



Corporate Asset Sub (Finance) Committee (Appendices Pack)

Date: MONDAY, 18 JANUARY 2021
Time: 1.45 pm
Venue: VIRTUAL PUBLIC MEETING

AGENDA

4. **TERMS OF REFERENCE**
Report of the Town Clerk.

For Decision
(Pages 1 - 2)

10. **GUILDHALL - NEW WAYS OF WORKING UPDATE REPORT**
Report of the City Surveyor.

For Information
(Pages 3 - 4)

11. **LONDON WALL CAR PARK - PARTIAL REPURPOSING FOR LAST MILE
LOGISTICS HUB**
Report of the Director of the Built Environment.

For Information
(Pages 5 - 8)

12. **BUSINESS PLAN 2020-25 QUARTER 2020/21**
Report of the City Surveyor.

For Information
(Pages 9 - 14)

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

For Information
(Pages 15 - 36)

14. **DRAFT CITY SURVEYOR'S BUSINESS PLAN FOR 2021/22**
Report of the City Surveyor.

For Decision
(Pages 37 - 40)

22. **LONDON WALL LAST MILE LOGISTICS**
Non public appendix to be read in conjunction with item 11.

For Information
(Pages 41 - 44)

23. **CITY SURVEYOR'S DEPARTMENT RISK REGISTER**
Non public appendix to be read in conjunction with item 13.

For Decision
(Pages 45 - 46)

26. **CENTRAL CRIMINAL COURT EAST WING GROUND MEZZANINE COOLING AND HEATING REPLACEMENT**
Report of the City Surveyor.

For Decision
(Pages 47 - 52)

Corporate Asset Sub-Committee Terms of Reference (revised at Finance Committee on 23 July 2019)

The Corporate Asset Sub Committee is responsible for the effective and sustainable management and strategic plans for the City of London Corporation's operational property portfolio; this includes the monitoring of capital projects, acquisitions and disposals, and the upkeep, maintenance and, where appropriate, furnishing for operational properties (including the Guildhall Complex). In addition, the Sub Committee is responsible for strategies, performance, and monitoring initiatives in relation to energy usage, and for monitoring and advising on bids for Heritage Lottery funding.

Composition

- Chairman and Deputy Chairman of the Finance Committee
- Chairman and Deputy Chairman of the Sub-Committee
- A maximum of Five additional Finance Committee Members
- Three members of the Policy and Resources Committee
- Three members of the Property Investment Board.

(Should any vacancies remain following the first meeting of each of these Committees, these will be made available to all Members to the Court of Common Council, to be appointed by the Finance Committee)

Chairmanship

- Chairman – To be nominated by the Chairman of the Finance Committee for approval by the Finance Committee.
- Deputy Chairman – To be appointed by the Chairman of the Sub-Committee for approval by the Finance Committee.

Terms of Reference

- To be responsible for the effective and sustainable management of the City of London Corporation's operational property portfolio, to help deliver strategic priorities and service needs, including;
 - agreeing the Corporate Asset Management Strategy;
 - responsibility for reviewing and providing strategic oversight of the Corporation's Asset Management practices and activities and advising Service Committees accordingly;
 - responsibility for reviewing and providing strategic oversight of the Corporation's Facilities Management practices and activities and advising Service Committees accordingly;
 - To maintain a comprehensive Property Database and Asset Register of information which can be used in the decision making process;
 - In line with Standing Orders 53 (Asset Management Plans) and 56 (Disposal of Surplus Properties) and the duties set out within legislation, including the Localism Act 2011 and the Housing and Planning Act 2016, to monitor the effective and efficient use of all operational property assets; and
 - Oversight of the management of operational leases with third parties, occupation by suppliers and those granted accommodation as benefits-in-kind.
 - In accordance with Standing Orders 57 and 58, the sub Committee can make disposals of properties which are not suitable to be retained as investment property assets

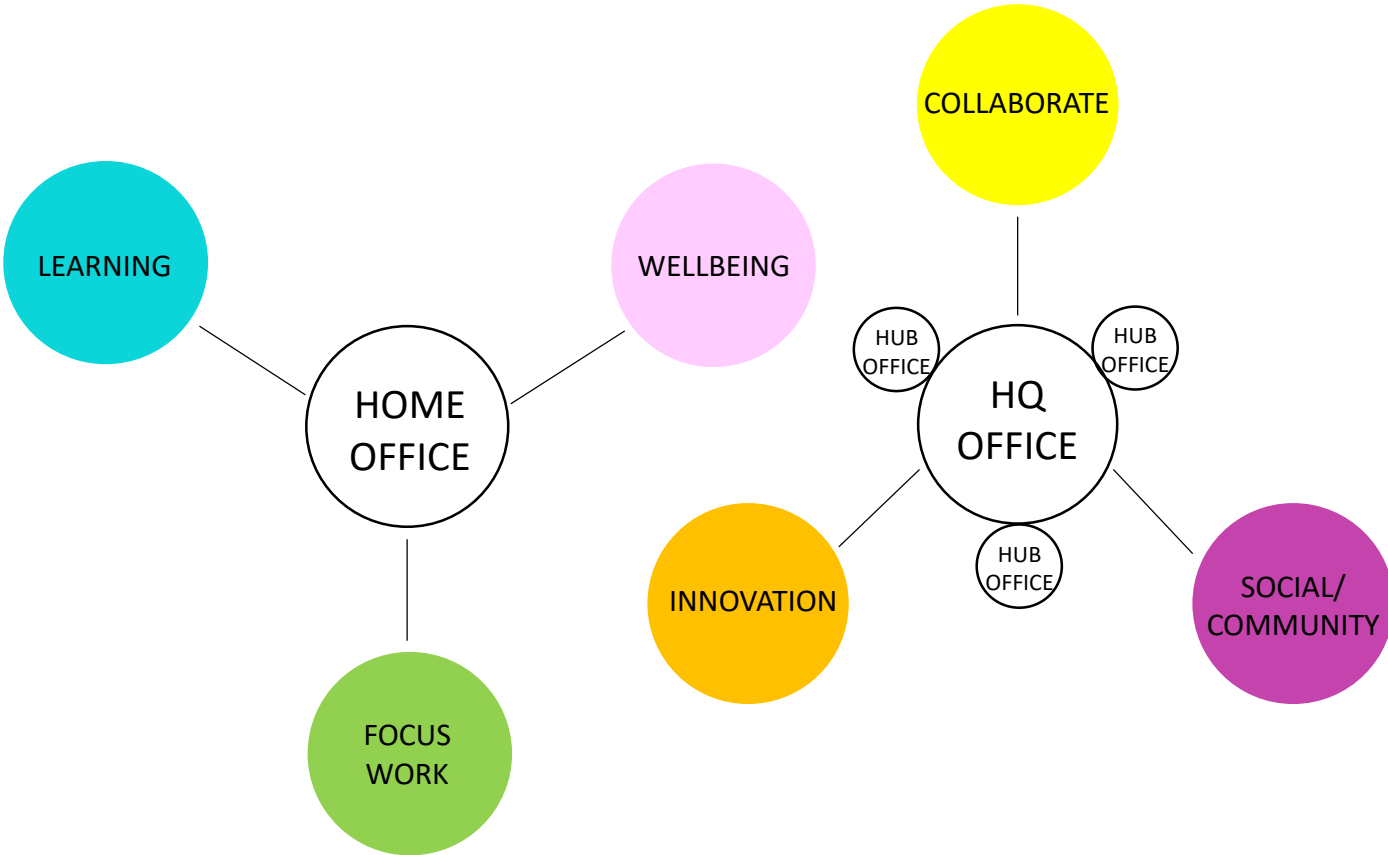
- To be responsible for the upkeep, maintenance and, where appropriate, furnishing for operational properties (including the Guildhall Complex) which do not fall within the remit of another Service Committee;
- To monitor major capital projects relating to operational assets to provide assurance about value for money, accordance with service needs and compliance with strategic plans;
- To recommend to the joint meeting of the Resource Allocation Sub-Committee and the Efficiency and Performance Sub-Committee the annual programme of repairs and maintenance works (including surveys, conservation management plans, hydrology assessments and heritage landscapes) planned to commence the following financial year, and to monitor progress in these works (when not included within the Project procedure);
- To be responsible for strategies, performance and monitoring initiatives in relation to energy;
- To monitor and advise on bids for Heritage Lottery funding; and
- To provide strategic oversight for security issues across the Corporation's operational property estate; with the objectives of managing security risk; encouraging consistent best practice across the Estate; and, in conjunction with the Establishment Committee, fostering a culture of Members and officers taking their responsibilities to keeping themselves and the buildings they occupy secure.

