



Property Investment Board

Date: WEDNESDAY, 22 JULY 2020

Time: 8.30 am

Venue: [HTTPS://YOUTU.BE/C1JF2E4BAOU](https://youtu.be/C1JF2E4BAOU)

Members: MEMBERSHIP IS SUBJECT TO CONFIRMATION AT THE INVESTMENT COMMITTEE MEETING ON TUESDAY 21 JULY 2020

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

Accessing the virtual public meeting

Members of the public can observe this virtual public meeting at the below link:

[HTTPS://YOUTU.BE/C1JF2E4BAOU](https://youtu.be/C1JF2E4BAOU)

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 26th of May 2020.

For Decision
(Pages 1 - 4)

4. **CITY SURVEYOR'S DEPARTMENTAL RISK REGISTER - JUNE UPDATE**
Report of the City Surveyor.

To be received in conjunction with a non-public appendix at Item 21.

For Information
(Pages 5 - 30)

5. **CITY SURVEYOR'S DEPARTMENTAL BUSINESS PLAN PROGRESS 2019-24 QUARTER 4 2019/20**
Report of the City Surveyor.

For Information
(Pages 31 - 42)

6. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
7. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**
8. **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

9. **NON PUBLIC MINUTES**
To approve the non-public minutes of the Property Investment Board meeting held on 26th of May 2020.

For Decision

10. **NON-PUBLIC ACTIONS**
Report of the Town Clerk.

For Information
(Pages 47 - 48)

ALL ESTATES

11. **COVID-19 CAPITAL PROJECTS CONTINGENCY FUND**
Report of the City Surveyor.

For Decision
(Pages 49 - 60)

12. **ARREARS WRITE OFF - CITY FUND AND CITY'S ESTATE**
Joint report of the Comptroller and City Solicitor and the City Surveyor.

For Decision
(Pages 61 - 74)

13. **CITY FUND, CITY'S ESTATE AND BRIDGE HOUSE ESTATES: ARREARS OF RENT AS AT MARCH 2020 QUARTER DAY MINUS 1**
Report of the City Surveyor.

For Information
(Pages 75 - 82)

14. **CITY FUND, CITY'S ESTATE, BRIDGE HOUSE ESTATES AND STRATEGIC PROPERTY ESTATE - ANNUAL VALUATION**
Report of the City Surveyor.

For Information
(Pages 83 - 88)

15. **CITY'S ESTATE, BRIDGE HOUSE ESTATES AND CITY FUND: VACANT ACCOMMODATION UPDATE AS AT 1ST JUNE 2020**
Report of the City Surveyor.

For Information
(Pages 89 - 94)

16. **CITY SURVEYOR REVENUE OUTTURN REPORT 2019-20**
Joint report of the Chamberlain and City Surveyor.

For Information
(Pages 95 - 104)

17. **CITY FUND, CITY'S ESTATE & BRIDGE HOUSE ESTATES - REVENUE WORKS PROGRAMME - 19/20 PROGRESS/ OUTTURN**
Report of the City Surveyor.

For Information
(Pages 105 - 112)

18. **CITY FUND, CITY'S ESTATE & BRIDGE HOUSE ESTATES - QUARTERLY DELEGATED AUTHORITIES UPDATE - 1ST JANUARY TO 31ST MARCH 2020**
Report of the City Surveyor.

For Information
(Pages 113 - 126)

19. **CITY FUND, CITY'S ESTATE & BRIDGE HOUSE ESTATES - QUARTERLY DELEGATED AUTHORITIES UPDATE - 1ST APRIL TO 30TH JUNE 2020**
Report of the City Surveyor.

For Information
(Pages 127 - 136)

20. **POWER PURCHASE AGREEMENT (PPA) FOR OFFSITE RENEWABLE ELECTRICITY - PROCUREMENT STAGE 1A MID TENDER PROGRESS REPORT**
Joint report of the Chamberlain and the City Surveyor.

For Information
(Pages 137 - 142)

21. **NON-PUBLIC APPENDIX**
Non-public appendix to be considered in conjunction with Item 4.

For Information
(Pages 143 - 144)

22. **ALL FUNDS - RENTAL ESTIMATES MONITORING REPORT**
Report of the City Surveyor.

For Information
(Pages 145 - 156)

23. **SUSTAINABLE BUILDINGS REVIEW**
Report of the City Surveyor.

To follow.

For Decision

CITY'S ESTATE

24. **20 / 21 ALDERMANBURY - MEANWHILE OPERATORS' FINAL SUBMISSIONS**
Report of the City Surveyor.

For Information

25. **CITY'S ESTATE: NEW LETTING: 2ND FLOOR 4/10 NORTH ROAD**
Report of the City Surveyor.

To follow.

For Decision

CITY FUND ESTATE

26. **CITY FUND- FLEET STREET ESTATE - RIBA STAGE 3 PROGRESS REPORT**
Report of the City Surveyor.

For Information
(Pages 165 - 176)

27. **REPORT OF ACTION TAKEN BETWEEN MEETINGS**
Report of the Town Clerk.

For Information
(Pages 177 - 178)

BRIDGE HOUSE ESTATES

28. **BRIDGE HOUSE ESTATES- REFURBISHMENT OF ELECTRA HOUSE, 84 MOORGATE, EC2**
Report of the City Surveyor.

For Decision
(Pages 179 - 190)

29. **PURCHASE OF LEASEHOLD OF 207/209 SOUTHWARK BRIDGE ROAD, LONDON SE1 (BRIDGE HOUSE ESTATES)**
Report of the City Surveyor.

For Decision
(Pages 191 - 198)

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

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

This page is intentionally left blank

PROPERTY INVESTMENT BOARD

Tuesday, 26 May 2020

Minutes of the meeting of the Property Investment Board held at Guildhall, EC2
on Tuesday, 26 May 2020 at 8.30 am

Present

Members:

Deputy Tom Sleight (Chair)
Andrien Meyers (Deputy Chairman)
Chris Boden
John Chapman
Sheriff Christopher Hayward
Michael Hudson
Deputy Jamie Ingham Clark
Shravan Joshi
Deputy Edward Lord
Deputy Philip Woodhouse
Claudine Blamey
David Brooks Wilson
Stuart Corbyn
Tony Joyce
David Shaw OBE
Deputy Alastair Moss

Officers:

Richard Holt	- Town Clerk's Department
John James	- Chamberlain's Department
Alan Bennetts	- Comptroller & City Solicitor's Department
Paul Wilkinson	- City Surveyor
Nicholas Gill	- City Surveyor's Department
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 Dhruv Patel.

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 public minutes and non-public summary of the Property Investment Board meeting on the 18th of March.

