place in the world to do business and encourage the development of its connectivity, capacity and character.

Corporate programmes and projects

We will:

1. Deliver major corporate transformation projects in collaboration with colleagues from across the organisation such as Markets and Consumer Protection, Community and Children's Services, the City of London Police, Remembrancer, Comptroller and City Solicitor, and the Town Clerk's Department. This includes innovative projects such as New Housing and Education Projects and various Investment Property refurbishment projects such as Candlewick House, 123-124 New Bond Street and 15-17 Eldon Street together with the four major transformation programmes:
 - The Police Accommodation Strategy and Combined Courts Facility
 - The Markets Consolidation Programme
 - The Museum of London Relocation Programme
 - The Centre for Music
2. Update the Corporate Property Asset Management Strategy to ensure buildings are maintained to a satisfactory standard, and implement the Asset Management and the Operational Property Reviews.
3. Work in cooperation with Town Clerk's Department, the City of London Police, Built Environment and Open Spaces to continue the delivery of the cross-cutting Security Initiatives programme.
4. Undertake the refurbishment of 20/21 Aldermanbury for occupation in 2020 and dispose of Wood Street and Snow Hill surplus properties.
5. Implement Asset Management Plans for key sites with corporate partners to align asset management with business objectives.
6. Update our Investment Property Strategies and business plans for all Estates to maximise income.
7. Ensure the delivery of the Cyclical Works Programme (CWP).
8. Lead, working in conjunction with the Chamberlain's Department, the development of corporate wide procurement frameworks for intermediate and major works.
9. Promote and support the deployment of wireless and wired broadband solutions to support business needs.
10. Help businesses and developers to build, occupy and operate in the Square Mile and reinforce business and workforce networks through partnerships such as the Cheapside Business Alliance, the Aldgate Partnership and the One City social media platform.

Departmental programmes and projects

We will:

11. Support the delivery of the Smarter Working programme within the Guildhall alongside HR and Chamberlain's Department, continue to reduce the Guildhall carbon footprint and identify further energy efficiencies.
12. Implement the new Carbon Descent Plan, developing programme of energy efficiency projects across the Estate.
13. Deliver the Corporate and Investment Property revenue works programmes.
14. Modernise the investment portfolio in line with the agreed Investment Property Strategy.
15. Negotiate and grant, along with the Comptrollers and City Solicitor's Department, a new headlease to 1 Leadenhall, a major new development in the heart of the City.
16. Deliver a rolling programme of reviews, rationalisation and optimisation of Facilities Management (FM) services, working in partnership with the FM corporate contractors. We will retender and mobilise contracts for corporate security and lifts.
17. Implement the Guildhall FM Service Based Review recommendations.
18. Manage the impact of macro-economic policy change (global and local political and economic decisions, changes in interest rates, exchange, taxation etc).
19. Provide Health and Safety guidance and policy advice for the entire the organisation, reporting through to the Health and Safety Committee alongside colleagues from HR.

How we plan to develop our capabilities this year

We will:

20. Establish a successful programme team in the Property Projects Team.
21. Align and embed the Project Management Delivery Methodology.
22. Continuously explore innovative ways to add value to projects across the whole project cycle including alternative delivery models and implementing Building Information Modelling (BIM).
23. Work with Human Resources to refresh the departmental Workforce Plan to align capacity and expertise with the long-term departmental vision. This will build upon feedback from the 2018 Staff Survey. We will embed the Equalities, Diversity and Inclusion Group in the work of the department.
24. Continue to embed apprenticeships to meet the department's needs.
25. Develop an ethos of customer service in the department, aligned with the work of the corporate Customer Services Group.
26. Develop a programme of customer surveys to better engage with our customers.
27. Develop a programme of processes and procedures reviews, including better use of technology, to deliver added value and greater pace.
28. Progress the adoption of a new commercial property management system that maximises efficiencies across the department.

What we'll measure:

Core Indicators

- KPI 1. Asset Realisation (Target: Capital receipts are > 90% of forecast)
- KPI 2. Corporate Energy Consumption (Target: Reduction of 40% on 2008 baseline by 2026 (4%pa))
- KPI 3. Space Utilisation (Target: 5% reduction in cost per FTE at Guildhall)
- KPI 4. Property Contract Performance Compliance (Target: Achieve > 90% agreed SLAs and KPIs)
- KPI 5. Adherence to Budgetary Spend Profiles (revenue projects) (Target: 95% - 105% target)
- KPI 6. Capital Projects Defects Management (Target: < 40% defects on completion v contract sum)
- KPI 7. Capital Projects Project Status (Target: < 50% of projects in quarter at status red)
- KPI 8. Capital Projects H&S (Target: > 80% of H&S Site Inspection scores are Good or above)
- KPI 9. Capital Projects Gateway Reports (Target: > 50% of gateway reports due in period approved by Committee)
- KPI 10. Site Sustainability Waste Management (Target: 90% of waste diverted)
- KPI 11. Rental Forecasts Achieved (Target: Rental income > 95% forecast)
- KPI 12. Minimise Arrears (Target: Total arrears < 2% of the rolling 12-month annual billing run, with a stretch target of 1%)
- KPI 13. Minimise Voids (Target: < 5% of the total DM and FRI space)
- KPI 14. Performance v MSCI return (Target: Overall performance to outperform benchmark over a rolling 5 year basis)
- KPI 15. Customer Satisfaction (Target: Survey questions in development)
- KPI 16. Delivery of Strategic Utility Infrastructure (Target: milestones achieved)
- KPI 17. Support the Retention and Inward Investment of Businesses (Target: milestones achieved)

What we're planning to do in the future:

We will:

29. Be a key partner on developing the organisation's four major transformation programmes.
30. Support Community and Children's Services and the Housing Strategy to deliver new homes both within and outside the City.
31. Focus on additional revenue growth, cost efficiencies and cost reduction strategies in an increasingly challenging property market environment to support the Corporation's Medium-Term Financial Strategy.
32. Seek to reduce the high levels of deferred building maintenance caused by historic underfunding, by narrowing the gap between the current condition and the acceptable standards in line with the agreed Corporate Property Asset Management Strategy.
33. Look to develop Building Intelligence by the use of management dashboards and the integration of forward maintenance plans within our IT systems.
34. Support the development of a feasibility study by the private sector, looking at the delivery of a SMART Energy Network.
35. Engage with the business community in the Eastern Cluster and the Fleet Street area with the view to bringing forward local network partnerships in these areas.