From Desk Office to Destination Office

Pre-COVID

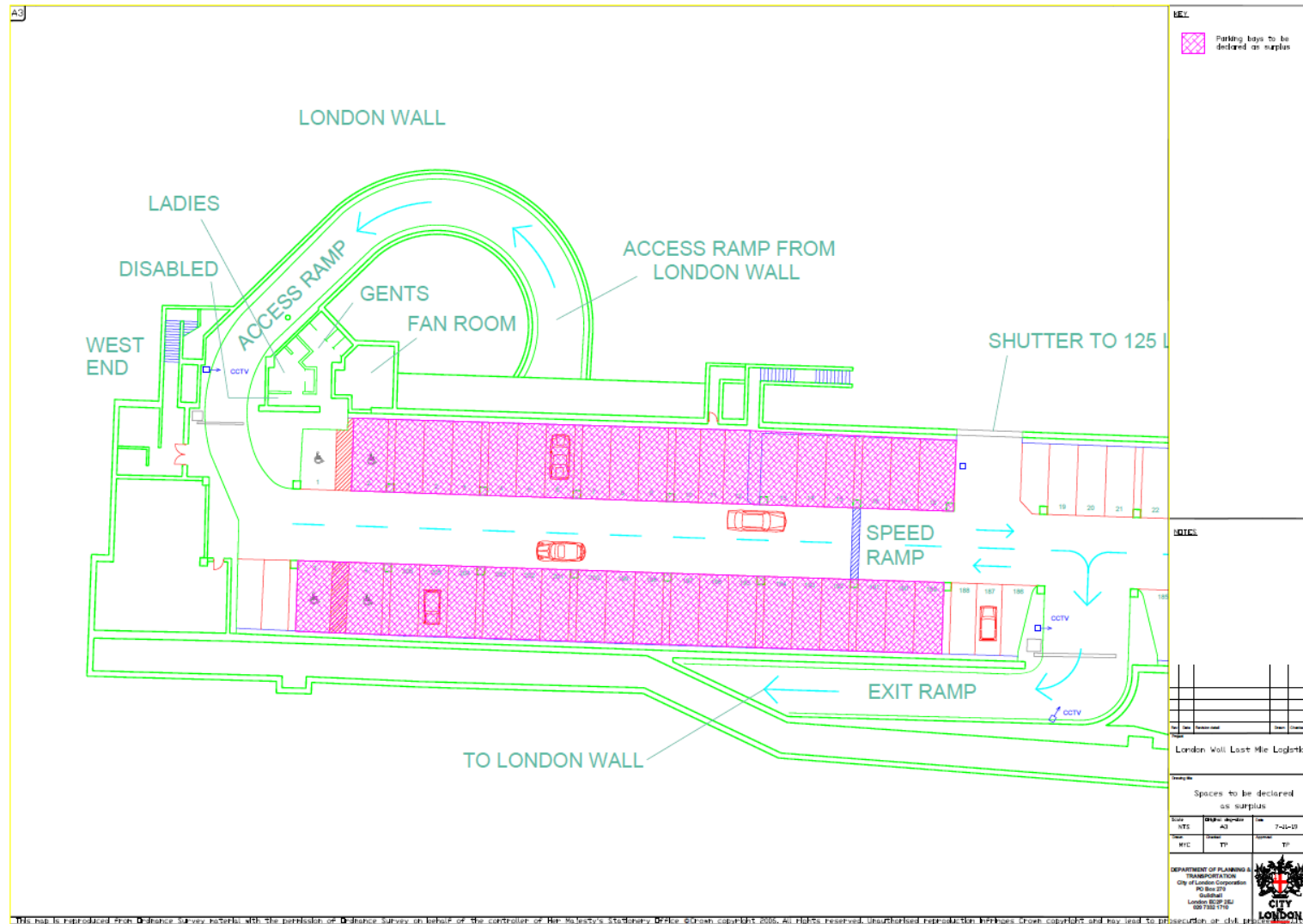


Post COVID



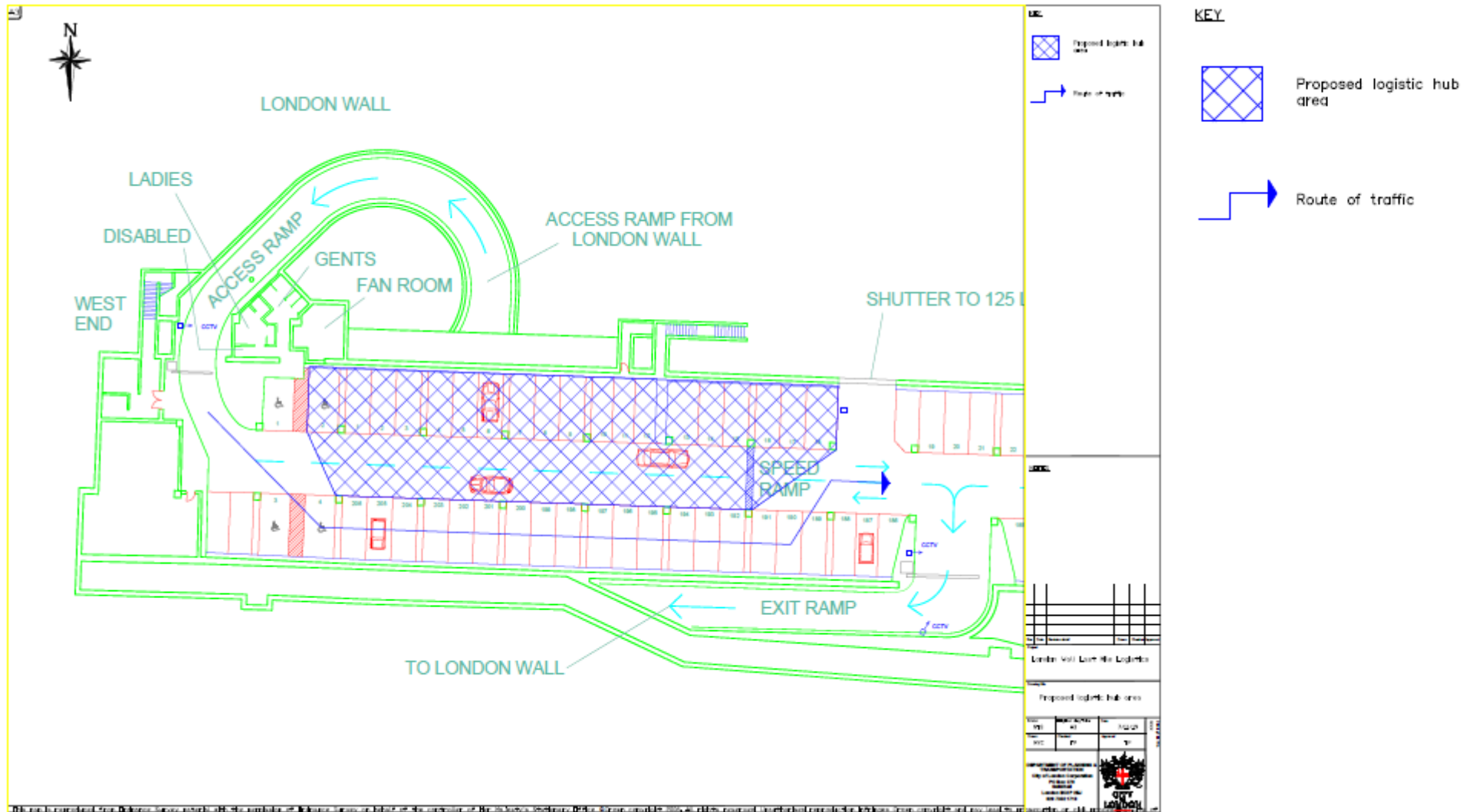
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Appendix 2 – Plan showing the 39 spaces to be repurposed for use as a last mile logistics hub



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Appendix 3 – Drawing showing an indicative logistics hub layout



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Budget Monitoring Statement Quarter 2 2020/21

LOCAL RISK BUDGET Period to 27th September 2020	Latest Approved Budget £000	Quarter 2 Profile £000	Quarter 2 Total Expenditure £000	(Over) / Under Spend for Period £000	Quarter 2 Projected Outturn £000	(Over) / Under Spend £000	Note
CITY SURVEYOR							
City Fund							
City Fund Estate & Leadenhall	(2,110)	(556)	(605)	(49)	(2,153)	(43)	1
CPAT & City Centre	(547)	(294)	(253)	41	(517)	30	2
Walbrook Wharf	(1,001)	(500)	(480)	20	(999)	2	
Mayor's & City of London Court	(23)	(11)	(14)	(3)	(34)	(11)	
Recoverable Projects	0	0	0	0	0	0	
Lower Thames St Roman Bath	(8)	(4)	(7)	(3)	(10)	(2)	
R&M & MI Work for other departments	(1,441)	(747)	(532)	215	(1,257)	184	3
Corporate FM cleaning & security	(110)	(57)	(56)	1	(115)	(5)	
	(5,240)	(2,169)	(1,947)	222	(5,085)	155	
City's Cash							
City's Cash Estate	(3,711)	(961)	(942)	19	(3,711)	0	
Departmental	(9,404)	(4,735)	(5,175)	(440)	(10,150)	(746)	4
Mayoralty & Shrievalty	(93)	(23)	(9)	14	(71)	22	
R&M & MI Work for other departments	(2,173)	(1,136)	(921)	215	(1,960)	213	5
Corporate FM cleaning & security	(632)	(340)	(336)	4	(697)	(65)	6