It was noted that Sheriff Christopher Hayward was present at the last meeting of the Board.

Replying to a question from a Member on when the Culture mile strategy, which was deferred from the last meeting, will be provided the City Surveyor explained that the Officer responsible was no longer employed by the City of London Corporation and confirmed that the presentation would be provided at the July or September Board meeting.

RESOLVED – That the public minutes and non-public summary of the meeting held on 18th of March be approved as an accurate record.

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

There were no questions received in the public session.

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.
7-12

Paragraph No.
3

7. **NON-PUBLIC MINUTES**

The Board considered the non-public minutes of the Property Investment Board meeting on the 18th of March 2020.

RESOLVED – That the non-public minutes of the meeting held on 18th of March 2020 be approved as an accurate record.

8. **REPORT OF ACTION TAKEN**

The Board received a report of the Town Clerk which summarised the action taken since the last meeting of the Board in accordance with Standing Orders 41 a) and b).

RESOLVED- That the report be noted.

9. **BRIDGE HOUSE ESTATES- REFURBISHMENT OF ELECTRA HOUSE, 84 MOORGATE, EC2**

The Board considered a report of the City Surveyor on the refurbishment of Electra House.

RESOLVED- That the report be agreed.

10. **BRIDGE HOUSE ESTATES- REFURBISHMENT OF TOWER CHAMBERS, 74 MOORGATE, EC2**

The Board considered a report of the City Surveyor on the refurbishment of Tower Chambers.

RESOLVED- That the report be agreed.

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

There were no questions.

12. **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 other business received in the non-public session.

The meeting ended at 09.35 am

Chair

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

This page is intentionally left blank

Committee(s): Property Investment Board – For information Corporate Asset Sub (Finance) Committee – For information	Date(s): 22 July 2020 22 July 2020
Subject: City Surveyor's Departmental Risk Register – June Update	Public
Report of: The City Surveyor (CS 202/20)	For Information
Report author: Faith Bowman / John Galvin City Surveyor 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.

The City Surveyor department currently has six amber risks on its Departmental Risk Register (Appendix 1). Furthermore, the department is managing four additional risks – two red, one amber and one green – in response to Covid-19 (Appendix 2).

The City Surveyor Department also manages the repairs and maintenance risks associated with the City Bridges (Appendix 3), which currently notes three red risks.

Finally, the department is managing one additional red risk which is non-public (Appendix 4).

The red risks currently being managed by the department in response to Covid-19 are:

- CVD19 SG PROP 01 – Impact on investment portfolio
Current risk score 16 (Red)
- CVD19 SG PROP 02 – Property projects
Current risk score 16 (Red)

The red risks pertaining to the City Bridges are the following:

- 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 Department to effectively monitor and manage risks arising from our operations.

Main Report

Background

1. The Risk Management Strategy 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 risk register on a quarterly basis.
2. This report separates the overall departmental risk register (Appendix 1), the departmental responsibilities in relation to Covid-19 (Appendix 2), and the repairs and maintenance items in relation to the City Bridges (Appendix 3). There is a further risk which has been included separately due to being non-public (Appendix 4).
3. Risks are reviewed regularly by the department's Senior Management Team (SMT) in line with the organisation's Risk Management Framework (RMF). Risks are assessed on a likelihood-impact basis, and the resultant score is associated with a traffic light colour.

Current Position

4. The City Surveyor departmental risk register currently contains six amber risks. The details of each of these are included in Appendix 1.
5. Coronavirus clearly has had a significant impact on the operation of the department and the organisation. In response the City of London Corporation has instituted a number of thematic governance groups to co-ordinate the organisation's response. Risks associated with Covid-19 for which the department is contributing are being updated frequently. The information presented in Appendix 2 is that following the updates of 09 July. This includes two red risks, one amber risk and one green risk. These risks are also being reported through to Audit and Risk Management Committee on a regular basis.
6. 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 3.

Changes since last review

7. The principal change since the most recent report (March) relates to the inclusion of the thematic Covid-19 risks (Appendix 2). These are dynamic in nature and are consequently being assessed frequently to account for new information and guidance. The four risks that are currently being managed by the City Surveyor's Department are:

- A. CVD19 SG PROP 01 – Impact on investment portfolio
Current risk score 16 (Red)

This risk is looking at the impact of coronavirus on our property investment estates, particularly in relation to rental income.

B. CVD 19 SG PROP 02 – Property projects
Current risk score 16 (Red)

This risk considers how our property projects will be impacted, through the potential for increased time or cost, as a result of Covid-19.

C. CVD 19 SG PROP 03 – Property projects – Site closures
Current risk score 8 (Amber)

In certain circumstances it may no longer be possible to continue at a site due to an inability to comply with PHE/HSE guidance.

D. CVD 19 SG PROP 04 – Team and contractor resilience
Current risk score 4 (Green)

This risk relates to the delivery of facilities management (FM) services to City of London buildings by both internal FM teams and their service contractors.

8. In relation to the departmental risks (Appendix 1), the key changes since the last review was presented to Committee are:

A. SUR SMT 012 – Management of City Bridge and River Walls
Current risk score 4 (Green)

A Service Agreement has been agreed and implemented between City Surveyor's Department and Department of the Built Environment. This codifies responsibilities relating to the management of these assets. Regular meetings are now being held, key issues discussed, and information communicated. Due to this improved relationship it is appropriate that this risk is de-escalated from the departmental risk register. It will continue to be monitored on the City Bridges risk register.

B. SUR SMT 016 Health and Wellbeing of Staff
Current risk score 6 (Amber)

This is a new emerging risk for the department that has escalated up from all Groups. It gives attention to the health and wellbeing of staff during the Covid-19 pandemic.

The City Surveyor has led mitigating actions against this risk by organising regular all staff sessions using the collaborative application Microsoft Teams. Regular interaction is being encouraged at all levels throughout the department such that issues can be identified and escalated as appropriate, and signposting undertaken. The department has also instituted a regular newsletter communication, the most recent of which was distributed in early June.

Heatmap

9. Through the performance dashboard tool, Power BI, it is possible to create heatmaps of the department's risks. This is a graphical summary of the current public departmental risks (right). This relates to the information presented in Appendix 1 (departmental), Appendix 2 (Covid-19) and Appendix 3 (City Bridge)

risks. A comparison with the those presented at the last report (March) is included as the table on the left. Note that this is not tracking individual risks over time, rather it is a snapshot comparison of our overall risk profile.

10. Members will note the increase in the total number of risks from early March (9) to June (13). This reflects the impact of Covid-19 and the four risks that the department is managing in response to this item.