Committee(s): Property Investment Board (PIB) – For Information Corporate Asset Sub (Finance) Committee (CASC) – For Information	Date(s): 20 March 2019 04 April 2019
Subject: Business Progress Report 2018-23 - Quarter 3 2018/19	Public
Report of: The City Surveyor (CS069/19)	For Information
Report author: John Galvin / Faith Bowman Business Performance and Improvement	

Summary

This report provides details of progress in quarter three (October – December) 2018/19 against the 2018-23 Business Plan, an update on the commercial property market, and a financial statement.

Of the 21 Key Performance Indicators (KPIs) that are being monitored, ten were assessed as green, on target, and four indicators were assessed as amber, marginally behind target. Six indicators are not reported at quarter three as they are either assessed annually, or every six months. Energy consumption (KPI. 5) figures are routinely reported a quarter in arrears and the quarter two result was ahead of target.

The amber cases are as follows:

- KPI. 2 Delivery of strategic asset plans – Corporate Property Group (PIB & CASC)**
Target: 100% by end 2018/19
Phase two is currently under development. Progress has been delayed by the other casework priorities and staff vacancies.
- KPI. 3 Service Based Review (SBR) savings (PIB & CASC)**
Target: £884,000 for 2018/19
Anticipated shortfall due to Central Criminal Court maintenance restructure savings for 2018/19 (£9k) and the changed delivery model for Guildhall Security (£150k). Savings of £76k for the Central Criminal Court maintenance restructure for 2017/18 have also yet to be achieved.
- KPI.6 Space utilisation (CASC)**
Target: Net Internal Area (NIA) per FTE - 7m² by end 2018/19
The average space per FTE is down to 7.8m², but to achieve the target, staff moves from Walbrook Wharf need to be concluded. This may be delayed to 2019/20 due to additional complexity.
- KPI. 7 Property contract performance compliance (CASC)**
Target 90% achieved 83%
Challenges remain with the Security, Lift and Escalator, and Catering Contracts which have resulted in failed KPIs for each one. Each contract has an action plan in place to remedy the KPI failures.

Recommendation

Members are asked to note the content of this report.

Main Report

Background

1. In line with the City Corporation's performance management system, this is a quarterly report on the progress made over quarter three (October to December) compared to the 2018-23 Business Plan.

Current Position

2. This report provides the latest budget information which is set out in Appendix A and performance indicator table in Appendix B. Furthermore, charts that your committee are particularly interested in are included in Appendix C.
3. A separate monitoring report on the risks within our department is also presented at this meeting.

Market Commentary

4. Despite the expected global slowdown and the ongoing Brexit uncertainty dominating the headlines, the UK economy has returned moderate growth after some mid-point volatility last year. The labour market continues to be the source of positive news as job growth is sustained and earnings rise, whilst inflation is falling, which is supporting consumers and economic resilience. December surpassed expectation with 658,728 sq ft being transacted across 45 deals. This resulted in October – December 2018 take-up reaching 2.4m sq ft, which was the largest single quarter of take-up since July – September 2014. This shows a willingness by London businesses to commit their futures to the capital despite the current political and economic uncertainty.
5. Pre-letting activity remained a prominent feature of the market – 60 pre-lets were recorded over calendar 2018, marginally up on 58 the year prior. The Media-Tech sector remains the dominant driver of demand across Central London accounting for 19%. The Serviced Office sector follows accounting for 13%. The Banking and Finance sector recorded a 13% share. Strong levels of take-up have meant the vacancy rate has fallen to 5.0% over October – December 2018. This is down from the 5.7% seen in the quarter prior, and 6.2% 12 months ago, and will be the driving force of rental growth in 2019.
6. The largest development to complete during the quarter was 2 Southbank Place, SE1 (283,500 sq ft), which was pre-let in its entirety to WeWork. At the end of December, there was 13.7m sq ft of space under construction across Central London, of which 52% had already been pre-let or was under offer at the end of the quarter.
7. Prime rents increased in the City by £1.00psf to £69.50psf and in the Docklands by £0.50psf to £48.50psf, increasing the gap between prime and secondary rents.

Rental values also increased in the City Fringe markets of Clerkenwell / Farringdon (by £2.50psf to £75.00psf) and Shoreditch / Old Street (by £1.50psf to £70.00psf). Rental values were unchanged in all other Central London markets and submarket.

Financial Statement

8. The 2018/19 quarter three figures reveal that against a latest budget of £31.2m, the City Surveyor is forecasting a year-end overspend on local risk of £993k (3.2%). This is a reduction of £754k from the anticipated overspend of £1,747k at the end of the second quarter.
9. This improvement is in part due to the net budget allocation of £515k for the Building Repairs and Maintenance asset verification, and £150k for security savings that can no longer be made due to the change in the security business model. Savings in other areas have been made, but to date this has been offset by increased reactive repairs spend.
10. The principal area of overspend is the additional expenditure on employee costs, energy, and on repairs and maintenance at the Guildhall complex. The extra staffing costs relate mainly to additional security staff, whilst the energy costs reflect the 30% increase in energy prices from October. The extra repairs and maintenance spend is due to a higher level of essential reactive maintenance and works being undertaken than had been anticipated in the budget.
11. The departmental budget is also overspent, principally due to a shortfall in professional fee income as a result of fewer major deals this year, is contributing to the adverse position. The forecast assumes that known deals, such as 22 Bishopsgate, will complete before 31st March 2019 but there remains the possibility that some may slip into 2019/20. This could exacerbate this year's overspend.
12. The Surveyor is continuing to bear down on costs, and efforts are being made to minimise the overspend at year-end.
13. On a more positive note, rental income, shown under central risk, is up on the year with the latest rental forecast anticipating £130.3m. This compare with an original budget of £122.4m.