	(16,013)	(7,195)	(7,383)	(188)	(16,589)	(576)	
Bridge House Estates							
Bridge House Estates	(2,441)	(807)	(799)	8	(2,441)	0	
Tower Bridge Corporate FM cleaning	(262)	(131)	(101)	30	(249)	13	
	(2,703)	(938)	(900)	38	(2,690)	13	
Guildhall Administration							
Guildhall Complex	(8,473)	(4,240)	(3,983)	257	(8,342)	131	7
	(8,473)	(4,240)	(3,983)	257	(8,342)	131	
Total City Surveyor Local Risk	(32,429)	(14,542)	(14,213)	329	(32,706)	(277)	

Notes

1. Overspent due to increased voids reducing business rates and reduced service charge income. This was offset in part by savings on cyclical works, energy, cleaning and other services due to reduced occupation due to pandemic.
2. Underspent mainly due to reduced attendance at MIPIM.
3. Savings mainly on reactive work due to reduced usage as a result of the pandemic.
4. Overspent due to reduced professional fee income as a result of Covid-19; an overspend on salaries as fundamental review savings anticipated in the budget on hold due to the Target Operating Model; and part of the recovery of the overspend from 2019/20 charged to the budget.
5. Savings mainly on reactive work due to reduced usage as a result of Covid-19.
6. Overspend at year-end due to additional cleaning and security mainly at Mansion House.
7. Underspend on Guildhall Complex due to energy and other savings arising from reduced occupation due to pandemic. These savings are in part offset by extra expenditure to make the building covid-safe in anticipation of a return to work. This reduces the underspend by year-end.