	Minor	Serious	Major	Extreme
Likely			2	
Possible		2	3	
Unlikely			1	1
Rare				

Table 1: March 2020 Risk Heatmap

	Minor	Serious	Major	Extreme
Likely			4	
Possible		2	3	
Unlikely		1	2	1
Rare				

Table 2: June 2020 Risk Heatmap

Conclusion

11. 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 and the organisation's RMF.

Appendices

- Appendix 1 – Departmental risk register
- Appendix 2 – Covid-19 thematic risk register
- Appendix 2 – City Bridge top risks
- Appendix 3 – Non-public risk

Background Papers

- The City Surveyor _ Risk update – March 2020 (CS 060/20)
- The City Surveyor – Risk update – December 2019 (CS 500/19)
- The City Surveyor – Risk update – September 2019 (CS 372/19)

John Galvin

Faith Bowman

Business Performance and Improvement

T: 020 7332 3269

E: john.galvin@cityoflondon.gov.uk

SUR Departmental risks - detailed report EXCLUDING COMPLETED ACTIONS for committee

Report Author: Faith Bowman

Generated on: 25 June 2020

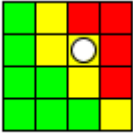
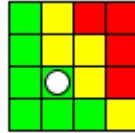


Rows are sorted by Risk Score

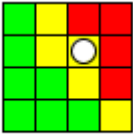
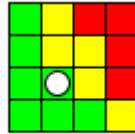
Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
Page 9 CR SMT 001 Fall in property performance	<p>Cause: Unexpected change or unknown impact 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>This risk captures the long-run position and asset allocation within the property funds. Risks relating to the current Coronavirus situation (CVD19 SG PROP 01) are covered in a separate appendix.</p> <p>This risk also links to CR26 Brexit – particularly on the “impact of Brexit on City Corporation income streams”. This risk is owned by the Chamberlain.</p> <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) 	<p>Likelihood</p> <p>Impact</p>	3	31-Mar-2021	

03-Mar-2015 Nicholas Gill				5. Asset management (lease renewals, voids, arrears, etc) 6. Monitoring retail habits in change of building use 16 Jun 2020				Constant
------------------------------	--	--	--	--	--	--	--	----------

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 001c	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	16-Jun-2020	31-Mar-2021
SUR SMT 001d	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	16-Jun-2020	31-Mar-2021
SUR SMT 001e	Strategy review	Two strategy sessions have been held with Members of Property Investment Board to discuss what the future may look like in a post Covid-19 world. This will be kept under review as the year progresses		17-Jun-2020	31-Mar-2021

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 Insufficient budget to meet user and asset demand at Guildhall <div>Page 11</div> 10-Feb-2015 Peter Young	<p>Cause:</p> <ul style="list-style-type: none"> . Insufficient budget and accessibility due to the increase/intensification of use at Guildhall Complex. . Insufficient funding being made available for Major Works, Cyclical Works and Day to Day Maintenance Budget to manage the repair demands on the Guildhall Complex. <p>Event: Insufficient asset funding and lack of accessibility to complete all works due to increase/intensification of use at Guildhall Complex</p> <p>Impact: The standard of the Guildhall Complex will start to deteriorate, resulting in; poorer working environments leading to increased dissatisfaction and lower employee productivity and potential increase in breakdowns and reactive costs as the basic infrastructure of the Complex becomes beyond economic repair.</p>	<div> <div>Likelihood</div>  <div>Impact</div> </div>	12	<p>This risk captures the longer-term risks associated with funding for the Guildhall. Risks relating to the current Coronavirus situation (CVD19 SG PROP 05) are covered in a separate appendix.</p> <p>The principal mitigation actions are related to forecasting and monitoring the allocation of financial and human resources.</p> <p>Whilst this risk reduces due to the uplift in Guildhall Admin budget, this is balanced by the projected increase in FTE occupation of the space.</p> <p>Some parts of the general infrastructure of the Guildhall Complex are becoming beyond economic life, resulting in main Mechanical/Electrical Plant and Fabric failing across the Complex. The Guildhall Masterplan considers a complete refurbishment of some parts of the general infrastructure and has been proposed as part of the Fundamental Review.</p> <p>16 Jun 2020</p>	<div> <div>Likelihood</div>  <div>Impact</div> </div>	4	31-Mar-2021	Constant

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 002e	Fundamental Review of the Guildhall Complex	A wholesale review of the North Wing and West Wing was presented as an option to Members for consideration as part of the Fundamental Review. Initial feedback from Members was to investigate this proposal in more detail, and initial cost implications will be presented in the Spring.	Paul Wilkinson; Peter Young	16-Jun-2020	31-Jul-2020
SUR SMT 002f	Cross departmental working	Single point of contact for Profit and Loss to be created within the Remembrancer's Department. This activity has been agreed by CASC and a more detailed report, noting the key figures, will be presented to Members later in the year. The possibility of a sinking fund for the site has been explored and agreed by CASC. CSD will provide a facilities event-related operating business plan with the Remembrancer's Department, detailing the funding, management and operating arrangements including the funding sources. This action has been delayed due to current events (Covid-19) and this will be revisited shortly.	Remembrance r; Peter Collinson	16-Jun-2020	31-Dec-2020
SUR SMT 002g	Maintenance management	The department continues to work with Skanska, our Building Repairs and Maintenance Contractor, to review and improve the correct Planned Preventative Maintenance (PPM) regime. A report was presented to CASC in January 2020 with details of the deferred maintenance level (bow wave). Further discussions to be undertaken as part of the Corporate Property Asset Management Strategy to determine the property condition to which we're aspiring on a site-by-site basis (good or fair).	Peter Collinson	16-Jun-2020	31-Oct-2020
SUR SMT 002h	Prioritisation review	We are reviewing prioritisation list of major projects in light of covid-19 and the financial circumstances. This will also need to consider the Guildhall Masterplan and how this may impact projects.	Peter Collinson; Peter Young	16-Jun-2020	31-Mar-2021

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 014 Backlog maintenance <div>Page 13</div> 04-Nov-2019 Peter Collinson	<p>Cause: insufficient funds to manage the repair demands at operational properties (Budget available does not match the annual Cyclical Works Programme Bid List of requirements)</p> <p>Event: Maintenance demands for operational properties exceeds available funding.</p> <p>Impact: Reactive repairs budget used to meet maintenance demands, loss of income from events spaces, reputational impacts, long-term properties may cease to meet operational requirements (Reduced rental income, reduced capital value, increased breakdown of M&E services, reduced customer satisfaction, poor building use and efficiency)</p>	<div> <div>Likelihood</div>  <div>Impact</div> </div>	12	<p>The Cyclical Works Programme (CWP) bid for 20/21 has a reserve list of unfunded works of £26m, these works are essential to keep the operational properties in a good standard. This unfunded works will result in an increase in the backlog of maintenance.</p> <p>CWP report has been presented to CASC. This shows a gradual rise in deferred maintenance from c£80m to c£130m over the next five years. The Fundamental Review has proposed the reduction in the funds available to the CWP for 2020/21 by £1m, which will impact this risk.</p> <p>16 Jun 2020</p>	<div> <div>Likelihood</div>  <div>Impact</div> </div>	4	31-Mar-2021	Constant