Overall Progress

Status ¹	Green	Amber	Red	TBC	N/A
Corporate Asset Sub Committee	7	4	0	1	5
Property Investment Board	9	2	0	0	6
Overall ²	10	4	0	1	6

¹ Red = High Risk of Failure or Not Achieved; Amber = Some Concern; Green = On Target or Achieved.

² Some KPIs relate to both PIB and CASC. Therefore, row indicating KPIs overall is not a total of the PIB and CASC rows.

14. Of the 21 Key Performance Indicators (KPIs) that are being monitored, ten were assessed as green, on target, and four indicators were assessed as amber, marginally behind target. Six indicators are not assessed at quarter three, either being annual or six-monthly measures. Energy consumption (KPI. 5) figures are routinely reported a quarter in arrears, the quarter two result was ahead of target.

15. The amber cases are as follows:

- KPI. 2 Delivery of strategic asset plans – Corporate Property Group (PIB & CASC)
Target: 100% by end 2018/19

The objective is to analyse Corporate Asset Strategies to make sure that they are up-to-date and fit-for-purpose, with a report to CASC on phase two by March 2019.

Phase one has been completed. Phase two is still being developed. Progress has been delayed by the other casework priorities and staff vacancies. The support of major transformation programmes has been the key focus within the department at present.

- KPI. 3 Service Based Review (SBR) savings (PIB & CASC)
Target: £884,000 for 2018/19

This comprised of:

- £400k BRM contract
- £40k deletion maintenance post at Walbrook Wharf
- £9k Central Criminal Court maintenance restructure
- £235k Barbican/GSMD FM restructure
- £200k Guildhall security

The majority of the above savings have been successfully delivered and budgets have been adjusted accordingly.

There is £85k outstanding relating to the Central Criminal Court (CCC) maintenance restructure (£9k for 2018/19 and £76k for 2017/18). The City Surveyor's Department is supporting the CCC to meet this target.

The £200k Guildhall security target has not been met in its entirety (£150k outstanding). Following the budget setting process, the delivery model was changed – outsourcing to better resourced in-house provision with less overtime – and the full quantum of savings could not be made. Finance Committee agreed to provide an additional £150k to the department to account for this change in approach.

- KPI.6 Space Utilisation (CASC)
Target: Net Internal Area (NIA) per FTE - 7m² by end 2018/19

The average per FTE is down to 7.8m², but Walbrook Wharf moves are still to be concluded. These are necessary to meet the 7m²/FTE target figure. The moves are expected to conclude in 2019/20 due to the complexity involved.

- KPI. 7 Property contract performance compliance (CASC)
Target 90% achieved 83%

Challenges remain with the Security, Lift and Escalator, and Catering Contracts which have resulted in failed KPIs for each one. Each contract has an action plan in place to remedy the KPI failures.

We are also in the process of re-tendering two of the contracts which could have some influence on the incumbent contractors' present performance.

- The lift and escalator contract has an approved bidder, selected after tender, and we are currently going through the City's governance process. The contract will start on the 1st July 2019 with mobilisation beginning on the 1 May 2019. The current provider has submitted a compliant tender and is part of the process.
- Tenders for the security contract are currently being evaluated with the result expected to go through the governance process in May 2019, with the contract starting in September 2019 after a period of mobilisation. The current provider did not pass the initial stage of assessment hence they are already aware that they will not be winning the new contract. This makes this contract more challenging to manage, however the action plan in place will assist with ensuring they provide the correct service until handover begins.

Conclusion

16. This report provides an update at quarter three against the department's Business Plan KPIs. Performance is positive overall, with action in place to manage those items falling behind target.

Appendices

- Appendix A – Budget Monitoring Statement
- Appendix B – Key Performance Indicator Table
- Appendix C – Headline Performance Charts

Background Papers

The City Surveyor – Business Plan Progress Report Quarter One (CS 368/18)

The City Surveyor – Business Plan Progress Report Quarter Two (CS 478/18)

John Galvin

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Budget Monitoring Statement Quarter 3 2018/19

Appendix A Page 1 of 2

CITY SURVEYORS DEPARTMENT - BUDGET MONITORING STATEMENT 2018/19							
QUARTER 3	Latest Approved	Quarter 3	Total Expenditure	(Under)/Over	Projected Outturn	Under/Over	
LOCAL RISK BUDGET	Budget	Profile	to Quarter 3	Spend for Period	At Quarter 3	Spend	NOTE
	£000	£000	£000	£000	£000	£000	
City Surveyor							
City Fund							
City Fund Estate & Leadenhall	2,420	491	446	(45)	2,180	(240)	1
CPAT & City Centre	557	427	423	(4)	540	(17)	
Walbrook Wharf	985	796	816	20	1,085	100	2
Mayor's & City of London Court	23	17	25	8	33	10	
Recoverable Projects	0			0		0	
Lower Thames St Roman Bath	8	6	7	1	10	2	
R&M & MI Work for other departments	1,374	1,020	1,012	(8)	1,491	117	3
Corporate FM cleaning & security	108	81	101	20	125	17	
	5,475	2,838	2,830	(8)	5,464	(11)	
City's Cash							
City's Cash Estate	3,223	2,458	2,558	100	3,048	(175)	4
Departmental	9,608	7,235	7,585	350	9,931	323	5
Mayoralty & Shrievalty-	92	69	79	10	98	6	
R&M & MI Work for other departments	2,203	1,637	1,720	83	2,297	94	6
Corporate FM cleaning & security	566	424	363	(61)	565	(1)	7
	15,692	11,823	12,305	482	15,939	247	
Bridge House Estates							
Bridge House Estates	2,254	1,135	1,072	(63)	2,133	(121)	8
Tower Bridge Corporate FM cleaning	196	147	218	71	254	58	
	2,450	1,282	1,290	8	2,387	(63)	
Guildhall Administration							
Guildhall Complex	7,552	5,635	6,225	590	8,372	820	9
	7,552	5,635	6,225	590	8,372	820	
Total City Surveyor Local Risk	31,169	21,578	22,650	1,072	32,162	993	