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Key Performance Indicators												
Ref	Title	Target	Group	Committee	Q1		Q2		Q3		Q4	
					Actual	RAG	Actual	RAG	Actual	RAG	Actual	RAG
KPI.1	Asset Realisation and additional income	£3.1m	CPG	CASC	off target	amber	off target	amber				
KPI.2	Energy Consumption***	Min 4%	OG	CASC	7.00%	green	11.40%	green				
KPI.3	Space Utilisation	£3.620	CPG	CASC	off target	amber	off target	amber				
KPI.4	Property contract Performance Compliance	> 90%	OG	CASC	92.59%	green	92.54%	green				
KPI.5	Adherence to Budgetary Spend Profiles	95% to 105	All	PIB; CASC	off target	amber	37.62%	amber				
KPI.6	Capital Project - Delivery - defects on completion**	< 20%	PPG	PIB; CASC	n/a	n/a	6.00%	green				
KPI.7	Capital Project - Project Status	< 20%	PPG	PIB; CASC	14.00%	green	16.00%	green				
KPI.8	Capital Project- Health & Safety*	80%	PPG	PIB; CASC	n/a	n/a	80.00%	green				
KPI.9	Capital Project- Gateway Reports	> 70%	PPG	PIB; CASC	57.00%	amber	75.00%	green				
KPI.10	Capital Project - Site sustainability waste management	> 90%	PPG	PIB; CASC	100.00%	green	99.00%	green				
KPI.11	Rental Forecasts ****	tbc	IPG	PIB	tbc	****	tbc	****				
KPI.12	Minimise Arrears ****	tbc	IPG	PIB	6.17%	****	11.11%	****				
KPI.13	Minimise voids****	tbc	IPG	PIB	2.94%	****	n/a	****				
KPI.14	Outperform MSC**	exceed be	IPG	PIB	n/a	n/a	n/a	n/a				
KPI.15	Customer satisfaction survey**	> 32	All	CASC	n/a	n/a	n/a	n/a				
KPI.16	Delivery of Strategic utility infrastructure	on schedu	CPAT	PIB; CASC	off target	green	on target	green				
KPI.17	Supporting the retention and inward investment of businesses	on schedu	CPAT	PIB; CASC	on target	green	on target	green				
	*reported bi annually											
	** reported annually											
	*** reported a quarter in arrears											
	**** RAG currently suspended											

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Headline Performance Charts Quarter 2 2020/21

Appendix C Page 1 of 1

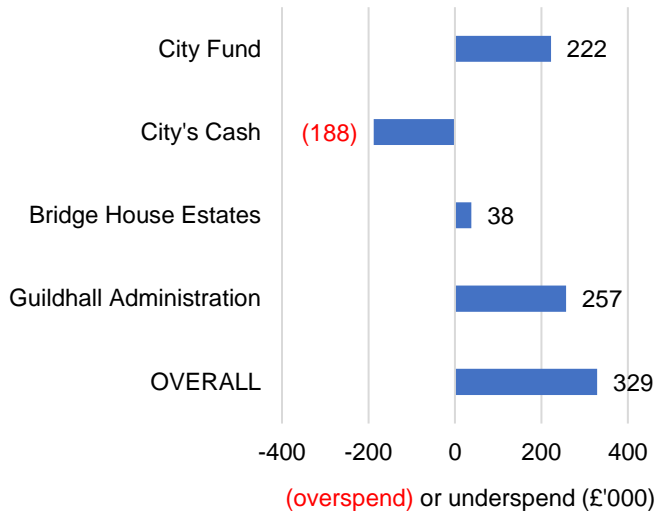


Figure 1 Variance against profiled local risk budget – (overspend) or underspend

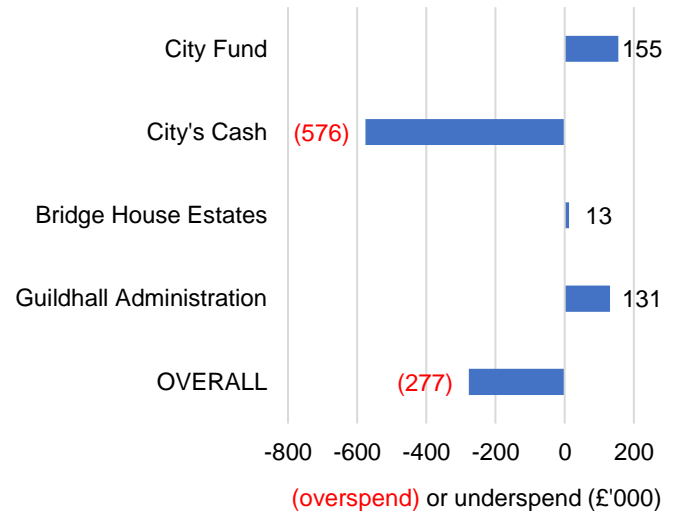


Figure 2 Projected outturn variance of the local risk budget – (overspend) or underspend

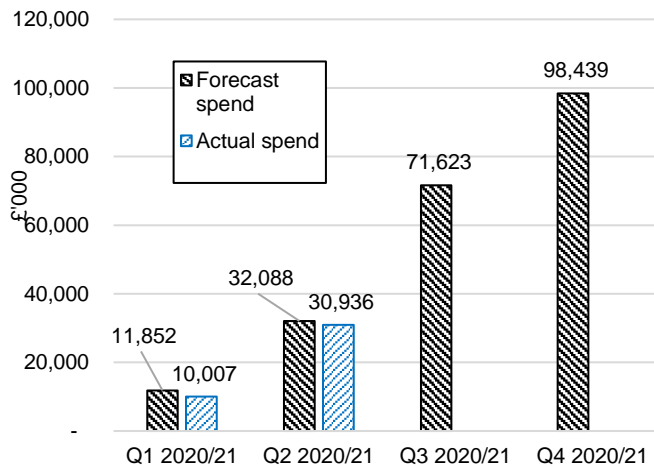


Figure 3 All project spend, forecast v actual

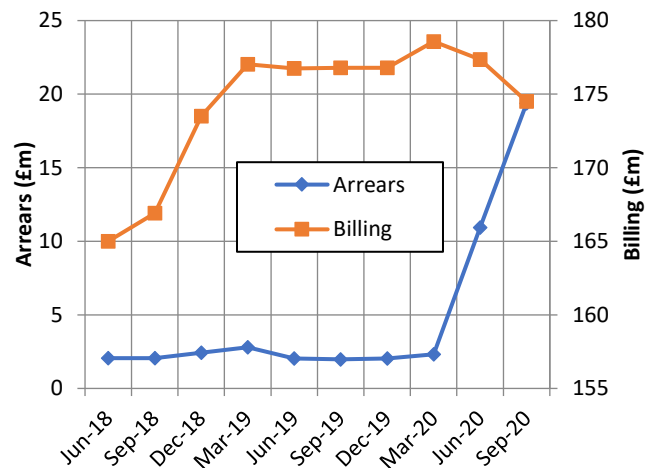


Figure 4 (Investment Properties) Commercial tenants' arrears compared to annual rolling billing run.