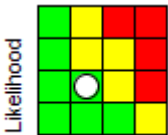

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 014b	Additional funding report may be required	Draft additional funding report to committee (next report due 2021).	Alison Bunn	16-Jun-2020	31-Dec-2020
SUR SMT 014e	Corporate Property Asset Management Strategy	Asset Management Strategy to be reviewed and appropriate condition for our property assets be considered. This may be undertaken on a site-by-site basis. Report to be presented to Members in Spring/Summer 2020 (this action aligns with action SUR SMT 002g).	Peter Young	16-Jun-2020	31-Oct-2020
SUR SMT 014f	CWP process review	CWP process is currently under review. This will focus more clearly on asset need rather than on available funds. This will rely upon intelligent information from our MICAD system	Peter Collinson	16-Jun-2020	31-Mar-2021

Page 14
13-1
Pete

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 010a	Recruitment of posts above 1-4	Recruitment for the two remaining posts within the Energy Team has recently been concluded. The new staff will commence with the City of London upon completion of their notice period (end Aug).	Peter Collinson	16-Jun-2020	31-Mar-2021
SUR SMT 010c	Funding source and route for capital programme	Agreed delivery model and costs Phase 1 and 2 submitted for funding as part of the annual capital bid programme. (Phase 1 provisionally approved). Further funding opportunities discussions have been undertaken with colleagues in the Chamberlain's Department, particularly in regard to Salix funding.	Peter Collinson	16-Jun-2020	31-Mar-2021
SUR SMT 010d	Better utilisation of the building management system (BMS)	Improved use of the BMS system to result in better energy use at the Guildhall Complex. The BMS expert has been secured for an additional 12 months. They will be working on a detailed	Peter Collinson	16-Jun-2020	30-Sep-2020

		BMS strategy, including for the Guildhall complex.			
--	--	--	--	--	--

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 005a	Action Plans	The Action Plans developed following the Staff Survey (2018 and more recently 2019) are being delivered to address areas of focus for staff. The department has completed an Equalities and Diversity self-assessment (May), and this too has an Action Plan. Both these activities are focussed around improving our understanding of our staff and addressing areas of concern.	Paul Wilkinson	16-Jun-2020	31-Dec-2020
SUR SMT 05b	HR Communication	Highlighting emerging issues to our Human Resources Business Partner. This will initiate activities to understand and subsequently address this risk.	Paul Wilkinson	16-Jun-2020	31-Dec-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 016 Health and Wellbeing of Staff 16-Jun-2020	Cause: Extended period of working away from colleagues due to Covid-19 exacerbating stress levels. Event: Health and wellbeing of staff deteriorates Impact: lower staff morale, higher levels of sickness and turnover	 Likelihood	6	This new risk considers the health and wellbeing of departmental staff. This is exacerbated under the current lockdown situation as a result of COVID-19. 16 Jun 2020	 Likelihood	4		 Constant

Action no	Action description	Latest Note		Action owner	Latest Note Date	Due Date
Page 17 SUR SMT 016a	Communications	All directors are having regular meetings with key staff and encouraging regular interaction at all levels throughout the department. The City Surveyor is holding weekly meetings with all departmental staff through Teams. Electronic staff newsletter was distributed on Friday 12 June. Each of these activities is focussed around ensuring that there is a common sense of purpose, issues can be identified early, and appropriate signposting can be made to ensure that at risk staff are able to access appropriate services.		Alec Childs; Peter Collinson; Nicholas Gill; Ola Obadara ; Peter Young	16-Jun-2020	31-Mar-2021
SUR SMT 016b	Return to work flexibility	Flexibility with returning to work is being considered, together with thought for staff who may wish to continue to work from home on a longer basis, self-risk assessments are one of the options being deliberated.		Alec Childs; Paul Wilkinson	16-Jun-2020	31-Mar-2021

This page is intentionally left blank

Copy of SUR COVID-19 - detailed report EXCLUDING COMPLETED ACTIONS

Report Author: Faith Bowman

Generated on: 09 July 2020



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
<p>COVID19 SG PROP 01 Impact on investment portfolio (SUR)</p>	<p>Cause: The spread of COVID 19 has continued to escalate affecting business and trade.</p> <ul style="list-style-type: none"> . Lack of trade . Lower investment transactions . Lower lettings transactions . Longer development and refurbishment timelines . Longer and less accurate valuations <p>Event: The spread of COVID 19 impacts on the City Surveyors business, namely collection of rental income</p> <p>Effects: Through the spread of COVID 19 tenants are not able to pay their rental payments leading to rent arrears or forfeit leases on managed/FR&I tenants, confidence in the City of London Corporation and the City of London is damaged</p>	<p>Likelihood</p> <p>Impact</p>	16	<p>RA sub provided a direction relating to the June rent quarter demands.</p> <p>Property Investment Board have agreed with this direction, and this decision was formalised under urgency.</p> <p>This relates to rent deferrals for Jun-Sep quarter and a rent-free period for those tenants that fall within the 'at risk' category.</p> <p>For both the Investment and Corporate Estates this has a value cap of £7m, of which Investment is £4.3m.</p> <p>No late interest will be charged on rent deferrals, and the Jun-Sep quarter will be deferred for six months.</p> <p>For Bridge House Estates properties,</p>	<p>Likelihood</p> <p>Impact</p>	8	02-Mar-2021	

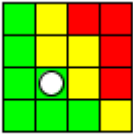
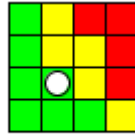

01-Apr-2020 Nicholas Gill				decisions are made in the best interests of the charity. 09 Jul 2020				Constant
------------------------------	--	--	--	--	--	--	--	----------