Notes

1. The underspend at quarter three is due to delays in cyclical works on the strategic estate. This, plus an anticipated reimbursement of fees on London Wall Place, mean a significant underspend is forecast for year-end.
2. A shortfall on income from letting vacant floors, plus a higher than anticipated level of reactive spend on Old Bailey, City Gardens and Off-Street Parking, has produced an overspend at quarter three. Further reactive spend, plus this shortfall in income, accounts for the forecast outturn position.
3. Whilst quarter three is largely in balance, additional reactive works are anticipated which account of the forecast overspend.
4. The quarter three overspend is due to cyclical works and other premises costs running ahead of budget. This will correct itself in the final quarter and, with the cancellation of two cyclical projects no longer required, the forecast outturn moves into underspend.
5. The overspend at quarter three comprises additional spend on employee budgets for agency staff and recruitment costs and overall shortfall in fee income due to reduced

number of major deals. Anticipated income from some major projects (e.g. 22 Bishopsgate in quarter four) should reduce the net overspend by year-end.

6. The overspend at quarter three and at year-end is due to some additional one-off reactive repairs and maintenance works at Magistrates Court, Billingsgate Market, Epping Forest and Hampstead Health.
7. The underspend at quarter three is due to delays compared to the profiled budget. This underspend is anticipated to be caught up by year-end.
8. The quarter three underspend is due to slippage on cyclical works and additional dilapidations income, offset in part by some additional FM employee costs and professional fees. This will continue to year-end producing the forecast underspend.
9. The overspend at quarter three relates to higher directly employed salary costs (security, maintenance and facilities), increased energy prices from October, and significant additional reactive repairs and maintenance works. These costs pressures account for the forecast year-end overspend.

Key Performance Indicators										
Ref	Title	Target	Group	Committee	Q1		Q2		Q3	
					Actual	RAG	Actual	RAG	Actual	RAG
KPI. 1	Internal stakeholder satisfaction (AM Services)	Baseline	All	PIB; CASC	annual	n/a	annual	n/a	annual	n/a
KPI. 2	Delivery of strategic asset plans - Corportate Property Group	100%	PPG	PIB; CASC	on target	green	off target	amber	off target	amber
KPI. 3	Service Based Review Savings	£884K	OG	PIB; CASC	off target	amber	off target	amber	off target	amber
KPI. 4	Asset realisation	£2.2m	OG	CASC	260k	green	260K	green	1,238K	green
KPI. 5	Energy Efficiency	Min 3.75%	OG	CASC	off target	amber	1.80%	green	tbc	tbc
KPI. 6	Space Utilisation	FTE - 7m ²	CPG	CASC	on target	green	on target	green	7.8m ²	amber
KPI. 7	Property contract Performance Compliance	> 90%	OG	CASC	87.01%	amber	84.00%	amber	80.00%	amber
KPI. 8	Reactive Maintenance	100%	OG	PIB; CASC	100%	green	100.0%	green	100.00%	green
KPI. 9	Stakeholder Satisfaction	Baseline	All	PIB; CASC	annual	n/a	annual	n/a	annual	n/a
KPI. 10	Adherence to Budgetary Spend Profiles	95% to 10%	All	PIB; CASC	14.00%	green	28.00%	amber	55.00%	green
KPI. 11	Capital Project - Delivery - defects on completion	< 40%	PPG	PIB; CASC	annual	n/a	annual	n/a	annual	n/a
KPI. 12	Capital Projects - Project Status	< 50%	PPG	PIB; CASC	bi annual	n/a	7.00%	green	bi annual	n/a
KPI. 13	Capital Projects - Health and Safety	50%- 80%	CPG	PIB; CASC	bi annual	n/a	80.00%	green	bi annual	n/a
KPI. 14	Capital Projects - Gateway reports	>30%	PPG	PIB; CASC	new kpi	new kpi	83.00%	green	100%	green
KPI. 15	Rental Forecasts	£124m	IPG	PIB	on target	green	£128m	green	£128m	green
KPI. 16	Minimise Arrears	<2%	IPG	PIB	1.24%	green	1.24%	green	1.40%	green
KPI. 17	Minimise voids	<5%	IPG	PIB	3.98%	green	bi annual	green	3.70%	green
KPI. 18	Outperform MSCI	exceed be	IPG	PIB	annual	n/a	annual	n/a	annual	n/a
KPI. 19	Delivery of Strategic utility infrastructure	On Sched	CPAT	PIB; CASC	on target	green	100.0%	green	100.0%	green
KPI. 20	Promotion of the City	On Sched	CPAT	PIB; CASC	on target	green	100.0%	green	100.0%	green
KPI. 21	Supporting the retention and inward investment of businesses	On Sched	CPAT	PIB; CASC	on target	green	100.0%	green	100.0%	green