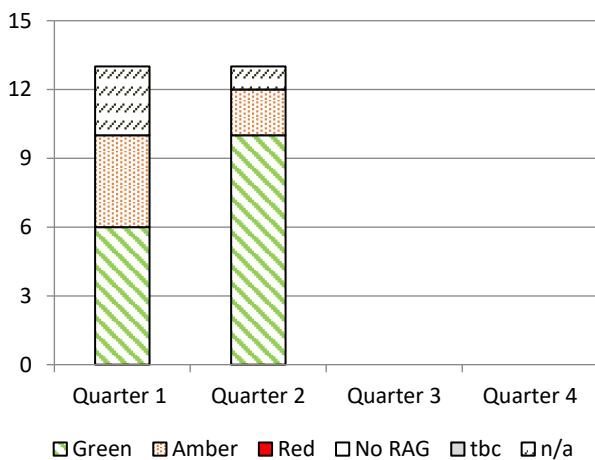


Figure 5 Performance of KPIs linked to Corporate Property (Corporate Asset Sub Committee)

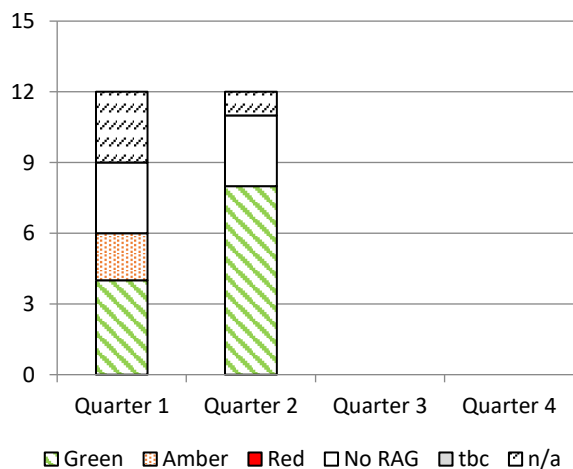
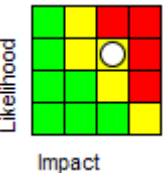
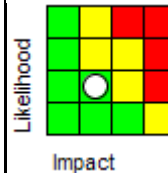



Figure 6 Performance of KPIs linked to Investment Property (Property Investment Board)

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Report Author: Faith Bowman
Generated on: 18 November 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
PR SMT 002 Insufficient budget to meet user and asset demand at Guildhall	<p>Cause: 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> <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>		<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>It has been identified that elements of the West Wing mechanical and electrical systems, and plan equipment, are at an increased risk of failure. Additional inspections have been instituted</p> <p>Some parts of the general infrastructure of the Guildhall Complex are becoming beyond</p>		31-Mar-2021	

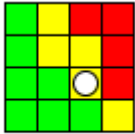
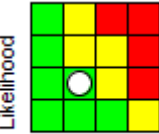

10-Feb-2015 Peter Young				<p>economic life, resulting in main Mechanical/Electrical Plant and Fabric failing across the Complex. The Guildhall Masterplan considers a complete refurbishment of some parts of the general infrastructure and has been proposed as part of the Fundamental Review.</p> <p>Due to increasing likelihood of breakdowns of life-expired elements of mechanical and electrical or plant and equipment, increased inspection regime has been instituted for the West Wing. The increase in air circulation (Covid-19 response) is also placing greater pressure on certain M&E items.</p> <p>06 Nov 2020</p>				Constant
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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 later in the year. This item will be progressed as part of annual bid process in 2021/22.	Paul Wilkinson; Peter Young	06-Nov-2020	31-Mar-2022
SUR SMT 002f	Cross departmental working	<p>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.</p> <p>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, taking account of any changes as proposed by the Target Operating Model (TOM).</p>	Remembrancer; Peter Collinson	06-Nov-2020	31-Mar-2021

SUR SMT 002g	Maintenance management	<p>The department continues to work with Skanska, our Building Repairs and Maintenance Contractor, to review and improve the correct Planned Preventative Maintenance (PPM) regime.</p> <p>A report was presented to CASC in January 2020 with details of the deferred maintenance level (bow wave).</p> <p>The Corporate Property Asset Management Strategy (CPAMS) 2020-25 was presented to November Corporate Asset Sub (Finance) Committee (CASC). This will be taken subsequently to Service Committees. The strategy will help determine the property condition to which we're aspiring on a site-by-site basis (good or fair).</p>	Peter Collinson; Peter Young	06-Nov-2020	31-Mar-2021
SUR SMT 002h	Prioritisation review	The department reviewed the prioritisation of major projects in light of covid-19 and the financial circumstances. This also considered the Guildhall Masterplan and how this may impact projects. This review was presented to Committee in September and Resource Allocation in October. There has been a slight update following further input from the Chamberlain.	Peter Collinson; Peter Young	06-Nov-2020	31-Mar-2021
SUR SMT 002j	Budget adjustment	The department is identifying how to maintain services across the complex in light of lower budget allocations for 2021-22. This will be integrated into the upcoming budget cycle.	Peter Collinson; Peter Young	06-Nov-2020	31-Mar-2021

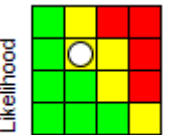


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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 010c	Funding source and route for capital programme	Agreed delivery model and costs Phase 1 and 2 submitted for funding as part of the annual capital bid programme (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	06-Nov-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 BMS strategy, including for the Guildhall complex.	Peter Collinson	06-Nov-2020	31-Mar-2021
SUR SMT 010e	Project identification	The upcoming challenge will be to identify deliverable projects under the CAS – particularly where this relates to occupied properties. Initial scoping work is underway.	Peter Collinson	06-Nov-2020	31-Mar-2021
SUR SMT 010f	Climate Action Strategy realignment	Plan of realignment for February 2021. This will formally close the Carbon Descent Plan risk and embed this as a risk associated with the Climate Action Strategy.	Pete Collinson, James Rooke	24-Nov-2020	28-Feb-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	<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>	 <p>Likelihood</p> <p>Impact</p>	8	<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. These 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>The Corporate Property Asset Management Strategy was presented to Corporate Asset Sub Committee (CASC).</p> <p>The CWP process has been reviewed to focus more clearly on asset need rather than on available funds. This will rely upon intelligent information from our CAFM (Computer Aided Facilities Management) system.</p> <p>Major projects will be subject to the Capital Bid process. To deliver additional projects, savings from the capital budget will need to be made (ie, a new project will result in the de-prioritisation of an existing project).</p>	 <p>Likelihood</p> <p>Impact</p>	4	31-Mar-2021	