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CVD19 SG PROP 01b	Monthly Payments	Move to monthly rent collections (March to June Quarter) for all directly managed and FR&I tenants (this does not apply to ground rents). To be reviewed in August for future periods.	Nicholas Gill	09-Jul-2020	31-Oct-2020
CVD19 SG PROP 01h	Members Paper	Member direction was received from RA Sub on 07/05, and this was ratified by PIB under urgency in mid-May. This relates to rent deferrals for Jun-Sep quarter and a rent-free period for those tenants that fall within the 'at risk' category. Consideration will now focus on September to December rent demands for 'at-risk' tenants. Meeting with Members on 04/06 to consider the recovery phase strategy and a further meeting has been arranged for 09/07.	Nicholas Gill	09-Jul-2020	30-Apr-2021
CVD19 SG PROP 01i	Rent Arrears	A report is being developed to understand our current property arrears, and how this has been impacted by Covid-19. This report will be presented to PIB on 22/07. This paper will initially be appended to the regular Rental Estimates report but can be extracted to be circulated to a wider audience. The government have extended the landlord restraint on legal action against tenants for non-payment of rent until 30/09.	Nicholas Gill	09-Jul-2020	31-Aug-2020
CVD19 SG PROP 01j	Monitor Impact	IPG to Monitor the impact on; <ul style="list-style-type: none"> . Lack of trade . Capacity of our tenants' ability to pay their rent . Investment transactions . Letting transactions . Refurbishments and Developments 	Nicholas Gill	09-Jul-2020	31-Oct-2020
CVD19 SG PROP 01k	Snapshot reporting	With the assistance of Chamberlain's Department, a regular snapshot of rental collection (deferrals and rent frees) is being produced and monitored.	Nicholas Gill; John James	09-Jul-2020	30-Nov-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
CVD19 SG PROP 02 Property Projects (SUR) <div>13 Apr-2020 Obadara</div>	<p>Cause: The spread of COVID 19 has continued to escalate affecting the Capital Projects which are currently underway.</p> <p>Event: The restrictions as a result of COVID-19 impacts on the delivery of Capital Projects for the City of London Corporation.</p> <p>Effects: Due to the restrictions as a result of COVID-19 Capital Projects by the Property Project Group will be affected resulting in project delays and financial consequences. (this can include shortages in labour or materials, or slowing of work due to PHE H&S guidance)</p>	<div> <div>Likelihood</div> <div>Impact</div> </div>	16	<p>contractors are back on site.</p> <p>Following site assessments from contractors, the risk score has been increased. This has increased the likelihood to 'likely' from 'possible'. This is in response working constraints imposed by PHE which will impact the efficiency of the worksite. These assessments were only possible once the contractors were back on site, and PHE had released their guidance.</p> <p>09 Jul 2020</p>	<div> <div>Likelihood</div> <div>Impact</div> </div>	12	31-Oct-2020	<div> <div></div> </div> <p>Constant</p>

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CV19 SG PROP 02h	Contractor may request additional fees, additional statutory authority fees	Reduced prelims valued to the contractor if there is reduced resource on site - ask parties to demonstrate what additional costs are for, and which contractual clause it relates to, negotiate additional fees upfront ahead of agreeing start on site.	Ola Obadara	09-Jul-2020	31-Mar-2021
CV19 SG PROP 02i	Material and components	It is the contractor's responsibility for managing materials on site. There has been a potential issue with regards to the availability of materials and components when projects are on-site – particularly related to long lead items and those from abroad. Property Project Group is monitoring for impact, although this appears to be easing currently.	Ola Obadara	09-Jul-2020	31-Mar-2021

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CVD19 SG PROP 03a	Contractual risks	The responsibility for delays, disruption, and commercial risks are typically spelled out in construction contracts and appropriately allocated to the party in the best position to mitigate such risks. Delays caused by COVID-19 impacts may be covered under a force majeure or similar clause of the contract. Contractors will argue that COVID-19 related delays were wholly unforeseeable and outside of the contractor's control, and therefore the contractor should not be held responsible. Under these circumstances, many contracts entitle the contractor to a time extension of the project completion date, and some contracts also allow for the contractor's recovery of increased performance costs.	Ola Obadara	09-Jul-2020	31-Mar-2021
CVD19 SG PROP 03b	Health and Safety.	Guidance from Government and CLC is regularly monitored with the Principal Designer, updated RAMS have been received from the contractor. Guidance to continue being reviewed. Ensure client is following CDM duties and providing plenty of welfare. Reviewing method statements to ensure alignment and compliance with PHE/HSE guidance.	Ola Obadara	09-Jul-2020	31-Mar-2021

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
CVD19 SG PROP 05 FM Team & Contractor Resilience (SUR) 26-Mar-2020 Peter Collinson	<p>Cause: The spread of COVID 19 has continued to escalate affecting the services the FM team and FM contractors deliver.</p> <p>Event: The spread of COVID 19 impacts on the delivery of FM services to the City of London Corporation buildings by its internal FM team and their service contractors.</p> <p>Effects: Through the spread of COVID 19 critical and other services delivered by the FM Team and their Contractors will be affected resulting in certain statutory legislation not being met.</p>	 <p>Likelihood</p> <p>Impact</p>	4	Risk transferred from the FM folder, approved by Gold 8 June 2020. Former risk no CVD19 SG FM 01. 10 Jun 2020	 <p>Likelihood</p> <p>Impact</p>	4		 Decreasing

Action no	Action description	Latest Note			Action owner	Latest Note Date	Due Date
CVD19 SG PROP 05b	Creation of a process to bring closed buildings back into working order so that they can be occupied by service departments again.	Work continues on the Premises Risk Assessments in line with government guidance. A working group has been set up to verify the risk assessment before it receives final sign off by the City Surveyor.			Alison Bunn	03-Jun-2020	30-Jun-2020

SUR City Bridges - detailed report EXCLUDING COMPLETED ACTIONS for committee

Report Author: Faith Bowman

Generated on: 24 June 2020



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
R 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	No vessel strikes have been reported in the previous period. 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. This risk is 'on-going' and, as such, the target date for the risk can be considered as a 'review date'. 24 Jun 2020	Likelihood Impact	16	31-Mar-2021	 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 bridges. Paul Monaghan is an on-going member of the River Crossings Liaison Group. This Group has recently appointed a new Chair, and meetings have recommenced. Paul Monaghan updates CSD at the quarterly meetings as to any actions, activities, or change in the risk status of this item.	Nicholas Gill; Peter Young	24-Jun-2020	31-Mar-2021

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 2019. These related to Threat Assessments for the bridges. The meetings involved TFL, the City Police, the MET Police and	Nicholas Gill; Paul	24-Jun-2020	31-Mar-2021

		<p>DBE. This investigated the risks associated with key bridges, with a different assessment made depending on the bridge.</p> <p>When TFL assess the overall risk, they applied a higher risk impact than the City currently assesses. However, this relates to the overall risk, rather than the element for which the City of London Corporation, and the City Surveyor's Department, is responsible.</p> <p>TFL and DBE will be holding a meeting relating to the threat assessments for the bridges. TFL will be taking the lead in terms of the response.</p> <p>Temporary mitigation by the Metropolitan Police remains in place, but this is not full Hostile Vehicle Mitigation.</p>	Monaghan; Peter Young		
SUR CB 006b	Policing	The City of London Police receive funding from Bridge House Estates to provide policing to the City Bridges. This funding has been updated for 2020/21.	Nicholas Gill; Paul Monaghan; Peter Young	24-Jun- 2020	31-Mar- 2021

