

PROPERTY INVESTMENT BOARD

Wednesday, 8 May 2019

**Minutes of the meeting of the Property Investment Board held at Guildhall, EC2
on Wednesday, 8 May 2019 at 8.30 am**

Present

Members:

Deputy Tom Sleight (Chair)
Deputy Alastair Moss (Deputy Chairman)
John Chapman
Alderman Alison Gowman
Michael Hudson
Andrien Meyers
Stuart Corbyn
Tony Joyce
David Shaw OBE
David Brooks Wilson

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
Ola Obadara	- City Surveyor's Department
Mansi Sehgal	- City Surveyor's Department

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Dhruv Patel, Deputy Phillip Woodhouse and Christopher Hayward.

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

There were no declarations.

3. MINUTES

Members considered the draft public minutes and non-public summary of the last meeting of the Board on 20 March 2019.

RESOLVED – That the public minutes and non-public summary of the meeting held on 20 March 2019 be approved as an accurate record.

Matters Arising

Energy Consumption- Further to a Member's question during the last meeting of the Board the City Surveyor provided Members with an update on the issue of energy consumption within the buildings directly managed by the City of London Corporation:

KPI 2 – Energy Consumption

At the presentation of the draft 2019-24 Business Plan at Property Investment Board (PIB) on 20 March 2019, a Member queried one of the Key Performance Indicators (KPI). This item was KPI 2 – Corporate Energy Consumption. It was questioned whether it was more desirable to report on Energy Efficiency.

Although not explicitly stated within the high-level business plan, this measure is reported for the purposes of Corporate Asset Sub Committee (CASC) and not for PIB. However, it is worthwhile to respond to the Member query to explain the situation. We have taken the opportunity to consult with the Energy Team on this point, and there are currently a number of barriers to reporting on Energy Efficiency for the entirety of our estate:

*1. **Data Gaps** – At the moment available information is not sufficiently granular to determine energy consumption at different sites, or elements of these sites. In order to overcome these gaps, a sub metering Gateway 1-2 report was agreed by CASC in 2018. Progress on sub-metering at Guildhall will be subject to funding availability.*

*2. **Different property uses** – When considering energy efficiency, building use must be considered. For instance, it would be appropriate to consider 'KWH per workstation' for an office environment such as the Guildhall North Wing, however it would be more valid to measure 'KWH per visitor' at the Barbican, or 'KWH per event' for the Great Hall. As these denominators change between use and site, it is not advisable to combine them into a single efficiency measure across the Corporate Estate.*

Note that the City Surveyor's Department is not the data owner for some of these metrics.

*3. **Existing Benchmarks** - there are currently a range of 'benchmarks' but each suffers from particular weaknesses. The national method is Display Energy Certificates, but these are quite broad and therefore not a driver for improving efficiency. As a result, organisations commonly report on consumption as their performance metric.*

Following receipt of the update from the City Surveyor it was noted that additional work would be needed to achieve the required granularity for further investigation of energy consumption at the Guildhall. In addition, the City Surveyor noted that the City of London Corporation was behind other organisations on this analysis and that the newer buildings were easier to improve in terms of energy efficiency. It was commented by a Member that road mapping was key to demonstrating the possible savings which could be achieved through an increase in energy efficiency. Members noted that policy regarding the management of operational properties was under the terms of reference of the Corporate Asset Sub-Committee and therefore further discussion on the issue of energy consumption should be undertaken by the Sub-Committee.