04-Nov-2019 Peter Collinson				06 Nov 2020				Constant
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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	06-Nov-2020	31-Mar-2021
SUR SMT 014g	Next generation CAFM system	The department is looking to procure a 'next generation' CAFM (Computer Aided Facilities Management) system. This will enhance the department's capacity to plan forward maintenance on asset condition and result in a more accurate determination of outstanding and upcoming repairs and maintenance. CSD will be going to the market in early 2021.	Peter Collinson	06-Nov-2020	31-Mar-2021
SUR SMT 014h	Ring fenced budgets	CSD is communicating with ring fenced property departments to identify appropriate building maintenance spend (forward maintenance). Building occupiers allocate funds for the maintenance of the built assets. Whilst the City Surveyor's Department recommends work to be undertaken, it is the occupying department who has final control over activity. There is an upcoming internal audit in this area. Ideally this will recommend more transparency on decisions and impacts, and how these are communicated corporately.	Peter Young	06-Nov-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 016 Health and Wellbeing of Staff 16-Jun-2020 Paul Wilkinson	Cause: Extended period of working away from colleagues due to Covid-19 exacerbating stress levels, or individuals home working conditions are not optimal. Event: Health and wellbeing of staff deteriorates. Impact: Negative impact on staff morale, higher levels of absenteeism and turnover, impact on productivity.	 Likelihood	6	This risk considers the health and wellbeing of departmental staff. This is exacerbated under the current second lockdown as a result of COVID-19. 06 Nov 2020	 Likelihood	4		 Constant

Action no	Action description	Latest Note		Action owner	Latest Note Date	Due Date
Page 22 SUR SMT 016a	Communications	All directors are having regular meetings with 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 in June and September. The Business Performance and Improvement Team recently undertook a survey assessing staff attitudes and experiences of remote working, and what they would consider to be optimal future working arrangements – results have been communicated through to all departmental staff. 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.		Matt Porgiglia; Peter Collinson; Nicholas Gill; Ola Obadara ; Peter Young	06-Nov-2020	31-Mar-2021
SUR SMT 016b	Flexible working	Flexibility with returning to the office is being considered. This will enable those who feel their work is best undertaken at the office to work from this location to do so, together with the option for greater flexibility for remote working for those who work optimally away from their office desks. Ultimately this will provide a variety of work environments for employees. To reach this situation, infrastructure constraints will need to be overcome, including DSE and internet connectivity issues which continue to impact a minority of staff. There is anxiety from some staff about returning to the office in the short-term.		Matt Porgiglia; Peter Collinson; Nicholas Gill; Ola Obadara ; Peter Young	06-Nov-2020	31-Mar-2021

		The government's second lockdown will impact employee's mental health, and efforts are being made to ensure that managers are aware of this, and pro-actively encouraging staff to take time away from their home office environment.			
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Copy of SUR COVID-19 - detailed report EXCLUDING COMPLETED ACTIONS

Report Author: Faith Bowman
Generated on: 27 November 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 25 COVID19 SG PROP 01 Impact on investment portfolio (SUR)	<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>A proposal has been presented to PIB in Aug (subsequently to RASC) for a further rent-free period for 'at risk' tenants for the September quarter (with a cap of £4.624m). This has been agreed in principle, subject to delegation to the TC in consultation with the Chair and Deputy Chair of P&R and Finance.</p> <p>The moratorium on enforcement action has been extended to 31 December. Thereby making rent collection difficult.</p> <p>Note that there was a £4.3m cap for 'at risk' tenants for the June quarter. This was agreed by RASC. The Chamberlain and RASC have noted that this should be drawn down first before moving to the £4.624m identified for the September quarter.</p>	<p>Likelihood</p> <p>Impact</p>	8	31-Mar-2021	

01-Apr-2020 Nicholas Gill				For Bridge House Estates properties, decisions are made in the best interests of the charity. 27 Nov 2020				Constant
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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 September Quarters) for all directly managed and FR&I tenants (this does not apply to ground rents) where requested.	Nicholas Gill	27-Nov-2020	31-Mar-2021
CVD19 SG PROP 01h	Members Paper	Upcoming paper to be presented to PIB and other relevant Committees dealing with rent concessions for December quarter onwards.	Nicholas Gill	27-Nov-2020	30-Apr-2021
CVD19 SG PROP 01i	Rent Arrears	Being reviewed on a regular basis, and updates are being provided to Members. The government have extended the landlord restraint on legal action against tenants for non-payment of rent until 31/12. As a result arrears are likely to increase.	Nicholas Gill	27-Nov-2020	31-Mar-2021
CVD19 SG PROP 01j	Monitor Impact	IPG to Monitor the impact on; . Lack of trade . Capacity of our tenants' ability to pay their rent . Investment transactions . Letting transactions . Refurbishments and Developments	Nicholas Gill	27-Nov-2020	31-Mar-2021
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	27-Nov-2020	31-Mar-2021

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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. Contractors have recently experienced issues obtaining insurance and these costs may be passed along to the CoL. Whilst initial results seem to be positive for the City, this will continue to be monitored.	Ola Obadara	27-Nov-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	27-Nov-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 03 Property Projects - Site Closure (SUR) <div>Page 29</div> <div>28-May-2020</div> <div>Obadara</div>	Cause: COVID 19 and current or future PHE guidance. Event: Site cannot comply with current, or potential future PHE guidance and social distancing requirements Effects: Site shutdown until a point where social distancing requirements and PHE guidance allows a return to work.	<div> <div>Likelihood</div> <div>Impact</div> </div>	8	<p>This newly created risk reflects the fact that it will not be possible to recommence work at some sites due to current PHE and HSE guidance – particularly in relation to social distancing. Potential future PHE guidance may also mean further site closures.</p> <p>As contractors have returned to site, progress is being made across the piece, but some sites may need to shut in the future. Some contractors are undertaking their own risk assessments and instituting site rules above PHE guidance.</p> <p>27 Nov 2020</p>	<div> <div>Likelihood</div> <div>Impact</div> </div>	8	31-Mar-2021	<div> <div>Constant</div> <div> <div></div> </div> </div>

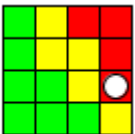

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CVD19 SG PROP 03a	Contractual risks	The responsibility for delays, disruption and commercial risks are typically spelled out in construction contracts and appropriately allocated to the party in the best position to mitigate 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. For new contracts, these will account for Covid-19 and these 'contractual risks' will be built into the price and timeframes – although it should be noted that Covid-19 remains a fluid challenge, and future changes to SOPs may result in increased risk	Ola Obadara	27-Nov-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	27-Nov- 2020	31-Mar- 2021
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Report Author: Faith Bowman
Generated on: 18 November 2020