5

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due 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. Note that liaison between the City of London Corporation at the TTT are continuing throughout this period of Covid-19.	Nicholas Gill; Peter Young	24-Jun-2020	31-Mar-2021
SUR CB 007e	Monitoring & Works	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.	Nicholas Gill; Paul Monaghan; Peter Young	24-Jun-2020	31-Mar-2021

Committee(s): Property Investment Board – For Information Corporate Asset Sub (Finance) – For Information	Date: 22 July 2020 22 July 2020
Subject: Business Plan Progress 2019-24 Quarter 4 2019/20	Public
Report of: The City Surveyor (CS 203/02)	For Information
Report author: John Galvin / Faith Bowman Business Performance and Improvement	

Summary

This report provides details of progress in quarter 4 2019/20 against the 2019 – 24 Business Plan, an update on the commercial property market, and a financial statement.

Fourteen of the department's seventeen performance indicators were ahead of target (green) at the end of the year. One indicator (MSCI Performance) was provisionally assessed as green whilst we await final figures. KPI. 2 – Energy Consumption is routinely reported a quarter in arrears. Two indicators finished the year behind target and are detailed below. KPI. 3 was less than 1% off target so has been assessed as amber.

Reference	Title	Committee	Outturn	Target
KPI. 3	Space Utilisation	Corporate Asset Sub Committee	£3653 / FTE	£3620 / FTE
KPI. 5	Adherence to Budgetary Spend Profiles	Corporate Asset Sub Committee, Property Investment Board	84% of projected spend delivered	To deliver between 95% and 105% of projected spend

Also included is the financial outturn for the City Surveyor's Department. At the end of the year the department was £320,000 (1%) overspent on the overall local risk budget. The principal reason for the overspend was the decision in late March to waive the service charges for Phase 6 Leadenhall Market cyclical external repairs and redecorations. In accordance with Financial Regulations this overspend will be carried forward to be recovered against the 2020/21 local risk budget.

City Surveyor's Department continued to manage the City of London's property assets in a challenging environment. In addition to achieving the majority of the Key Performance indicators there were some other notable achievements. These included vacant possession of 100 Brewery Road (light industrial) and the conclusion of pre-contract investigations, with the site now ready for a major refurbishment (42,400 sq ft). The unconditional sales of Wood Street and Snow Hill completed at £54.9m in

January 2020, with nil-rent leasebacks to the City of London Corporation for the temporary use for the City of London Police. Sale prices achieved were in excess of expectations.

More recently the department has been working hard to ensure the continued operation of key sites during the period of Covid-19 shutdown. This has included security and essential building maintenance, ensuring that critical services were maintained for City communities. The department is now commencing the process of preparing sites for further re-occupation. The commitment of departmental staff has been commendable throughout this challenging period.

These activities and many more contribute to not just the department's aims and objectives, but also enable the wider organisation to service their communities in pursuit of the City of London's Corporate Plan.

Recommendation(s)

That Members 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 during quarter 4 (January – March) against the 2019-24 Business Plan.

Current Position

2. This report provides the latest budget information which is set out in Appendix A. Appendix B provides a detailed table of the department's Key Performance Indicators (KPIs). Charts of performance indicators that are of interest to your Committee are included in Appendix C.
3. In addition, Members receive regular monitoring reports covering Rent Reviews, Lease Renewals, Arrears, Vacancies and Delegated Decisions. These provide indications of the current market situation, particularly for directly managed properties.
4. A separate monitoring report on the risks within the department is also presented at this meeting.

Financial Statement

5. The 2019/20 outturn figures reveal that, against a latest budget of £32.2m, the City Surveyor's Department overspent its local risk for the year by £320,000 (1%). The principal reason for the overspend was the decision in late March to waive the service charges for Phase 6 Leadenhall Market cyclical external repairs and redecorations. This amounted to some £363,000 of income foregone and tipped the outturn into overspend. Further details of the outturn are set out in Appendix A

6. In accordance with Financial Regulations the £320,000 deficit on the total of a City Surveyor's local risk budget will be carried forward and recovered from the department's budget allocation for 2020/21.
7. On a more positive note, rental income, which is budgeted under central risk, is forecast to be £2.009m higher than the Latest Approved Budget for 2019/20. This extra income is principally on Bridge House Estates.

Market Commentary

8. A rebound in the central London office investment market at the start of the year following the Conservatives comprehensive election victory has been promptly overshadowed by COVID-19. According to the industry experts, Avison Young, £2.40bn was transacted in the first three months of 2020 which was 22% below the 10-year average for the period, and 12% below the same time last year. Transaction activity in April to June will be much lower reflecting the impact of COVID-19. There is evidence of a flight to safety as the limited pool of investors still in the market seek assets with long leases or let to the government.
9. Avison Young reported that central London office take up over January – March 2020 totaled 2.4 million sq ft which was 28% below the last three months of 2019, but only 8% down on the 10-year average. A significant decline is expected in over the next three months, not least because physical building inspections have stopped. On the plus side the development pipeline is constrained with 51% already pre let and just 3.0 million sq ft of new space available. However, availability may increase as occupiers begin to release space back to the market because staff continue to work from home or businesses contract as the economy weakens. In respect of the retail sector a significant number of tenants are struggling to pay rent on existing sites and unsurprisingly are not expanding at the current time.
10. JLL's Prime City yield is 4.00%, which compares with the West End prime yield of 3.50%. Prime rents in the City are £65psf - £75psf, the West End £105psf-£115psf, City Fringe £60psf - £70psf and Docklands £45psf - £50psf.

Overall Progress

11. A RAG status is used to summarise the progress of the performance indicators on a quarterly basis. The table below provides an 'at a glance' status report for the City Surveyor's KPIs at the end of quarter 4.

Status ¹	Green	Amber	Red	TBC	N/A
Corporate Asset Sub Committee	10	1	1	1	0
Property Investment Board	12	0	1	0	0
Overall ²	14	1	1	1	0

12. Fourteen of the department's seventeen performance indicators were assessed as green at the end of the year. One indicator (MSCI Performance) was provisionally assessed as green whilst we await final figures. KPI. 2 – Energy Consumption is routinely reported a quarter in arrears.