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Headline Performance Charts

Appendix C

Page 1 of 1

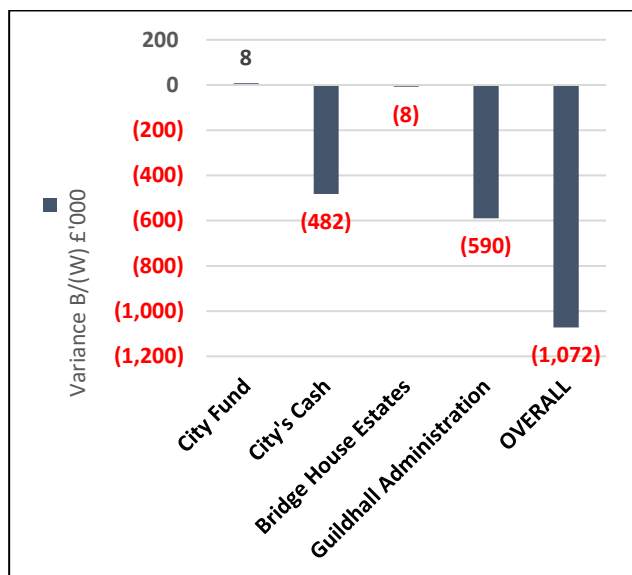


Figure 1 Quarter 3 variance against profiled local risk budget (better/(worse))

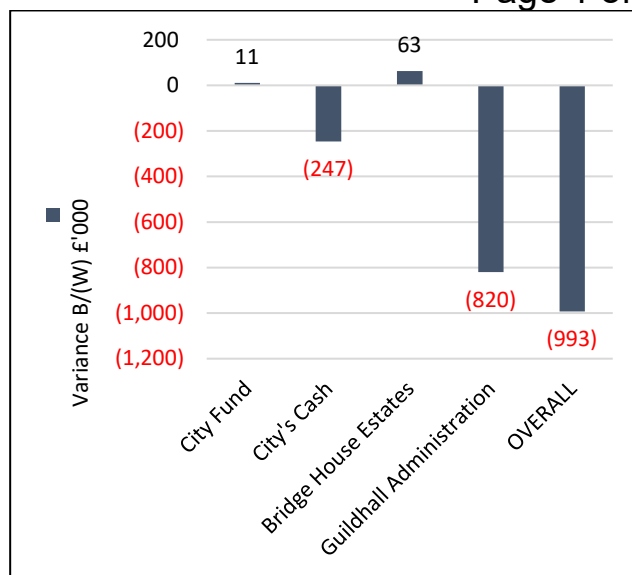


Figure 2 Projected outturn variance as at quarter 3 local risk budget (better/(worse))

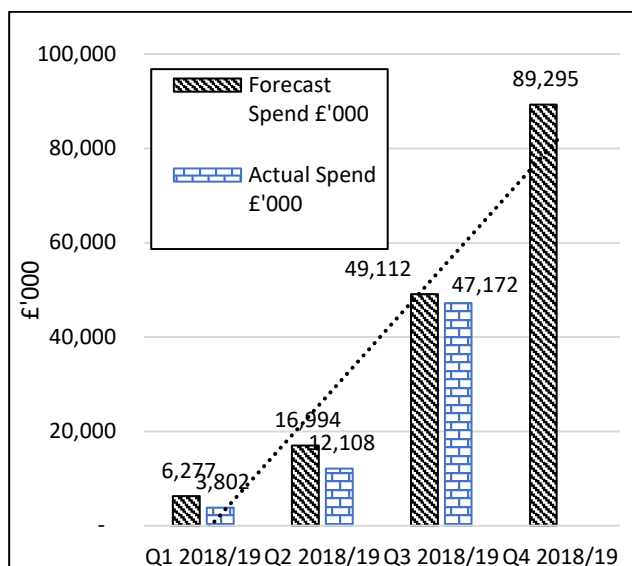


Figure 3 All project spend, forecast v actual as at quarter 3

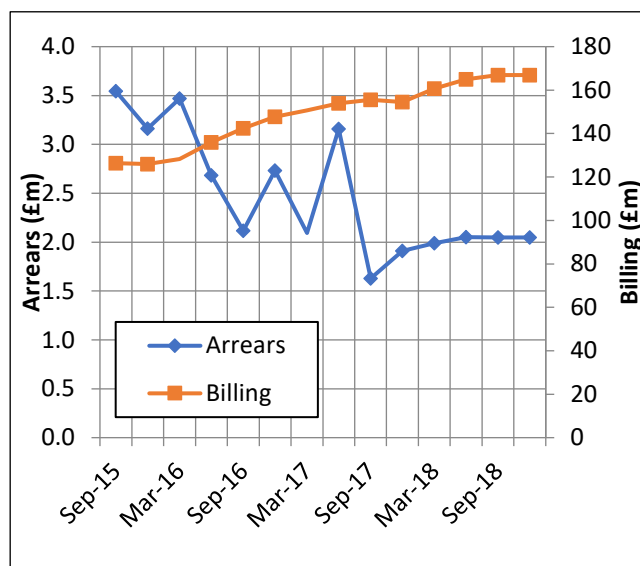


Figure 4 (Investment Properties) Commercial tenants' arrears compared to annual rolling billing run.