Page 31

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
PR CB 003 - PAGE 31 City Bridges: - Substantial vessel strikes	<p>Cause: Substantial Vessel strike</p> <p>Event: Structural damage to bridge</p> <p>Impact: Instability in bridge structure leading to possible collapse. Death / injury, disruption of traffic, reputational damage, additional costs to repair / replace</p>	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’. 06 Nov 2020	Likelihood  Impact	16	31-Mar-2021	Constant
01-Nov-2018 Paul Wilkinson								

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 are 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	06-Nov-2020	31-Mar-2021

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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR CB 006a	Counter Terrorism	<p>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 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>Temporary mitigation by the Metropolitan Police remains in place, but this is not full Hostile Vehicle Mitigation.</p>	Nicholas Gill; Paul Monaghan; Peter Young	06-Nov-2020	31-Mar-2021
SUR CB 006b	Policing	The City of London Police receive funding from Bridge House Estates to provide policing to the City Bridges.	Nicholas Gill; Paul Monaghan; Peter Young	06-Nov-2020	31-Mar-2021

5

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR CB 007d	Tideway Tunnelling	<p>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 the Thames Tideway Tunnelling (TTT) organisation. For support they have the existing commission with an external engineering consultant appointed for the inspection of river crossings.</p> <p>Note that liaison between the City of London Corporation at the TTT are continuing throughout this period of Covid-19.</p>	Nicholas Gill; Peter Young	06-Nov-2020	31-Mar-2021
SUR CB 007e	Monitoring & Works	<p>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 may need its tensioning adjusted to account for any movement.</p> <p>There has been some movement detected near Millennium and Tower Bridge, but currently this is below the predicted level. Monitoring will be on-going as the ground continues to settle. Agreement has been reached with TTT regarding appropriate mitigation and this will be finalised once ground settlement / movement has concluded.</p>	Nicholas Gill; Paul Monaghan; Peter Young	06-Nov-2020	31-Mar-2021

Our aims and objectives are...

- **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, energy efficient, safe and secure, providing access for all, meeting service needs, obligations to tenants 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 investment 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.
- **Property Projects** — We will manage and delivery City of London capital build projects to best practice ensuring the end product meets or exceeds our customers' expectations. We will continually explore innovative ways to add value to projects with a conscious approach to sustainability and energy efficiency, ensuring procurement, processes and governance comply with statutory and City of London regulations.

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

Our major workstreams this year will be...

- Actively manage the £4.1b investment portfolio to generate income in support of the City of London's aspirations.
- Achieving efficiencies in the utilisation and asset management of the City's operational properties and tenancies. We will focus on asset realisation, income protection, and income generation from operational estate.
- Major property projects for 2021/22 include the CoL School Masterplan.
- 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 support to the wider business and property communities in the square mile in partnership with existing and emerging Business Improvement Districts.
- Delivering the departmental Equality, Diversity and Inclusion action plan, including the delivery of the mentoring/reverse mentoring programme.
- Supporting the outcomes of the Target Operating Model, notably the integration of Markets and the Old Bailey into the department, seeking to learn from and implement best practice from across the Organisation.

What's changed since last year...

- An increased focus on income protection and tenant retention following the covid-19 pandemic. Income generation and maximisation will continue to be a key departmental priority.
- Dealing with increased arrears. Where properties are vacated, to expedite our void / remarketing activities to ensure positive income flows.
- Responding to the rapidly changing demands from clients – the 'office of tomorrow' – and building this into our refurbishment plans.
- Supporting the Climate Action Strategy and being proactive in identifying the needs of the organisation.
- Emphasis on agility when responding to requests from the City for the delivery of property projects – within the constraints of the current climate.
- Increased focus on project delivery innovation in order to achieve greater VFM.
- Cyclical works programme revision to better account for occupier requirements.
- Improving the management and sequencing of our major programmes.
- Focussed collaboration and engagement with BIDs and the property industry to agree a post pandemic recovery road map.
- Ensuring that the operational portfolio is Covid-secure.
- Moving to remote and virtual meetings as a business norm – particularly with regards to project and client interactions.
- Increased focus on staff wellbeing, particularly in light of the 'new normal' of flexible working.

The Corporate Plan outcomes we have a direct impact on are...

- 4 – *Communities are cohesive and have the facilities they need*
- 7 – *We are a global hub for innovation in finance and professional services, commerce and culture.*
- 12 – *Our spaces are secure, resilient and well maintained*

Plans under consideration / development

Plan	Time Scale
Computer Aided Facilities Management (CAFM) system	Nov - 2021
Property Management project (OPN replacement)	Dec - 2021
Building Information Management – strategy implementation	Dec - 2021
Building Management System (BEMS)	Mar - 2022

Our strategic commitments

Climate Action Strategy (CAS)

- Support net zero emissions through project delivery (Operational estate by 2027 and 2040 across the full value chain).
- Positioning investment portfolio to meet targets.
- Review and assess the impact of the City's Climate Resilience Measures on our Capital Build Projects.

Corporate Property Asset Management Strategy

- Efficient – rationalising and improving utilisation.
- Effective – meeting the needs of asset occupiers.
- Sustainable – delivering CAS objectives, building resilience and championing sustainable growth.

Investment Property Strategy

- MSCI out-performance.
- Rental income sustainability.
- Capital realisation and maximisation for re-investment.
- Support strategic and policy requirements of the City of London.

Facilities Management (FM) Strategy

- Contract strategy options will be further developed for implementation in 2022/23
- This will look at and identify various options, including integrated and total FM approach.