Sustainable Buildings Policy- Members raised that there was considerable need for the City of London Corporation to adopt a Sustainable Buildings Policy and commented that the City was already a signatory of the Principles for Responsible Investment with relation to Financial Investments. It was commented by a Member of the Board that green ratings for properties were of increasing importance in the property sector and that there were appreciable commercial reasons for investing in sustainable properties. The City Surveyor confirmed that the Resource Allocation Sub-Committee had given approval to funding the appointment of consultants to advise on both the corporate and investment estates Sustainable Buildings Policy noting that a report on this would be ready for consideration by the Property Investment Board in the next couple of months. It was commented by a Member that a policy across all asset classes with relation to establishing a framework for a responsible investment would be required and suggested that this be raised at the Investment Committee meeting on the 16th of May. The Chair agreed with this suggestion and proposed that as part of the Sustainable Buildings Policy the Property Investment Board give consideration to co-opting a Member with a strong background in sustainability. In addition, it was agreed that the matter be discussed further at the May Investment Committee meeting.

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.

<u>Item No.</u>	<u>Paragraph No.</u>
7- 22 (excluding 14)	3
14	6

7. **NON PUBLIC MINUTES**

RESOLVED – That, pending corrections, the non-public minutes of the meeting held on 20 March 2019 be approved.

8. **ACTION BETWEEN MEETINGS**

The Board received a report of the Town Clerk.

RESOLVED- That the report be noted.

9. **CITY FUND, CITY'S ESTATE AND BRIDGE HOUSE ESTATES - SCHEME OF DELEGATIONS AND GATEWAYS**

The Board considered a report of the City Surveyor.

RESOLVED- That the report be agreed.

10. **CITY FUND, CITY'S ESTATE & BRIDGE HOUSE ESTATES - QUARTERLY DELEGATED AUTHORITIES UPDATE - 1ST JANUARY TO 31ST MARCH 2019**

The Board received a report of the City Surveyor.

RESOLVED- That the report be noted.

11. **CITY FUND, CITY'S ESTATE, BRIDGE HOUSE ESTATES AND STRATEGIC PROPERTY ESTATE - ANNUAL VALUATION**

The Board received a report of the City Surveyor.

RESOLVED- That the report be noted.

12. **RENTAL FORECASTS QUARTERLY REPORT**

The Board received a report of the City Surveyor.

RESOLVED- That the report be agreed.

13. **CITY'S ESTATE – LETTING REPORT –GROUND & BASEMENT, 47 SOUTH MOLTON STREET – GRANT OF NEW LEASE TO HOBBS LTD**

The Board considered a report of the City Surveyor.

RESOLVED- That the report be agreed.

14. **CITY'S ESTATE – 79-83 CHARTERHOUSE STREET, EC1 - NEW 25 YEAR LEASE FROM COMPLETION**

The Board considered a report of the City Surveyor.

RESOLVED- That the report be agreed.

15. **CITY FUND- FLEET STREET ESTATE - VACANT POSSESSION**

The Board received a report of the City Surveyor.

RESOLVED- That the report be noted.

16. **CITY FUND- FLEET STREET ESTATE - PROGRESS REPORT**

The Board received a report of the City Surveyor.

RESOLVED- That the report be noted.

17. **CITY FUND – NEW LETTING - 4TH FLOOR, 21-26 GARLICK HILL, EC4**

The Board considered a report of the City Surveyor.

RESOLVED- That the report be agreed.

18. **CITY FUND - ST BOTOLPH'S ROW, LONDON EC3 -GROUND LEASE EXTENSION**

The Board considered a report of the City Surveyor.

RESOLVED- That the report be agreed.

19. **CITY'S CASH HIGHWAY LAND TRANSFER TO CITY FUND AND OVERSAIL - INDEPENDENT VALUATION – 1 LEADENHALL COURT EC3V 1PP**

The Board noted that the report had been deferred.

RESOLVED-That the report be deferred.

20. **BRIDGE HOUSE ESTATES BRIDGEMASTER'S HOUSE, LONDON, SE1 – AGREEMENT FOR LEASE AND LEASE OF THE RESTAURANT TO THE REAL GREEK**

The Board considered a report of the City Surveyor.

RESOLVED- That the report be agreed.

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

There were no questions.

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

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

The meeting ended at 10.22 am

Chair

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