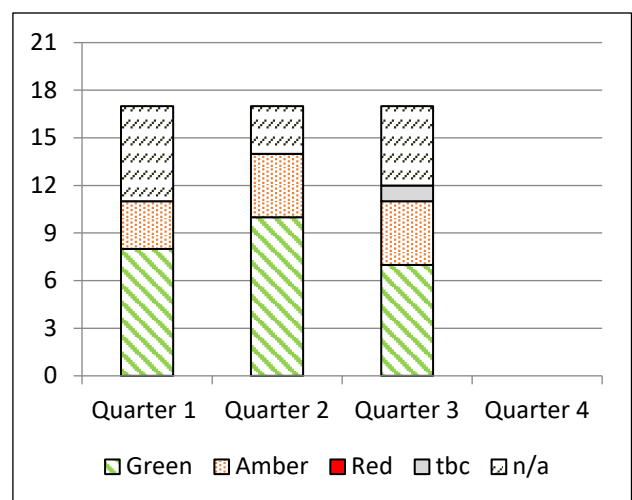


Figure 5 Performance of KPIs linked to Corporate Property (Corporate Asset Sub Committee)

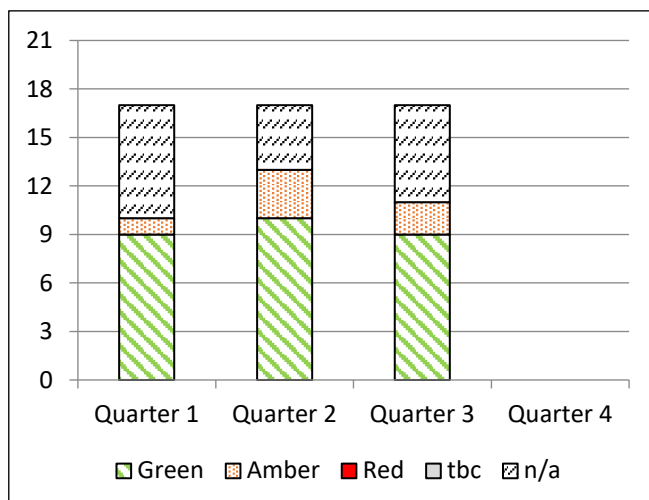


Figure 6 Performance of KPIs linked to Investment Property (Property Investment Board)

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Committee(s): Property Investment Board – For information Corporate Asset Sub (Finance) Committee – For information	Date(s): 20 March 2019 04 April 2019
Subject: City Surveyor's Departmental Risk Register Update	Public
Report of: The City Surveyor (CS 104/19)	For Information
Report author: Faith Bowman / John Galvin City Surveyor's Department	

Summary

This report has been produced to provide your Committee with a quarterly update on the management of risks within the City Surveyor's Department.

Currently the department has zero red risks, four amber risks and one green risk on its Departmental Risk Register (Appendix 1). Since the last report to this Committee, the key changes to the departmental risks are as follows:

- SUR SMT 009 – Tender Returns**
Current risk score 4 (Green) – Current mitigation actions relating to this risk have now been completed. This risk has now been de-escalated from the Departmental Risk Register and is now being monitored on the Property Projects Group's Risk Register.
- SUR SMT 004 – Inability to deliver savings required by Service Based Review**
Current risk score 2 (Green) – This risk has been reduced and budgets have been adjusted to account for service-based review savings. This risk will be de-escalated at the end of the financial year.

The City Surveyor's Department also manages the repairs and maintenance risks associated with the City Bridges. This register (Appendix 2) notes the three red risks, which are:

- SUR CB 003 – City Bridges: Substantial Vessel Strike**
Current risk score 16 (Red)
- SUR CB 006 – City Bridges: Wanton Damage / Terrorism**
Current risk score 16 (Red)
- SUR CB 007 – City Bridges: Tunnelling for the Thames Tideway Tunnel**
Current risk score 16 (Red)

Recommendation(s)

Members are asked to:

- Note the report, and the actions taken within the City Surveyor's Department to effectively monitor and manage risks arising from our operations.

Main Report

Background

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department. The Property Investment Board (PIB) and Corporate Asset Sub (Finance) Committee (CAsC) has determined that they will receive the City Surveyor's risk register on a quarterly basis.
2. For these regular update reports, we have separated the overall Departmental Risk Register and the key risks relating to the City Bridges, the latter being of interest to CAsC.

Current Position

3. The City Surveyor's risks are managed through a hierarchy of three levels. These are Corporate Risks, Departmental Risks, and Group Risks. Currently the department does not have any risks on the Corporate Risk Register.
4. Group Risks relate to those risks managed by the divisions within the City Surveyor's Department (Corporate Property Group, Investment Property Group etc). Risks managed at the Group level are not reported through to Committee.
5. All risks within the department are reviewed regularly. This includes consideration of emerging risks and any change in risk scores. Key changes to the Departmental level risks have been noted below.
6. The City Surveyor's Departmental Risk Register currently contains zero red risks, four amber risks and one green risk. The details of each of these are included in Appendix 1.
7. The department also manages the repairs and maintenance risks associated with the City Bridges, of which there are currently three red risks. The details for these risks are included in Appendix 2. The three red risks relating to the City Bridges are as follows:
 - SUR CB 003 – City Bridges: Substantial Vessel Strike
Current risk score 16 (Red)
 - SUR CB 006 – City Bridges: Wanton Damage / Terrorism
Current risk score 16 (Red)
 - SUR CB 007 – City Bridges: Tunnelling for the Thames Tideway Tunnel
Current risk score 16 (Red)

Changes since last review

8. The key changes since the last review was presented to Committee:
 - A. SUR SMT 009 – Tender Returns (Green 4) – Mitigations relating to this risk are now complete. The actions included the creation of a main contractor

framework, and through this department's work with the Chamberlain's Department, this is now complete. The risk has been de-escalated from the departmental Risk Register and will be monitored at the Group (Property Projects Group) level. The risk will continue to be assessed for any changes.

- B. SUR SMT 004 – Inability to deliver savings required by Service Based Review (Green 2) – Budgets for 2019/20 have been adjusted to account for service-based review savings. Funding is also now in place through the Transformation Fund in order to resource the next stage of the Asset Management Review. The risk will be de-escalated at the end of the financial year.
- C. City Bridge Risks – The City Bridge Trust and Bridge House Estates are undertaking a governance review through an officer Task and Finish Group. This will also consider the appropriate location for risk ownership. In the interim this department continues to work with the Department of the Built Environment to improve our management of these risks, including discussions relating to the creation of a Service Agreement to better codify roles and responsibilities. Whilst these discussions have been positive, the risk scores have not changed at this time.

Conclusion

- 9. Members are asked to note the recent changes to the Departmental Risk Register. The department continues to ensure that it manages its risks in line with best practice as described within the City Corporation's Risk Management Framework.

Appendices

- Appendix 1 – City Surveyor's Departmental Risk Register
- Appendix 2 – City Bridge top risks

Background Papers

- The City Surveyor – December and January Update (CS 479/18)

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Sur Detailed risk register

Report Author: Faith Bowman

Generated on: 01 March 2019



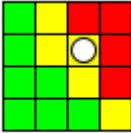
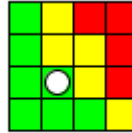

Rows are sorted by Risk Score

Code & Title: SUR SMT SENIOR MANAGEMENT TEAM - (High Level) DEPARTMENT RISKS 5

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<p>SUR SMT 001</p> <p>Call in property performance</p> <p>03-Mar-2015</p>	<p>Cause: Unexpected change or unknown impact of macro-economic policy (global and local political and economic decisions, change in interest rate, exchange rate, taxation, etc.)</p> <p>Event: Business sentiment changes and U.K. / London becomes less attractive to investors / tenants.</p> <p>Impact: Business Plan objectives are not achieved with resultant negative impact on income, yields, voids and arrears.</p>	<p>Likelihood</p> <p>Impact</p>	12	<p>The strategy is to maintain a diverse portfolio that reduces the impact of this risk. This includes:</p> <ol style="list-style-type: none"> 1. Use (office, retail, industrial) 2. Location (City, Southwark, West End etc.) 3. Tenancies (Long term Headlease geared, FRI, directly managed) 4. Covenants (multinationals, SME) 5. Asset management (lease renewals, voids, arrears, etc) 6. Monitoring retail habits in change of building use <p>This risk links to CR26 Brexit - particularly on the “impact of Brexit on City Corporation income streams” action, owned by the Chamberlain.</p> <p>01 Mar 2019</p>	<p>Likelihood</p> <p>Impact</p>	4	31-Mar-2020	<p>Constant</p>

Nicholas Gill							
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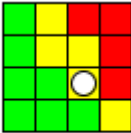
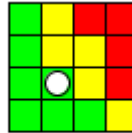

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 001c Global and local economic and political decisions	Global and local economic and political decisions	SMT continues to closely monitor the position quarterly, including analysis of market reaction. This information is reported through to Property Investment Board regularly.	Nicholas Gill	01-Mar- 2019	31-Mar- 2020
SUR SMT 001d Maintain a diverse portfolio	Maintain a diverse mix of space, locations, and tenants to ensure the business has wide market appeal and is not reliant on particular business sector	IPG Management Team monitors development of property portfolio and tenant mix.	Nicholas Gill	01-Mar- 2019	31-Mar- 2020

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
SUR SMT 002 Not maximising operational property performance at Walbrook Wharf and Guildhall Feb-2015 Peter Young	Cause Insufficient budget to meet user demand Event: Ineffective asset management Impact: Inability to maximise operational property / building performance	Likelihood  Impact	12	The principal mitigation actions are related to forecasting and monitoring the allocation of financial and human resources. Guildhall Masterplan has been approved by Corporate Asset Sub Committee but is subject to approval by Resource Allocation Sub Committee. This will better meet long term demands on the complex. 2019/20 funding request has been approved by the Resource Allocation Sub Committee in December 01 Mar 2019	Likelihood  Impact	4	31-Mar-2020	 Constant

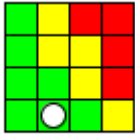
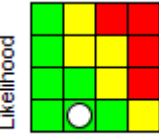

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 002b Guildhall Capital Projects Programme Delivery	Guildhall Capital Projects Programme Delivery	The individual projects are proceeding and there is a high-level strategy meeting being held by the City Surveyor with key stakeholders which may impact the sequencing or necessity of some projects.	Peter Young / Dorian Price	01-Mar-2019	31-Mar-2020
SUR SMT 002c Prioritisation	Prioritisation	A report will be going to Resource Allocation Sub Committee which will determine prioritisation	Peter Young / Dorian Price	01-Mar-2019	30-Apr-2019

4

Adopt and Change Approach		have been presented and agreed by Committee and is now subject to approval by Court.	Wilkinson	2019	2019
SUR SMT 005b Staff Survey	Staff Survey	Over the autumn a staff survey was run Corporately. Results have been disseminated and the department is developing an action plan. We will be working with Corporate colleagues to refine the plan and implement thereafter. Corporately, the organisation is looking to run a 'pulse' survey in autumn 2019 to track changes.	Paul Wilkinson	01-Mar-2019	31-Mar-2020

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
SUR SMT 010 Unable to meet the Carbon Decent Plan for 2026. 13-Dec-2018 Peter Collinson	Cause: Lack of resources – people and funds across organisation to deliver energy efficiency projects Event: Failure to reach Carbon Decent Plan Targets (40% reduction in 2008 emissions by 2026) Effect: Environmental damage, Failure to reduce expenditure, Reputational damage, Failure to achieve vision of the department, unable to meet ambition of the Corporate Plan.	Likelihood  Impact	8	Have 29% of target left. Vacant positions for: 1. Programme manager 2. BMS engineer 3. Energy Engineer 4. Energy PM 27 Feb 2019	Likelihood  Impact	4	31-Mar-2026	 Constant

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 010a Recruitment of posts above 1-3	Recruitment of posts above 1-3	Recruit roles 1-3. Interviews have been undertaken for the BMS engineer.	Peter Collinson	04-Mar-2019	31-May-2019
SUR SMT 010b Recruitment of post 4	Recruit role 4	Recruit role 4	Peter Collinson	04-Mar-2019	31-Mar-2020
SUR SMT 010c Agreement of funding source and route for capital programme	Funding source and route for capital programme	Gateway paper being developed to secure funding to deliver projects. To be presented to Resource Allocation Sub Committee and Project Sub-Committee.	Peter Collinson	04-Mar-2019	31-Mar-2020
SUR SMT 010d Measurement	Measurement	Investigation of measurement in order to accurately capture consumption reduction in light of increased occupancy.	Peter Collinson	13-Dec-2018	31-Mar-2019

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
SUR SMT 004 Inability to deliver savings required by Service Based Review 03-Mar-2015 Paul Wilkinson	<p>Cause: Departments do not deliver the agreed Facilities Management and Asset Management actions to time and to the appropriate success criteria.</p> <p>Event: Recommendations arising from the Asset Management and Facilities Management reviews are not implemented in full.</p> <p>Impact: Saving targets not achieved and objective not met – including transformation service improvements.</p>	<div> <div>Likelihood</div>  <div>Impact</div> </div>	2	<p>Risk score has decreased from a score of six in September as uncertainty regarding savings has been reduced.</p> <p>Budgets have been adjusted to account for service-based review savings. This risk will be de-escalated at the conclusion of the financial year.</p> <p>01 Mar 2019</p>	<div> <div>Likelihood</div>  <div>Impact</div> </div>	2	31-Mar-2020	 Decreasing

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 004b Asset Management Service Based Review	Asset Management Service Based Review	Review by GVA now complete. Transformation Fund bid for programme manager and support manager has been approved, and this will help drive delivery of asset management programme. Further report being presented to Corporate Asset Sub Committee in April to clarify funding and options. All recommendations have been approved in principle.	Peter Young	01-Mar-2019	31-Mar-2020

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SUR City Bridges - detailed report

Report Author: Faith Bowman

Generated on: 01 March 2019



Rows are sorted by Risk Score

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
SUR CB 003 City Bridges - Substantial vessel strikes 01-Nov-2018 Paul Wilkinson	Cause: Substantial Vessel strike Event: Structural damage to bridge Impact: Instability in bridge structure leading to possible collapse. Death / injury, disruption of traffic, reputational damage, additional costs to repair / replace	 Likelihood Impact	16	City Bridge Trust and Bridge House Estates are undertaking a governance review through an officer Task and Finish Group. The aspect of where risk ownership sits will be considered by this group in 2019. In the interim further discussions have taken place to put in place a Service Agreement between DBE and CSD to better manage responsibilities and information flow. 01 Mar 2019	 Likelihood Impact	16	31-Mar-2020	 Constant

Action no	Action description	Latest Note			Action owner	Latest Note Date	Due Date
SUR CB 003a	Navigation controls	Navigation is controlled by the Port of London Authority and navigation lights fixed to			Nicholas	01-Mar-	31-Mar-

		bridges. Paul Monaghan is an on-going member of the River Crossings Liaison Group and is currently pursuing them for further meeting dates following their change in Chair. Paul Monaghan updates CSD at the quarterly meetings as to any actions, activities, or change in the risk status of this item.	Gill; Peter Young	2019	2020
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Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
SUR CB 006 City Bridges: - Wanton Damage / Terrorism <div>Page 38</div> 01-Nov-2018 Paul Wilkinson	Cause: Wanton Damage / Terrorism Event: Structural damage to bridge/s Impact: Instability in bridge structure , reputational damage, disruption to traffic, additional costs to repair / replace	<div> <div>Likelihood</div> <div>Impact</div> </div>	16	<p>The Comptroller and City Solicitor has registered the City of London as an interested party for the inquiry into the London Bridge incident. The organisation has been supporting this by providing correspondence as required.</p> <p>City Bridge Trust and Bridge House Estates are undertaking a governance review through an officer Task and Finish Group. The aspect of where risk ownership sits will be considered by this group in 2019.</p> <p>In the interim further discussions have taken place to put in place a Service Agreement between DBE and CSD to better manage responsibilities and information flow.</p> <p>01 Mar 2019</p>	<div> <div>Likelihood</div> <div>Impact</div> </div>	12	31-Mar-2020	 Constant

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR CB 006a	Counter Terrorism	Sequence of joint workshops were hosted by TFL over July. This involved TFL, the City Police, the MET Police and DBE. This investigated the risks associated with key bridges, with a different assessment made depending on the bridge. MET Police have yet to provide	Nicholas Gill; Paul Monaghan;	01-Mar-2019	31-Mar-2020

Action no	Action description	Latest Note			Action owner	Latest Note Date
SUR CB 007d	Tideway Tunnelling	The City's Engineer, Paul Monaghan is working with the Comptroller and City Solicitor through the Development Consent Order and negotiated protection for the river crossings and, in the case of Tower Bridge, reduced face loss. He and the engineering team are working with the planning lead, Ted Rayment, to ensure that these requirements are being met. Regular weekly, monthly and quarterly meetings take place with the respective parts of TTT. For support they have the existing commission with an external engineering consultant appointed for the inspection of river crossings.			Nicholas Gill, Peter Young	01-Mar-2019
SUR CB 007e	Monitoring & Works				Nicholas Gill, Peter Young	01-Mar-2019
		Monitoring is on-going on the bridge sites to ensure that risks are managed. Monitoring at Tower Bridge has been in place for circa three years. Millennium Bridge has had its tensioning adjusted to account for any movement.				31-Mar-2021

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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