Digital Infrastructure Strategy

- 5g infrastructure network (Subject to agreement)
- Rooftop infrastructure (Subject to agreement)
- Provision of broadband infrastructure across property assets

Major programmes

- Continuing support to the major programmes (Courts & Police, Museum of London, London Wall master planning, Markets consolidation)
- Guildhall Masterplan

Our equalities self-assessment score

Monitoring and use of data and information	1
Completing Equality Analysis (EQIA) and tackling discrimination and barriers to inclusion	1
Target setting and mainstreaming equalities into performance systems	1
Using procurement and commissioning to achieve equality and cohesion targets	N/A
Engagement and partnership	2
Employment and training	2

Key Risks

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

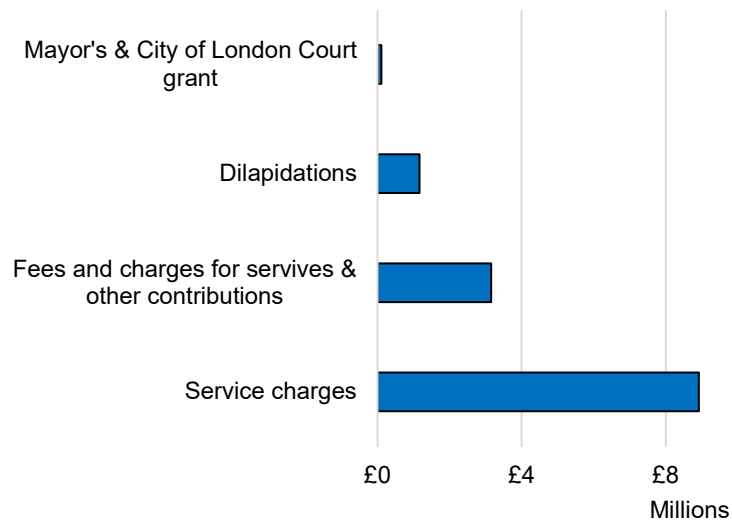
December 2020 Risk Heatmap

Risk Title	Score
City Bridges – Vessel strike	16
City Bridges – Wanton Terrorism	16
City Bridges – Thames Tideway Tunnelling	16
Covid 19 – Impact on investment portfolio	16
Covid 19 – Property projects	16
Insufficient budget to meet user and asset demand at Guildhall	12
Covid 19 – Project site closure	8
Unable to meet Carbon Descent Plan	8
Backlog maintenance	8
Health and wellbeing of staff	6

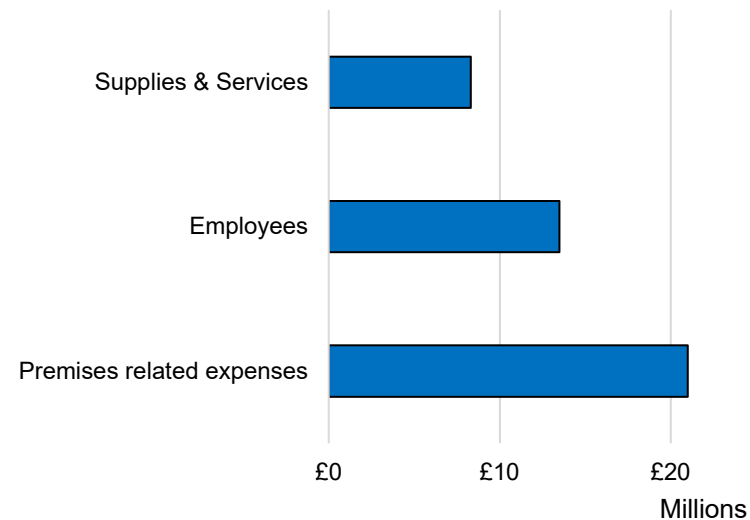
Key Performance Indicators

KPI	Current Performance
Asset realisation and additional income	Behind target
Space utilisation	On target
Energy consumption	On target
Property contract performance compliance	On target
Adherence to budgetary spend profiles	On target
Rental forecasts	TBC
Minimise arrears	TBC
Minimise voids	TBC
Outperformance of MSCI	TBC
Delivery of Business Improvement Districts	New
Delivery of 5g network infrastructure through wireless concession	New
Feedback from Post Project Review (PPR) on performance on project by project basis	New
Sustainability – Site waste management	On target
Project RAG Status – percentage of Red status projects outside target	On target

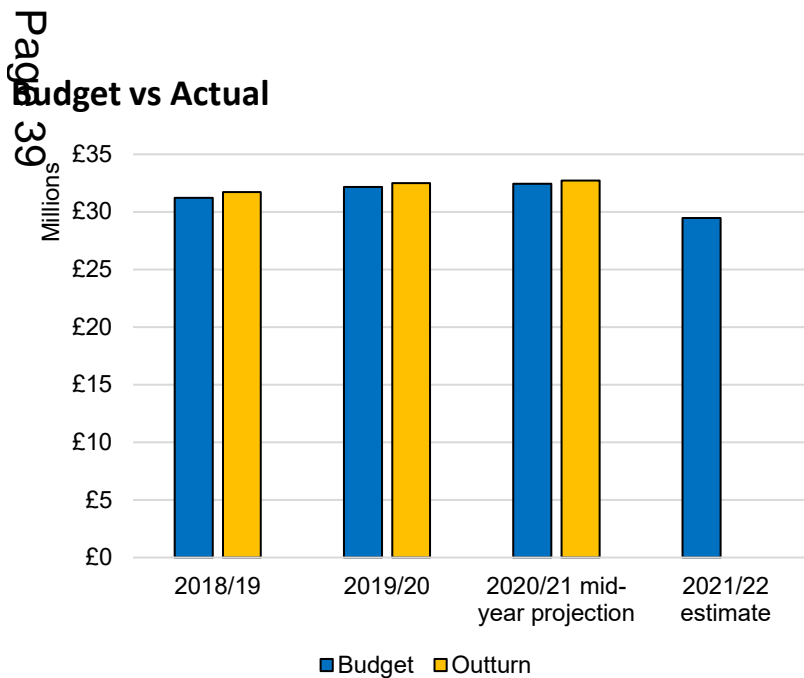
Where our money comes from



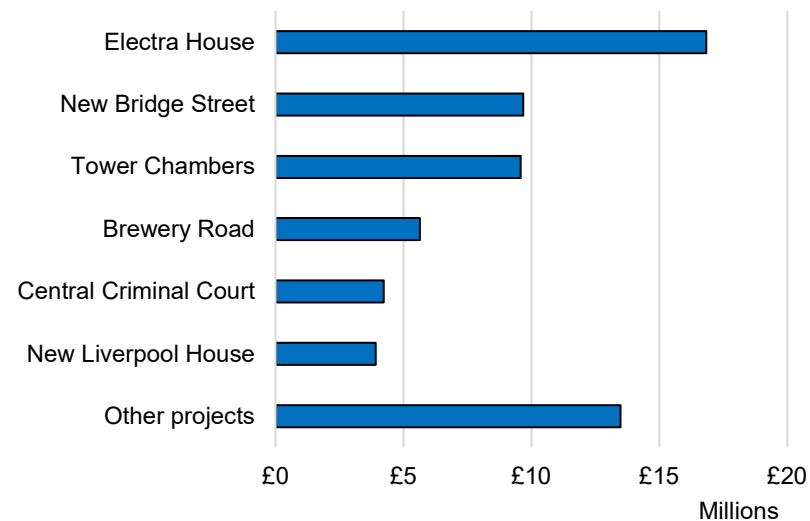
Where our money is spent



Budget vs Actual



Capital Project Spend (City Surveyor's as Client)



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