13. The following indicators finished the reporting year behind target:

- KPI. 3 – Space Utilisation (CASC)
Outturn at £3,653 / FTE against a target of £3,620 / FTE
Amber

The figure achieved at the end of the year was less than 1% above the target set. Whilst performance did not achieve the end of year target, it should be reflected the equivalent position at this stage last year was £4,702 / FTE, so a significant reduction has been achieved. The planned moves from Walbrook Wharf have successfully been completed and the vacated space has been re-let commercially.

- KPI. 5 – Adherence to Budgetary spend Profiles (CASC/PIB)
The objective is to ensure actual spend compared to the revised budget is within the band 95% to 105%. Outturn was 84.15%.
Red

The drivers of this underspend were twofold. There were some projects associated with the Additional Works Programme (AWP) & Cyclical Works Programme (CWP) that were slightly behind target. A report is being presented to CASC in relation to these activities.

Secondly, there was some property project spend which could not be undertaken within year due to delays. These projects are being monitored closely.

Notable Achievements

14. The City Surveyor's Department has continued to deliver results for the organisation in support of the new Corporate Plan.

A full list of the City Surveyor's achievements is available upon request.

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.

Data Quality Assurance

15. The City Surveyor is satisfied the data collected for the governance of projects, monitoring of the department's business plan and other objectives is consistent, high-quality, timely, comprehensive and supports good decision making within the department.

Conclusion

16. The City Surveyor's Department has continued to effectively manage the City of London's property assets in a challenging environment. Overall, the 2019-20 year was positive for the department, with nearly all KPIs achieved.
17. Looking forward, the impact of Covid-19 on departmental delivery will undoubtedly be challenging. However, the department is well placed to achieve its objectives, whilst effectively managing its risks.

Appendices

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

Background Papers

The City Surveyor – The City Surveyor's Business Plan 2019-24
The City Surveyor – Business Plan Progress Report Quarter 1 (CS 368/18)
The City Surveyor – Business Plan Progress Report Quarter 2 (CS 496/19)
The City Surveyor – Business Plan Progress Report Quarter 3 (CS 058/20)

Faith Bowman

Performance & Compliance Management Officer

T: 020 7332 3494

E: faith.bowman@cityoflondon.gov.uk

John Galvin

Business Performance Manager

T: 020 7332 3269

E: john.galvin@cityoflondon.gov.uk

This page is intentionally left blank

CITY SURVEYORS DEPARTMENT - LOCAL RISK OUTTURN STATEMENT 2019/20				
	Final Approved		(Over)/Under	Note
LOCAL RISK BUDGET	Budget	Outturn	Spend	
	£000	£000	£000	
City Surveyor				
City Fund				
City Fund Estate & Leadenhall	(1,902)	(2,083)	(181)	1
CPAT & City Centre	(562)	(544)	18	
Walbrook Wharf	(1,057)	(1,095)	(38)	
Mayor's & City of London Court	(23)	(40)	(17)	
Recoverable Projects	0	0	0	
Lower Thames St Roman Bath	(8)	(9)	(1)	
R&M & MI Work for other departments	(1,441)	(1,351)	90	2
Corporate FM cleaning & security	(110)	(125)	(15)	
	(5,103)	(5,247)	(144)	
City's Cash				
City's Cash Estate	(3,274)	(3,271)	3	
Departmental	(10,140)	(10,135)	5	
Mayoralty & Shrievally-	(93)	(112)	(19)	
R&M & MI Work for other departments	(2,173)	(2,304)	(131)	3
Corporate FM cleaning & security	(632)	(733)	(101)	4
	(16,312)	(16,555)	(243)	
Bridge House Estates				
Bridge House Estates	(1,779)	(1,779)	0	
Tower Bridge Corporate FM cleaning	(258)	(256)	2	
	(2,037)	(2,035)	2	
Guildhall Administration				
Guildhall Complex	(8,705)	(8,640)	65	5
	(8,705)	(8,640)	65	
Total City Surveyor Local Risk	(32,157)	(32,477)	(320)	

Notes

- Overspend comprises reduced income due to waiver of service charge for roof works at Leadenhall Market and extra business rates at 1-7 Whittington Ave due to delay in letting. This was partly offset by saving on professional fees due to lower voids.
- Reduction in requirement for reactive repairs and maintenance works on City Fund operational property estate.
- Additional reactive repairs and maintenance work across Open Spaces.
- Security costs at Mansion House significantly higher than anticipated.
- Saving on energy due to initiatives including active monitoring of the Building Management Systems implemented during the financial year.

This page is intentionally left blank

Key Performance Indicators												
Ref	Title	Target	Group	Committee	Q1		Q2		Q3		Q4	
					Actual	RAG	Actual	RAG	Actual	RAG	Actual	RAG
KPI.1	Asset Realisation	£45.3m	CPG	CASC	on target	green	£8.9m	green	£8.9m	green	£63.8m	green
KPI.2	Energy Consumption	Min 4%	OG	CASC	2.50%	green	2.50%	green	-3.80%	green	tbc	tbc
KPI.3	Space Utilisation*	£3,620	CPG	CASC	on target	green	on target	green	on target	green	£3,653	amber
KPI.4	Property contract Performance Compliance	> 90%	OG	CASC	83.00%	amber	90.00%	green	90.00%	green	90.00%	green
KPI.5	Adherence to Budgetary Spend Profiles	95% to 105%	All	PIB; CASC	12.00%	green	29.37%	green	48.31%	green	84.30%	red
KPI.6	Capital Project - Delivery - defects on completion*	< 20%	PPG	PIB; CASC	n/a	n/a	n/a	n/a	n/a	n/a	11.00%	green
KPI.7	Capital Project - Project Status	< 20%	PPG	PIB; CASC	15.00%	green	15.00%	green	15.00%	green	14.00%	green
KPI.8	Capital Project- Health & Safety*	80%	PPG	PIB; CASC	n/a	n/a	80.0%	green	n/a	n/a	80.00%	green
KPI.9	Capital Project- Gateway Reports	> 70%	PPG	PIB; CASC	53.00%	amber	100.00%	green	100.00%	green	75.00%	green
KPI.10	Capital Project - Site sustainability waste management	> 90%	PPG	PIB; CASC	93.00%	green	92.00%	green	93.00%	green	96.00%	green
KPI.11	Rental Forecasts	£136m	IPG	PIB	on target	green	on target	green	on target	green	£138m	green
KPI.12	Minimise Arrears	< 2%	IPG	PIB	1.16%	green	1.12%	green	1.12%	green	1.30%	green
KPI.13	Minimise voids*	< 5%	IPG	PIB	3.15%	green	n/a	n/a	4.18%	green	2.94%	green
KPI.14	Outperform MSCI**	exceed bef	IPG	PIB	n/a	n/a	n/a	n/a	n/a	n/a	tbc	tbc
KPI.15	Customer satisfaction survey**	Baseline	CPAT	PIB; CASC	n/a	n/a	n/a	n/a	n/a	n/a	50%	green
KPI.16	Delivery of Strategic utility infrastructure	on schedul	CPAT	PIB; CASC	on target	green	on target	green	on target	green	100.00%	green
KPI.17	Supporting the retention and inward investment of businesses	on schedul	CPAT	PIB; CASC	on target	green	on target	green	on target	green	100.00%	green
	*reported bi annually											
	** reported annually											

This page is intentionally left blank

Headline Performance Charts Quarter 4 2019/20

Appendix C Page 1 of 1

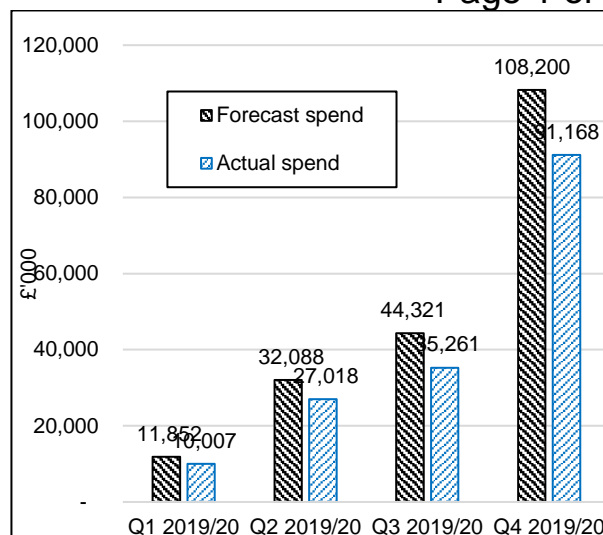
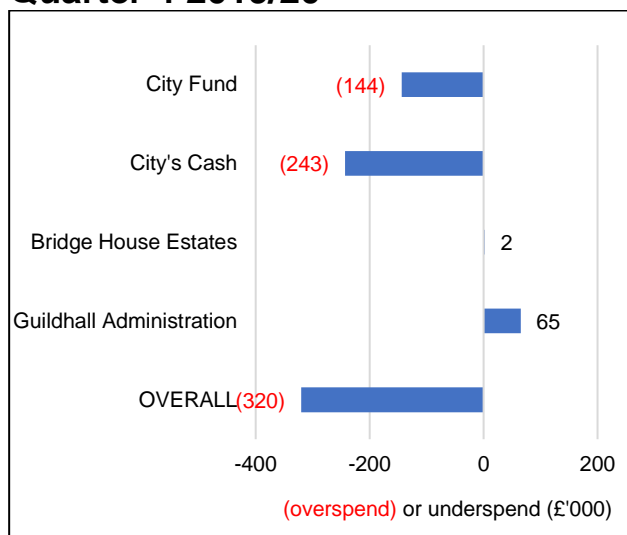


Figure 1 Outturn variance against latest agreed local risk budget – (overspend) or underspend

Figure 2 Capital project spend, forecast v actual

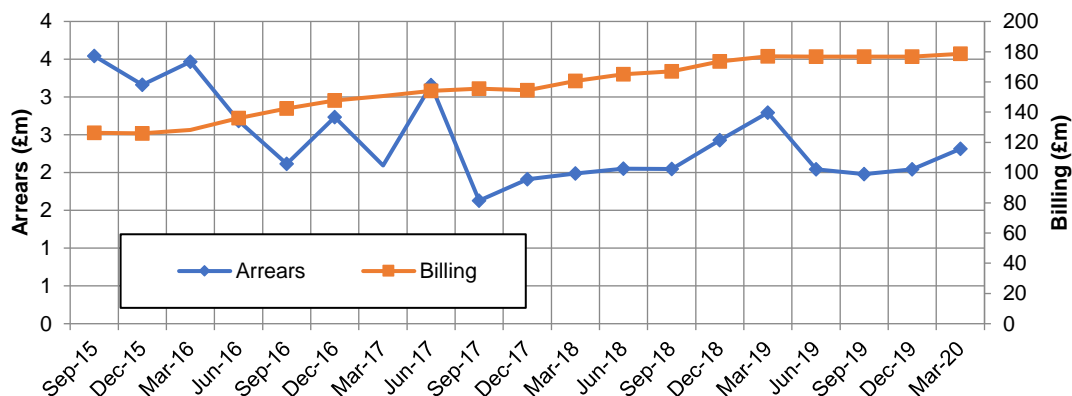


Figure 3 (Investment Properties) Commercial tenants' arrears compared to annual rolling billing run.

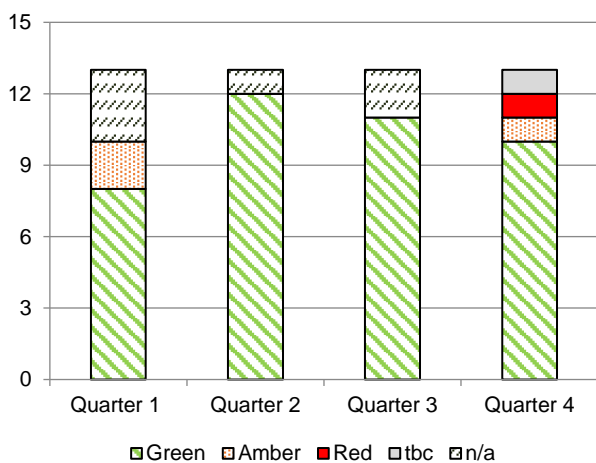


Figure 4 Performance of KPIs linked to Corporate Property (Corporate Asset Sub Committee)

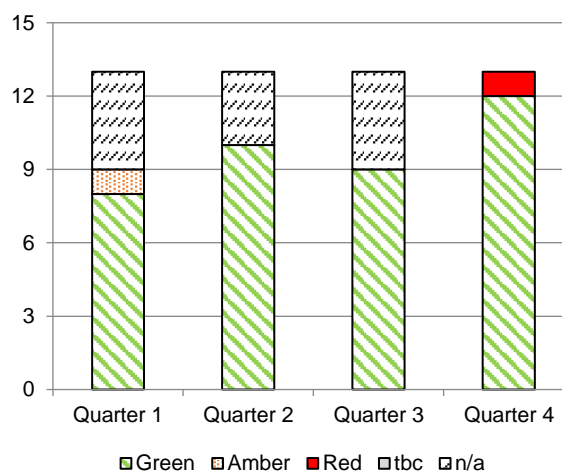


Figure 5 Performance of KPIs linked to Investment Property (Property Investment Board)

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank