



Operational Property and Projects Sub Committee

INFORMATION PACK

N.B: These matters are for information and have been marked * and circulated separately. These will be taken without discussion, unless the Committee Clerk has been informed that a Member has questions or comments prior to the start of the meeting.

Date: MONDAY, 30 MAY 2022
Time: 1.45 pm
Venue: COMMITTEE ROOMS, WEST WING, GUILDHALL

8. **MINUTES***

To note the public minutes and non-public summary of the Corporate Asset Sub Committee meeting on 17 January 2022, the Procurement Sub Committee meeting on 18 January 2022 and the Projects Sub Committee meeting held on 17 February 2022.

For Information
(Pages 3 - 30)

25. **GATEWAY 4 PROGRESS - CITY CLUSTER VISION - WELL-BEING & CLIMATE CHANGE RESILIENCE: JUBILEE GARDENS IMPROVEMENTS***
Report of the Executive Director of Environment

For Information
(Pages 31 - 46)

26. **CLIMATE ACTION STRATEGY - NZ1, NZ3 AND RS3 WORKSTREAM UPDATE FOR THE OPERATIONAL PORTFOLIO***
Report of the City Surveyor

For Information
(Pages 47 - 54)

27. **2021/22 ENERGY & DECARBONISATION PERFORMANCE Q3 UPDATE FOR THE OPERATIONAL PORTFOLIO***
Report of the City Surveyor

For Information
(Pages 55 - 64)

28. **CITY SURVEYOR'S BUSINESS PLAN 2021-26 QUARTER 3 2021/22 UPDATE***
Report of the City Surveyor
- For Information**
(Pages 65 - 78)
29. **CITY SURVEYOR'S DEPARTMENTAL RISK REGISTER - APRIL 2022 UPDATE***
Report of the City Surveyor
- For Information**
(Pages 79 - 102)
33. **NON-PUBLIC MINUTES***
To note the non-public minutes of the Corporate Asset Sub Committee meeting on 17 January 2022, the Procurement Sub Committee meeting on 18 January 2022 and the Projects Sub Committee meeting held on 17 February 2022.
- For Information**
(Pages 103 - 122)
38. **GLA ROADS - LAND DISPUTE WITH TRANSPORT FOR LONDON: OUTCOME OF ARBITRATION PROCEEDINGS***
Report of the Comptroller and City Solicitor
- For Information**
(Pages 123 - 132)
39. **GATEWAY 5 PROGRESS - SYDENHAM HILL REDEVELOPMENT, LEWISHAM, SE26 6ND***
Report of the City Surveyor
- For Information**
(Pages 133 - 140)
40. **WOODREDON FARM AND EQUESTRIAN CENTRE (RIDING SCHOOL) DISPOSAL - SUMMARY OF PROPOSAL DISPOSAL***
Report of the City Surveyor and Executive Director for Property
- For Information**
(Pages 141 - 144)

CORPORATE ASSET SUB (FINANCE) COMMITTEE **Monday, 17 January 2022**

Minutes of the meeting of the Corporate Asset Sub (Finance) Committee held as a hybrid meeting in Committee Rooms, 2nd Floor, West Wing, Guildhall and via Microsoft Teams and livestreamed at <https://www.youtube.com/watch?v=vL6D-04qvzA> on Monday, 17 January 2022 at 1.45 pm

N.B. This meeting was held as an informal one, with the views reached by the Committee to be formally approved by the Town Clerk after the meeting, in accordance with the Court of Common Council's Covid Approval Procedure. This process reflects the current position in respect of the holding of formal Local Authority meetings and the Court's decision of 16 December 2021 to continue with virtual meetings, with formal confirmation of decisions provided through a delegation to the Town Clerk after the informal meeting has taken place and the will of the Committee is known.

Present

Members:

James de Sausmarez (Chairman)
Shravan Joshi (Deputy Chairman)
Deputy Jamie Ingham Clark
Randall Anderson
Marianne Fredericks
Alderman & Sheriff Alison Gowman
Jeremy Mayhew
Deputy Edward Lord
Deputy Roger Chadwick
Susan Pearson

Officers:

Paul Wilkinson	- City Surveyor
Alison Bunn	- City Surveyor's Department
Rachel Cartwright	- Remembrancer's Office
Simon Causer	- City Surveyor's Department
James Holliday	- City Surveyor's Department
Peter Collinson	- City Surveyor's Department
Paul Friend	- City Surveyor's Department
Graeme Low	- City Surveyor's Department
Andrew Little	- Chamberlain's Department
Roland Martin	- Headmaster of the City of London Freemen's School
Carmel McGowan	- City Surveyor's Department
Jonathon Poyner	- Barbican Centre
Dorian Price	- City Surveyor's Department
Peter Young	- City Surveyor's Department

The Chairman reminded Members that this would be the last meeting of Corporate Asset Sub-Committee before it merges with Project Sub-Committee and Procurement Sub-Committee to create a new Operational Property, Projects and

Procurement Sub-Committee. The Chairman confirmed that full implementation of the new Sub-Committee would take place over the next few weeks in advance of the new municipal year in April. The Chairman added how this would sadly be Alison Bunn's last meeting of Corporate Asset Sub-Committee as she would be leaving the City Corporation at the end of January. The Chairman thanked Allison for all she had achieved during her time at the City Corporation and commented on how she would be leaving the Facilities Management function in a vastly improved state than when she took it on. All Members joined the Chairman in wishing Alison well for the future.

A Member raised a point of order regarding the Covid Approval Procedure and questioned whether it was appropriate for the City Surveyor to be the nominated officer for decisions relating to Corporate Asset Sub-committee given this would lead to him deciding on reports in his name. Following a brief discussion, it was agreed that the Town Clerk should be requested to approve all decisions against the minute of the meeting.

RESOLVED: That Members agreed to the Town Clerk being the nominated Covid Approval Procedure representative for decisions relating to Corporate Asset Sub-Committee.

1. **APOLOGIES**

No apologies were received.

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

Shravan Joshi declared an interest in relation to item 18 OFA Clubhouse, City of London Freemen's School.

3. **MINUTES**

RESOLVED – That the public minutes and non-public summary of the previous Corporate Asset Sub-Committee meeting held on 24 November 2021 be approved as an accurate record.

4. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

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

RESOLVED – That the Sub-Committee notes the report.

5. **WORK PROGRAMME FOR FUTURE MEETINGS**

The Sub-Committee considered a joint report of the Town Clerk and City Surveyor which provided information of the Work Programme relating to the operational property portfolio.

Greater London Authority Roads - Members noted a recent court decision had referred to the matter back to an arbitrator for further consideration of the remaining issues. A further update would follow at an appropriate point.

RESOLVED – That the Sub-Committee notes the report.

6. REQUEST FOR DELEGATED AUTHORITY BETWEEN JANUARY AND MAY 2022 COMMITTEE MEETINGS

The Sub-Committee considered a report of the City Surveyor setting out a number of future decisions requiring committee approval in advance of the next formal Committee meeting to be convened in May 2022.

A Member questioned 115-123 Houndsditch EC3A 7BU and 62 Aldgate High Street EC3N 1AL Highway Disposals appearing on the list given planning permission had only recently been granted, and with the decision having been referred to the Secretary of State. The Chairman reminded Members that any delegated authority they granted would only remain in place until the new Sub-Committee was constituted. Another Member added how they considered any decisions being taken on these two items as being premature and requested any proposed decision be circulated to Members to make them aware of any proposal being put forward.

The Chairman assured Members that that he would arrange for them to be notified should any request for delegate decision come through on either 115-123 Houndsditch EC3A 7BU or 62 Aldgate High Street EC3N 1AL Highway Disposals.

A Member questioned whether it needed making clear that delegated authority was being granted until such time as the successor Sub-Committee was formed, which the Chairman acknowledged should be reflected in the recommendation.

RESOLVED: That Members: -

- Approve that the proposed reports summarised and detailed in Appendix A can be considered and approved under Delegated Authority, by the Town Clerk in consultation with the Chairman and Deputy Chairman;
- The delegated approval remain in place until such time as a new Operational Property, Projects and Procurement Sub-Committee was fully constituted and operational.
- Note that any decisions approved under Delegated Authority to be reported to the next committee.

7. CYCLICAL WORKS PROGRAMME - UPDATE REPORT Q3 2021/22

The Sub-Committee considered a joint report of the City Surveyor and Chamberlain updating on a review the Peer Review Group had undertaken in relation to projects from the Cyclical Works Programme Reserve lists that can be undertaken utilising savings identified from projects in 2021/2022.

Alison Bunn thanked the Chairman and Members for their kind words. It was explained how the report showed savings and the proposed repurposing of these savings to invest in new projects, with the proposals having been approved by the Cyclical Works Programme Review Group. The proposals were now being presented to this Sub-Committee for approval as part of the agreed process.

RESOLVED: That Members:-

- Approve the projects promoted from the Reserve List to be undertaken in the 2021/22 financial year.

8. **BACKLOG OF MAINTENANCE AND 5 YEAR CYCLICAL WORKS PROGRAMME LOOK AHEAD - CITY'S NON-HOUSING OPERATIONAL PORTFOLIO**

The Sub-Committee received a report of the City Surveyor setting out the current backlog of maintenance to achieve the Corporate Property Asset Management Strategy and level of good across all its assets approved in November 2020.

The Chairman confirmed that he had requested this paper to allow Members an opportunity to understand the maintenance backlog and priority of it.

A Member questioned how priority areas were being set by Departments and whether the Climate Action Strategy was included as part of the process. In response, it was confirmed that surveys were being carried out and that there would be an opportunity to fast track any works considered as part of the Climate Action Strategy.

The Chairman added how significant parts of the maintenance works were linked to Capital Projects, which if these were progressed would help to address climate action as well as removing them from the Cyclical Works Programme. The Chairman stressed how Policy and Resources Committee needed to work on progressing a number of the bigger projects.

RESOLVED: That the report be received its content noted.

9. **SECURITY UPDATE**

Members received an oral update on areas relating to security. It was explained how it had been very quiet in the City owing to restrictions as a result of the Covid Omicron variant, with very little security impact at the City Corporation at the present time and with all buildings being kept open. An assurance process was currently underway looking at security across the estate, working with ISS and carrying out exercises to make sure staff remained alert to any potential security risks.

Members noted the update.

10. **CLIMATE ACTION STRATEGY NZ1, NZ3 AND RS3 WORKSTREAM UPDATE**

The Sub-Committee received an update on key actions of the operational buildings workstreams as part of the Climate Action Strategy.

A Member welcomed the progress being seen at the top 15 sites. The Member referred to the carbon emissions per square meterage data and noted that the largest sites were not always the largest emitters; it was questioned what

actions these sites were taking to achieve lower carbon emissions and whether it was possible to do the same elsewhere. In response, it was explained how it was difficult to compare properties against each other with a range of factors needed taking into consideration when making comparisons e.g., building type, make up of building and daily activity at each location. Members were assured that work was taking place to benchmark all City Corporation properties by looking against other comparable properties, understanding where they sit against national indicators and comparing against their peers. Plans could then be implemented that were relevant to each site.

A Member referred to the recent negative press relating to the solar farm in Dorset. The Member added how the solar farm was a great landmark project and stressed how it was important to retain the support of stakeholders and to carry the local community as it progresses. In response, it was explained how the article had a number of inaccuracies included within it, with the thrust of the points not standing up when talking to Voltalia and the feedback they were receiving from locals and residents. It was agreed to source information from Voltalia on the activity they were undertaking to engage with the local community and provide this to Members.

RESOLVED: That the report be received its content noted.

11. PSDS PROJECT: LMA VENTILATION PSDS PROJECT

The Sub-Committee received a Gateway 5 regular issues report updating on a PSDS project to achieve energy efficiency upgrades to the ventilation system which supplies the London Metropolitan Archives Extension building.

A Member, also Chairman of Finance Committee, took the opportunity to update Members on progress made with the PSDS programme projects in general given it was the last meeting of Corporate Asset Sub-Committee. Members were reminded that the PSDS projects were given its own Governance Board, with the Chairman and Deputy Chairman of this Sub-Committee appointed to provide oversight as part of the process. It was confirmed that a number of projects were being delivered with speed, but with some leeway being given to the City Corporation to go beyond the 31st March 2022 deadline. It was stressed how PSDS projects would play an important part in the City Corporation's Climate Action Strategy and Government support in helping to deliver on this important area of work was gratefully received.

RESOLVED: That the report be received its content noted.

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

Airspace rights – A Member referred to previous decisions relating to disposal of airspace in the City, with the City Corporation appearing to sell this space at a low cost and developers then creating office space and charging a vastly increased rate for the space. In response, it was clarified that all valuations were treated on their merits, with these all going through a City Surveyor's evaluation process. The City Surveyor agreed to report back setting out the

approach currently taken and how officers reach the final proposals before putting them to Members to approve.

13. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no urgent items.

14. EXCLUSION OF THE PUBLIC

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

15. NON-PUBLIC MINUTES

The non-public minutes of the previous Corporate Asset Sub-Committee meeting held on 24 November 2021 were approved as an accurate record.

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

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

17. WALBROOK WHARF DEPOT - REPLACEMENT OF MECHANICAL AND ELECTRICAL SERVICES

The Sub-Committee considered a report relating to the Whalbrook Wharf Depot – Replacement of Mechanical and Electrical Services project.

18. OFA CLUBHOUSE - CITY OF LONDON FREEMEN'S SCHOOL

The Sub-Committee considered a report of the Headmaster, City of London Freemen's School relating to OFA Clubhouse.

19. CITIGEN STRATEGY

The Sub-Committee received a report of the City Surveyor updating on the Citigen Strategy moving forward.

20. CITY OF LONDON OPERATIONAL TENANTS - ARREARS UPDATE AND RENTAL SUPPORT

The Sub-Committee received a joint report of the Chamberlain and City Surveyor relating to City of London Operational Tenants.

21. NON PUBLIC ACTION TAKEN BETWEEN MEETINGS

The Sub-Committee received a report of the Town Clerk updating on non-public decision taken under delegated authority and urgency procedures between meetings.

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

There were no questions.

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

There were no items of urgent business

Part 3 - Confidential Agenda

24. **FM ENABLING SERVICES - OPTIONS APPRAISAL**

The Sub-Committee considered a report of the City Surveyor updating on FM Enabling Services.

25. **TARGET OPERATING MODEL PROPOSAL - CITY SURVEYOR'S DEPARTMENT (CENTRAL CRIMINAL COURT & ENABLING SERVICES)**

The Sub-Committee received a report of the City Surveyor updating on City Surveyor's Target Operating Model proposals relating to Central Criminal Court and enabling services.

The meeting ended 3.02pm

Chairman

Contact Officer: Chris Rumbles
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PROCUREMENT SUB (FINANCE) COMMITTEE
Tuesday, 18 January 2022

**Minutes of the meeting of the Procurement Sub (Finance) Committee held at
Guildhall at 9.30 am**

Present

Members:

Hugh Morris (Chairman)	Paul Martinelli
Deputy Robert Merrett (Deputy Chairman)	Jeremy Mayhew
Randall Anderson	Susan Pearson
Michael Hudson	Deputy Philip Woodhouse
Deputy Jamie Ingham Clark	

Officers:

James Gibson	- Chief Operating Officer's Department
Kristina Jackson	- Chief Operating Officer's Department
Darren Judge	- Chief Operating Officer's Department
Andrew Lenihan	- Chief Operating Officer's Department
Lisa Moore	- Chief Operating Officer's Department
Hirdial Rai	- Chief Operating Officer's Department
Darran Reid	- Chief Operating Officer's Department
Oliver Watling	- Chief Operating Officer's Department
Genine Whitehorne	- Chief Operating Officer's Department
Giles Radford	- Department of the Built Environment
Ian Hughes	- Department of the Built Environment
Alison Bunn	- City Surveyor's Department
Ola Obadara	- City Surveyor's Department
Philip Mirabelli	- Comptroller and City Solicitor's Department
Joseph Anstee	- Town Clerk's Department
Kerry Nicholls	- Town Clerk's Department

1. APOLOGIES

There were no apologies.

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

There were no declarations.

3. PUBLIC MINUTES OF THE PREVIOUS MEETING

RESOLVED - That the public minutes and non-public summary of the meeting held on 25 November 2021 be approved.

4. PROCUREMENT SUB-COMMITTEE WORK PROGRAMME

The Sub-Committee considered a report of the Chief Operating Officer outlining the work programme and the following point was made:

- The Chairman observed that as this was the final meeting of the Procurement Sub-Committee, any items for consideration for the 2022/23 municipal year would be taken forward under new arrangements.

RESOLVED - That the work programme be noted.

5. **CITY PROCUREMENT QUARTERLY PROGRESS REPORT (Q2 2021/22)**

The Sub-Committee considered a report of the Chief Operating Officer presenting the City Procurement Quarterly Progress report for Quarter 2 of the 2021/22 financial year.

RESOLVED - That the report be noted.

6. **CLS PILOT EXTENSION: PROCUREMENT AND PROJECTS**

The Sub-Committee considered a report of the TOM Programme Director providing an update on the City of London School Pilot extension: Procurement and Projects and the following point was made:

- The Commercial Director confirmed that authority was requested for procurements to be run up to the current procurement thresholds by the Schools participating in the Pilot scheme. The Schools would also have the option of seeking advice and support from the Central Procurement Team on the procurement process where necessary.

RESOLVED – That the following City of London School Pilot proposals be extended to the City of London School for Girls and the City of London Freeman’s School:

- Authority be devolved to run non-works procurements in accordance with the City of London Procurement Code up to the Find a Tender Service (FTS) threshold, currently £189,330 with the option of drawing on the centre procurement team to advise and provide support to the procurement process where necessary; and,
- Non-works procurements up to £300k, might also have more freedom over procurement strategy and options, depending on applicability of UK Public Contracts Regulations (PCR 2015) and acting always in accordance with the City of London Procurement Code. Agreement on process and lead would be made between City Procurement and the business.

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

There were no questions.

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

The Chairman observed that this would be the last meeting of the Procurement Sub-Committee and thanked the Deputy Chairman, Members and Officers for their hard work and excellent support of the Procurement Sub-Committee.

9. **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 of business on the grounds they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act.
10. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**
RESOLVED - That the non-public minutes of the meeting held on 25 November 2021 be approved.
11. **INTEGRATED FACILITIES MANAGEMENT PROCUREMENT STAGE 1 - STRATEGY REPORT**
The Sub-Committee considered a report of the Chief Operating Officer presenting the Integrated Facilities Management Procurement Stage 1 Strategy report.
12. **ARCHITECTURAL SERVICES FRAMEWORK - MID POINT PROCUREMENT UPDATE**
The Sub-Committee considered a report of the Chief Operating Officer presenting the Architectural Services Framework – Mid Point Procurement update.
13. **REQUEST FOR DELEGATED AUTHORITY**
The Sub-Committee considered a report of the Chief Operating Officer presenting a request for delegated authority.
14. **DEPARTMENTAL RESPONSE TO LATEST CHIEF OFFICERS PURCHASE CARD REPORT**
The Sub-Committee considered a report of the Chamberlain presenting the Departmental response to the latest Chief Officers' Purchase Card report.
15. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
There were no questions.
16. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
There were no urgent items.
17. **CONFIDENTIAL MINUTES OF THE PREVIOUS MEETING**
RESOLVED - That the confidential minutes of the meeting held on 25 November 2021 be approved.

The meeting closed at 10.22 am

Chairman

Contact Officer: Kerry Nicholls / kerry.nicholls@cityoflondon.gov.uk

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PROJECTS SUB (POLICY AND RESOURCES) COMMITTEE

Thursday, 17 February 2022

Minutes of the meeting of the Projects Sub (Policy and Resources) Committee held at the Guildhall EC2 at 11.00 am

Present

Members:

Deputy Keith Bottomley (Chairman)
Deputy Jamie Ingham Clark (Deputy Chairman)
Rehana Ameer

Randall Anderson
Caroline Haines
Christopher Hayward

Officers:

Joseph Anstee	- Town Clerk's Department
Rohit Paul	- Town Clerk's Department
Sarah Baker	- Town Clerk's Department
Paul Murtagh	- Community & Children's Services Department
Melanie Charalambous	- Environment Department
Clarisse Tavin	- Environment Department
Simon Cribbens	- Community & Children's Services Department
Gillian Howard	- Environment Department
Ian Hughes	- Environment Department
Daniel Laybourn	- Environment Department
George Wright	- Environment Department
Janet Laban	- Environment Department
Albert Cheung	- Environment Department
Ola Obadara	- City Surveyor's Department
Brendan Crowley	- City Surveyor's Department
Sonia Virdee	- Chamberlain's Department
Phil Pettit	- Chamberlain's Department
David Downing	- Community and Children's Services Department
Sarah Williams	- City of London Police
Jonathon Poyner	- Barbican Centre
Cornell Farrell	- Barbican Centre

1. APOLOGIES

Apologies for absence were received from Deputy Catherine McGuinness, Andrew McMurtrie, Susan Pearson, John Petrie and James de Sausmarez.

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

There were no declarations of interests.

3. **GATEWAY APPROVAL PROCESS**

RESOLVED – That the Gateway Approval Process be received.

4. **MINUTES**

RESOLVED – That the public minutes and non-public summary of the meeting held on 25 January 2022 are approved as an accurate record.

5. **PUBLIC ACTIONS**

There were no public outstanding actions.

6. **GATEWAY 4 ISSUE - FIRE DOOR REPLACEMENT PROGRAMME**

The Sub Committee considered a Gateway 4 Issue report of the Director of Community and Children's Services on the Fire Door Replacement Programme. The Director of Community and Children's Services introduced the report and drew Members' attention to the key points. In response to questions from Members, the Director of Community and Children's Services assured the Sub Committee that previous relevant supplier issues had been resolved and outlined plans to mitigate against cost risks. The Sub Committee noted that the proposals had been approved by the Community and Children's Services Committee.

RESOLVED – That the Projects Sub Committee:

1. Note the revised project timelines following delay to the programme due to Covid-19 and design compliance issues;
2. Note the total estimated cost of the project at £8,983,214 (excluding risk), (£9,100,000 including risk); and
3. That Option 1 is approved whereby the procurement of the remaining Lots will be undertaken via the Hyde Fire Safety Framework by means of their direct award mechanism to the top ranked supplier, Gerda Security Products Ltd, subject to tendered costs being within previously approved estimates.

7. **GATEWAY 3 ISSUE - ST PAUL'S CATHEDRAL EXTERNAL RE-LIGHTING PROJECT**

The Sub Committee considered a Gateway 3 Issue report of the Executive Director of Environment regarding the St. Paul's Cathedral External Re-lighting project. The Executive Director of Environment introduced the report and outlined the objectives and timeline for the project before advising the Sub Committee of the funding strategy.

Members commented that the exciting project would require great care, befitting the status of the building. In response to a question regarding funding, the Executive Director of Environment advised that a substantive part of the external sponsorship sought had been agreed in principle, and that a report would be brought back once the funding had been confirmed. The Sub Committee was further advised that the Cathedral would take on future maintenance costs following completion of the project.

In response to a question regarding project governance, the Executive Director of Environment advised that the City of London Corporation had been responsible for the external lighting of the Cathedral since the 1960s, and advised that whilst the Cathedral was not in a position to lead on the project, they had been a good partner and had assisted in identifying external sponsorship. However, a new legal agreement was under consideration for implementation after this project. Members agreed that it would be appropriate to review the historic arrangement, as the City of London Corporation should not be seen as a default funder, and commented that the project would need to stay within budget, as it would not be possible to fund any cost increases internally.

RESOLVED – That the Projects Sub Committee:

1. Note that a project capital funding bid of £1.16M was approved by RASC on 14th January 2022, with further approval of all capital funds for 2022/23 required from Finance Committee and Court of Common Council in February and March 2022 respectively;
 2. Note that should this report be approved, a draw-down of the capital funds will then be sought via the Chamberlains 'Project Funding Update' report to Policy and Resources Committee in March 2022;
 3. Approve the project budget of £2.075M, funded as referenced in Section 3 of this report;
 4. Approve the £250k budget to progress the project to the next Gateway; and
 5. Approve the updated programme for the delivery of the project.
8. **GATEWAY 3 ISSUE - CROSSRAIL LIVERPOOL STREET URBAN INTEGRATION (PHASE 2)**
- The Sub Committee considered a Gateway 3 Issue report of the Executive Director of Environment regarding Phase 2 of the Crossrail Liverpool Street Urban Integration project. The Executive Director of Environment introduced the report and outlined the proposals, also advising of the connection between the recommendations of the report and the report at Item 14d on further Crossrail urban realm improvements. The Sub Committee noted that the project would be funded through S106 and external funding.

RESOLVED – That the Projects Sub Committee:

1. Note and approve the contents of this report;
2. Approve the transfer of the project management, oversight, funding and financial responsibilities of the incomplete works identified in the Crossrail Liverpool Street Phase 1 project (11375) Gateway 6 to this project for completion (detailed in paragraph 4.8);

3. To accommodate the previous recommendation, note and approve a £155,000 increase in the total estimated project cost to approx. £1.64m, as shown in Appendix 2. This funding is to be provided by the Crossrail Liverpool Street Phase 1 project;
 4. Note and approve the updated 'Fees' budget expenditure description to include feasibility design work by third parties (detailed in paragraph 5.3);
 5. Approve the updated costed risk register in Appendix 3, to be drawn down via delegation to Chief Officer. (Overall CRP amount has not changed since last report);
 6. Approve the removal of the temporary social distancing measures and associated Temporary Traffic Regulation Order from Old Broad Street between London Wall and Liverpool Street, previously implemented by the Covid-19 On Street Response;
 7. Agree that the Corporate Programme Management Office, in consultation with the Chairman of the Project Sub Committee and Chief Officer as necessary, is to decide whether any project issues or decisions that falls within the remit of paragraph 45 of the 'City of London Project Procedure – Oct 2018' (Changes to Projects: General), as prescribed in Appendix 4 of this report, is to be delegated to Chief Officer or escalated to committee(s); and
 8. Delegate the authority to Chief Officer to approve an updated risk register at the appropriate time to reflect the Crossrail Liverpool Street Phase 1 project's incomplete construction tasks subject to the project not breaching its total available funding amount.
9. **GATEWAY 2 ISSUE - HAMPSTEAD HEATH SWIMMING FACILITIES - SAFETY, ACCESS AND SECURITY IMPROVEMENTS**
- The Sub Committee considered a Gateway 2 Issue joint report of the Executive Director of Environment and the City Surveyor regarding safety, access and security improvements to the Hampstead Heath Swimming Facilities. The City Surveyor introduced the report and outlined the proposals and project next steps, also assuring the Sub Committee that the funding was sufficient to reach the tender phase of the project.

RESOLVED – That the Projects Sub Committee:

1. Approve the Gateway 3/4 (Options Appraisal) report to be pushed back to June 2022;
2. Approve a further fee drawdown of £79,000 to support RIBA stage 3 design in facilitating the Gateway 3/4 report;

3. Note that that if the additional fee request is approved the total fee drawdown to date would be £133,000 (excluding Risk) and £143,000, (including Risk); and
4. Note that the projected completion within the Gateway 2 report of May 2023 is unchanged by this delay.

10. **GATEWAY 2 ISSUE - ST PAUL'S GYRATORY PROJECT**

The Sub Committee considered a Gateway 2 Issue of the Executive Director of Environment on the St. Paul's Gyratory project. The Chairman introduced the item and advised that the required capital funding bid for the project had been approved by Finance Committee, and the wider proposals approved by the Streets & Walkways Sub Committee. The Executive Director of Environment then introduced the report and outlined the proposals.

RESOLVED – That the Projects Sub Committee:

1. Approve the release of the £100,000 Section 278 design and evaluation payment from the Section 106 for 81 Newgate Street into this project;
2. Approve a revised budget of £780,442 to reach the next Gateway (see Appendix 2);
3. Approve the signing of a Section 278 agreement with the developer of 81 Newgate Street;
4. Note Resource Allocation sub-committee approval of a capital bid for £555,500 to be allocated to the project for 2022/23 which will be considered in turn by Finance Committee in February and the Court of Common Council in March,
5. Subject to the approval of the Finance Committee and Court of Common Council of that capital bid, approve delegated authority to the Executive Director Environment, in consultation with the Chamberlain and the respective Chairmen & Deputy Chairmen, to incorporate this funding into the project budget; and
6. Note that there may be the need to phase the project over several years to accommodate the varying timelines of the two development sites contained within the project scope.

11. **GATEWAY 3/4 - CLIMATE ACTION STRATEGY - YEAR 2 COOL STREETS AND GREENING PROGRAMME**

The Sub Committee considered a Gateway 3/4 report of the Executive Director of Environment regarding Year 2 of the Cool Streets and Greening programme. The Chairman introduced the item, advising that the project would be funded through the Climate Action Strategy. The Executive Director of Environment then introduced the report and drew Members' attention to the key points.

In response to a question from a Member, the Executive Director of Environment outlined the climate monitoring measures that would be installed at Finsbury Circus and the Barbican Podium, also advising that the recruitment of relevant climate action expertise was in progress.

RESOLVED – That the Projects Sub Committee:

1. Note the progress on Cool Streets and Greening Year 1 projects (see appendix 4):
 - Cheapside sunken garden
 - Bevis Marks
 - Jubilee Gardens
 - City of London School – riverside site
 - Vine Street tree planting – monitoring only
 - Climate resilient planting (4 sites) – monitoring only
2. Agree that a budget of £750K is approved in principle for design and installation of climate resilience measures on six Year 2 sites to enable redesigns of existing sites to be progressed. Final designs and costs will be confirmed through Gateway 5 reports for each individual site.
 - Little Trinity Lane
 - Crescent
 - Bank
 - Moor Lane
 - Barbican – monitoring only
 - Finsbury Circus – monitoring only
3. Note that revenue costs of £120K associated with maintenance and monitoring for Year 2 sites will be funded from the Climate Action Strategy revenue budget;
4. Additional Year 2 projects – That a budget of £550-850K (depending on the number of sites identified) is approved for the identification, design and implementation (in principle) of additional sites through the following workstreams in Year 2:
 - Cubic Mile project in conjunction with British Geological Survey (BGS)
 - Heat Resilient Highways – risk appraisal
 - Citywide Greening and Biodiversity,Final designs and implementation costs for the additional sites identified in Year 2 will be subject to Gateway 5 approval;
5. Note the revised budgets set out in table 1:

	Budget	Spend 2021/22 (To Jan 2022)	Proposed spend to March '23
Gateway 1-2	£320K	£123K	£197K
Gateway 3-4 Year 1	£660K	£nil	£660*
Gateway 3-4 Year 2	£750K existing sites £550-850K new sites	N/A	A budget uplift of 120K is required to get to Gateway 5 Total proposed spend (in principle) £1.3M to 1.6M*
Revenue budgets	£120K Year 2		

*Subject to Gateway 5 approval for implementation

6. Note that of the Year 1 funding approved at Gateway 1-2 for evaluation and programme development and Gateway 3-4 for site design and implementation £857K will be carried forward to Year 2 to complete this work;
 7. In addition, revenue budgets of 120K over a period of five years for maintenance and monitoring of Year 2 projects are required;
 8. Note the progress that has been made on the Cool Streets & Greening project since Gateway 2 approval in April 2021; and
 9. Note the total estimated cost of the project at £6.8M = 1.7M per year for 4 years CAS budget (excluding risk)
12. **GATEWAY 3/4 - ST MARY AXE EXPERIMENTAL TIMED CLOSURE**
The Sub Committee considered a Gateway 3/4 report of the Executive Director of Environment on the St Mary Axe Experimental Timed Closure project. The Sub Committee noted that the project would be funded through S106 funding.

RESOLVED – That the Projects Sub Committee:

1. Agree that additional budget of £35,500 is approved to reach the next Gateway;
2. Note the revised project budget of £77,199 (excluding risk);
3. Note the total estimated cost of the project at £255,400 (excluding risk);
4. That a Costed Risk Provision of £14,600 is approved (to be drawn down via delegation to Chief Officer);
5. Note the total estimated cost of the project inclusive of costed risk at £270,000 (no change from previous);

6. Approve the removal of the existing Temporary Traffic Regulation Order (TTRO), implemented under the Covid-19 on-street response, that prohibits motor vehicles from entering St Mary Axe Monday-Friday 7am-7pm except for access to off-street premises;
7. Note that the experimental timed closure in St Mary Axe is not proposed to be progressed and approve the changes in scope to that detailed in section 5 of this report, which are:
 - Approve a change in project title to 'St Mary Axe Improvements – Phase 1' to better reflect the rescoping of this project
 - Commence the detailed design of a raised carriageway table on St Mary Axe at the junction with Undershaft and survey work to both inform the detailed design of the raised table and future proposals on St Mary Axe (as shown in Appendix 2 and detailed in paragraphs 5.1 and 5.3)
 - Support the City Cluster Vision Programme's Activation & Engagement work strand for potential temporary activation initiatives on St Mary Axe
 - That the next Gateway report proceeds under delegation to the Executive Director Environment, subject to the project cost not exceeding the maximum of £270,000 inclusive of CRP (as detailed in paragraph 5.1);
8. Agree that the Corporate Programme Management Office, in consultation with the Chairman of the Project Sub Committee and Chief Officer as necessary, is to decide whether any project issues or decisions that falls within the remit of paragraph 45 of the 'City of London Project Procedure – Oct 2018' (Changes to Projects: General), as prescribed in Appendix 3 of this report, is to be delegated to Chief Officer or escalated to committee(s); and
9. Delegate authority to the Director of the Built Environment to approve budget adjustments, above the existing authority within the project procedures and in consultation with Chamberlains, between budget lines if this is within the approved total project budget amount.

13. **GATEWAY 3 - CITY CLUSTER AREA - ACTIVATION AND ENGAGEMENT PROGRAMME**

The Sub Committee considered a Gateway 3 report of the Executive Director of Environment regarding the City Cluster Area Activation and Engagement Programme. The Sub Committee noted that the project had S106 funding and matched funding from the EC Partnership, commenting that the support of businesses was positive for the project.

RESOLVED – That the Projects Sub Committee note the project update and approve funding of £20,000 for staff costs for the City's Outdoor Arts Programme team, to be funded from the Pinnacle S106, with match funding provided by the EC Partnership.

14. GATEWAY 6 REPORTS

a) **Bank on Safety**

The Sub Committee considered a Gateway 6 report on the Bank on Safety project. The Executive Director of Environment introduced the report and drew Members' attention to the lessons learned. Members commended the project, commenting that whilst there had been challenges during the project the new junction was now generally accepted.

The Chairman commented that it may be too soon to fully assess the impact of the project on the rate of casualties at the junction due to Covid-19, but this would become clearer in the years to come. The Sub Committee noted that the project had been delivered within budget.

RESOLVED – That the Projects Sub Committee:

1. Note the contents of this report;
2. Approve the closure of the Bank on Safety Project with final staff costs to be confirmed and final account concluded; and
3. Approve remaining funds to be returned to the On Street Parking Reserve (circa £39k).

b) **Avondale Square Estate - Emergency and Communal Lighting**

The Sub Committee considered a Gateway 6 report of the Director of Community and Children's Services regarding the Emergency and Communal Lighting project at the Avondale Square Estate. The Sub Committee noted that there had been delays and a cost increase in completing the project.

RESOLVED – That the Projects Sub Committee:

1. Note the contents of this report;
2. Note the lessons learnt from this project; and
3. Authorise formal closure of the project.

c) **City Wayfinding - Introduction of Legible London**

The Sub Committee considered a Gateway 6 report of the Executive Director of Environment on the City Wayfinding – Introduction of Legible London project. The Chairman advised that whilst the project had been relatively expensive, the project was completed within budget and had delivered much-needed upgrades to signage, which had been positively received.

RESOLVED – That the Projects Sub Committee:

- a) Approve the content of this outcome report and agree for the project to be closed; and

- b) Release the call on further funds from the On Street Parking Reserve.

d) **Crossrail Urban Realm Improvements Consolidation Report**

The Sub Committee considered a Gateway 6 report of the Executive Director of Environment regarding Crossrail Urban Realm Improvements consolidation. The Sub Committee noted that if the recommendations were approved project funding would be transferred to Phase 2 of the Crossrail Liverpool Street Urban Integration project.

RESOLVED – That the Projects Sub Committee:

- a) Note the successful completion of Phase 1 of the Crossrail Urban Realm Improvements Programme and associated underspends;
- b) Note that the development of options, and their associated costs, for Phase 2 of the Crossrail Urban Realm Improvements is currently underway and will be brought before Members for decision in Autumn 2022;
- c) Agree to close Farringdon East, Moorgate Phase 1 and Liverpool Street Phase 1 projects;
- d) Approve the content of this outcome report.

Farringdon East

- e) Approve the transfer of £85,000 to the City Structure's Lindsay Street Bridge Strengthening Project to fund the outstanding resurfacing of Lindsey Street following completion of bridge repair works;
- f) Note the project underspend of £564,590 on the Farringdon East Project.

Moorgate

- g) Approve the transfer of £25,018 to the 21 Moorfields section 278 project to fund outstanding works on Fore Street Avenue;
- h) Note the project underspend of £1,254,289 on Moorgate Crossrail Phase 1.

Liverpool Street

- i) Approve the transfer of £155,000 to Liverpool Street phase 2 project to fund outstanding phase 1 works;
- j) Note the project underspend of £1,060,806 on Liverpool Street phase 1 project; and

- k) Include any phase 1 utility repayments or payments to be assigned to phase 2 budget.

e) **London Wall Place Section S278 Highway and Public Realm Improvements**

The Sub Committee considered a Gateway 6 report of the Executive Director of Environment on the S278 Highway and Public Realm improvements at London Wall Place. The Sub Committee noted that the project had been completed within budget, with an estimated 18% underspend, which would be verified.

RESOLVED – That the Projects Sub Committee:

1. Note and approve the contents of this outcome report;
2. Authorise the Chamberlain's department to return unspent funds to the developer as set out in the respective legal agreements, after any required maintenance sums are accounted for and subject to the verification of the final accounts which has yet to take place; and
3. Agree to close the project following payment of the outstanding invoices and confirmation of the project's final account.

f) **Puddle Dock Improvement Measures**

The Sub Committee considered a Gateway 6 report of the Executive Director of Environment on the Puddle Dock Improvement measures project. The Sub Committee noted that the project had been completed within budget, and that connected TfL projects were in progress, although delivery had been deferred due to Covid-19. Members commended officers for delivering the project within budget, noting that this would be increasingly difficult in the next few years without appropriate forward planning due to market conditions.

RESOLVED – That the Projects Sub Committee approve the content of this Outcome Report and agree to close the project.

15. **DELEGATED AUTHORITY REQUEST - CITY TRANSPORTATION**

The Sub Committee considered a report of the Executive Director of Environment requesting delegated authority to progress several City Transportation projects during the 2022 election period. The Executive Director of Environment introduced the report and outlined requests in respect of the Moorgate Crossrail Station Links, 1-5 London Wall Gateway 1/2 and Leadenhall Street Traffic Management Phase 1 projects.

RESOLVED – That the Projects Sub Committee agree to delegate authority to the Town Clerk in consultation with the Chairman and Deputy Chairman of Streets and Walkways and Projects Sub-Committee under Standing Order 41(b) in relation to the matters outlined above to allow necessary decisions to be made during this period of February and May 2022 when there are no planned Committee meetings.

16. **RED REPORT: BILLINGSGATE ACTION PLAN- PROVISION OF ADDITIONAL FISH HANDLING FACILITIES**

The Sub Committee received a Red report of the Director of Markets and Consumer Protection and the City Surveyor. The City Surveyor introduced the report and explained the project's Red status, with the Sub Committee noting that there were cost implications.

RESOLVED – That the report be noted.

17. **RED REPORT: HIGH SUPPORT HOSTEL DEVELOPMENT**

The Sub Committee received a Red report of the Director of Community and Children's Services regarding the High Street Hostel Development project. The Director of Community and Children's Services introduced the report and explained the project's Red status. The Sub Committee noted that a Project Coversheet had not been provided and asked that this be provided when the project was next reported.

RESOLVED – That the report be noted.

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

There were no questions.

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

On the last meeting of the Sub Committee in its current format, the Deputy Chairman gave thanks to Members and officers for their contributions to the work of the Sub Committee. The Sub Committee then gave thanks to the Chairman for his leadership of the Sub Committee over the past 3 years.

The Chairman thanked Members and officers for their support and contributions to the Sub Committee, which had brought about policy changes and procedural improvements to the significant benefit of the organisation. The Chairman added that the Project Management Academy was a great legacy for the Sub Committee and added that he hoped this work would be built on going forward under the new governance arrangements.

20. **EXCLUSION OF THE PUBLIC**

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

Item No.	Paragraph No.
21 - 28	3
29 - 31	7
32 - 35	3
36 - 37	-

21. **NON-PUBLIC MINUTES**
RESOLVED – That the non-public minutes of the meeting held on 25 January 2022 be agreed as an accurate record.
22. **NON-PUBLIC ACTIONS**
The Sub Committee noted that there were currently no non-public outstanding actions.
23. **PROPERTY PROJECTS GROUP (PPG) CONSTRUCTION MARKET UPDATE**
The Sub Committee received an oral update from the Property Projects Group (PPG) Director.
24. **NON-PUBLIC APPENDIX: GATEWAY 3 ISSUE - ST. PAUL'S EXTERNAL RELIGHTING**
The Sub Committee received a non-public appendix.
25. **GATEWAY 5 - YORK WAY ESTATE PROVISION OF SOCIAL HOUSING**
The Sub Committee considered a Gateway 5 report of the Director of Community & Children's Services.
26. **GATEWAY 4 ISSUE - ASSESSMENT CENTRE FOR ROUGH SLEEPERS**
The Sub Committee considered a Gateway 4 Issue report of the Director of Community & Children's Services and the City Surveyor.
27. **GATEWAY 6 - RING OF STEEL COMPLIANCE AND STABILISATION**
The Sub Committee considered a Gateway 6 report of the Commissioner of the City of London Police.
28. **GATEWAY 5 - SYDENHAM HILL WINDOW REPLACEMENT AND COMMON PARTS REDECORATION**
The Sub Committee considered a Gateway 5 report of the Director of Community & Children's Services.
29. **GATEWAY 2 - FORENSIC NETWORK**
The Sub Committee considered a Gateway 2 report of the Chamberlain.
30. **GATEWAY 2 - FORENSIC STORAGE**
The Sub Committee considered a Gateway 2 report of the Chamberlain.
31. **GATEWAY 2 - NATIONAL IDENTITY ACCESS MANAGEMENT (NIAM)**
The Sub Committee considered a Gateway 2 report of the Chamberlain.
32. **GATEWAY 2 - GUILDHALL SCHOOL OF MUSIC AND DRAMA AND BARBICAN CENTRE CATERING BLOCK HEATING, COOLING AND VENTILATION PROJECT**
The Sub Committee considered a Gateway 2 report of the Director of Operations and Buildings, Barbican Centre.

33. **GATEWAY 6 - MIDDLESEX STREET FLAT CONVERSIONS**

The Sub Committee considered a Gateway 6 report of the Director of Community & Children's Services.

34. **DELEGATED AUTHORITY REQUESTS**

a) **Secure City Programme**

The Sub Committee considered a report of the Executive Director of Environment and the Commissioner of the City of London Police.

b) **Sydenham Hill Redevelopment, Lewisham, SE26 6ND**

The Sub Committee considered a report of the City Surveyor.

c) **Finsbury Circus Gardens Reinstatement**

The Sub Committee considered a report of the City Surveyor and the Executive Director of Environment.

d) **Guildhall Cooling Plant Replacement**

The Sub Committee considered a report of the City Surveyor.

e) **Command and Control**

The item was withdrawn.

f) **Phases 2, 3 and 4 - City of London School Masterplan**

The Sub Committee considered a report of the City Surveyor.

g) **BEMS**

The Sub Committee considered an oral request of the City Surveyor.

35. **PORTFOLIO OVERVIEW**

The Sub Committee received a report of the Town Clerk.

a) **Red Report: Isleden House Infill Project**

The Sub Committee received a Red report of the Director of Community and Children's Services.

b) **Red Report: HR Integrated Time Management and e-Expenses Project**

The Sub Committee received a Red report of the Commissioner of the City of London Police.

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

There were no questions.

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

There was one item of other business.

The meeting closed at 12.32 pm

Chairman

Contact Officer: Joseph Anstee
joseph.anstee@cityoflondon.gov.uk

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Committees: Open Spaces and City Gardens <i>[for information]</i> Operational Property and Projects Sub <i>[for information]</i> Streets and Walkways Sub <i>[for information]</i>	Dates: 29 April 2022 30 May 2022 31 May 2022
Subject: City Cluster Vision - Well-being & Climate Change resilience: Jubilee Gardens Improvements Unique Project Identifier: <i>PV Project ID – (TBC at next Gateway)</i>	Gateway 4 Regular Progress Report
Report of: Director of Environment Report Author: Emmanuel Ojugo, City Operations	For Information
<h2>PUBLIC</h2>	

1. Status update	Context: The implementation of the City Cluster Vision is divided between three programmes: 1) pedestrian priority and traffic reduction, 2) well-being and climate change resilience and, 3) activation and engagement. In April 2021, Members approved a Gateway 4 report to progress the projects within the City Cluster Programme 2 – Well-being and Climate Change Resilience. Please see Appendix 2 for further detail on the structure of the programme and projects involved. Project Description: Jubilee Gardens is one of the high priority projects in this programme as it is one of the few green spaces in the area. The project involves the relandscaping of the Gardens to create a more useable, pleasant, greener and more resilient space. It is being developed in close collaboration with local stakeholders and the City gardens team. <ul style="list-style-type: none"> ○ Please see Appendix 3 for a location plan and visuals of the project.
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	<p>Project objectives:</p> <ul style="list-style-type: none"> ○ Increase the amount of greenery to help mitigate the impacts of climate change, noise and air pollution and soften the urban environment. ○ Deliver more accessible and attractive spaces to rest and spend time in. ○ Improve thermal comfort in the area ○ The creation of 'green corridors' along busy pedestrian routes. ○ Deliver sustainable urban drainage systems (Suds) in line with the Climate Action Strategy. <p>RAG Status: Green (as last report to committee)</p> <p>Risk Status: Low (as last report to committee)</p> <p>Total Estimated Cost of Project (excluding risk): £500K-£600K</p> <p>Spend to Date: £148,972.57 as part of the overall City Cluster Climate change and Well-being programme of works, which involves the design development and evaluation of various projects.</p> <p>Costed Risk Provision Utilised: None</p>
2. Key points to note	<p>Next Gateway: Gateway 5 - Authority to Start Work (Light) - Delegated</p> <p>Key Points: The project scope remains unchanged, and the design has progress to an advanced stage. We are now able to develop the design further towards construction package and agree the programme of works.</p>
3. Reporting period	<p>This report covers the period between April 2021 and April 2022.</p>
4. Progress to date	<p>Site and structural conditions in Jubilee Gardens have been established through surveys and liaison with the operators of the adjacent sub-station UK Power Networks (UKPN). This is essential due to its proximity to underground structures.</p> <p>The City is the freeholder of the site, but the land was leased to the London Electricity Board (now UKPN) who then underlet the top 2 metres back to the City. It is the City's intention to ensure all works are within these top 2 metres to avoid trespassing on any UKPN leasehold interest. Where works may interact with the adjacent UKPN asset it is standard practice to obtain their written consent as part of the submission of the construction package/ risk assessment method statement (RAMS).</p>

	<p>Therefore, a legal agreement will be necessary to permit the City to carry out works adjacent to the substation. The parameters of a legal agreement are currently being developed and will be required ahead of the commencement of any improvement works to Jubilee Gardens.</p> <p>Officers also continue to engage with other local stakeholders to agree the build methodology and programme for implementation, to minimise disruption in the area whilst works are underway. Discussions with UKPN have proved positive and welcome improvements to the area.</p> <p>Architects and landscape architects have been appointed (Studio Weave and Tom Massey landscape) and the design has been advanced to RIBA stage 3/4 (detailed design) and visuals and plans are included in Appendix 3.</p> <p>The proposals being developed seek to replace the existing design and layout of the garden that has poor permeability and can be perceived as uninviting. This is typified by a bulky stone clad perimeter wall over a meter in height, inset with railings and stone clad piers that further increase the height of the enclosure.</p> <p>The large brick clad planters in the interior house planting that is shallow, sparse and functional and appears to concede to adjacent UK Power Networks assets lacking a distinctiveness that enhances the setting of the garden.</p> <p>The proposed design includes:</p> <ul style="list-style-type: none"> • Re-landscaping and replacing the existing dated design layout to create a new greener, more attractive space. • Improve access points, paths, reduced boundary wall bulk/height with inset railings. • Upgraded seating designed to complement the new improved accessible pathways throughout the garden and provide opportunities to rest. • A sustainable approach with climate resilience measures that include a sustainable drainage system (SuDs), a green wall to the north of the site that will replace the free-standing planters that currently require greater maintenance than a largely autonomous SuDs system.
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	<ul style="list-style-type: none"> • Re-use of materials where possible including the existing garden soil. To this end a soil specialist has been appointed to advise on the optimal PH balance of soil required to improve planting conditions. This approach will inform the planting schedule for Jubilee Gardens and ensure selected planting will thrive here as well as in the wider City environment.
5. Next steps	<ul style="list-style-type: none"> ○ Finalise agreement with UKPN services to carry out improvements adjacent to infrastructure. ○ Finalise construction package produced in collaboration with external consultants. ○ Undertake targeted stakeholder liaison to inform local users on upcoming works. ○ Develop construction programme with new City's Highways Term contractor. ○ Gateway 5 (delegated) summer 2022 ○ Construction – start on site autumn 2022 utilising City's Highways Term contractor.

Appendices

Appendix 1	Project Coversheet
Appendix 2	City Cluster Programme overview, City Cluster - Well Being and Climate Change resilience Programme
Appendix 3	Site Plan, Existing, Proposed

Contact

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Project Coversheet

[1] Ownership

Unique Project Identifier: TBC (at GW5 when the individual deliverables are fully reported under the City Cluster Vision Programme 2 – Well Being & Climate Change Resilience)

Report Date: 29th April 2022

Core Project Name: City Cluster Vision - Well-being & Climate Change resilience: Jubilee Gardens Improvements

Programme Affiliation (if applicable): N/A

Project Manager: Emmanuel Ojugo

Next Gateway to be passed: Gateway 5

[2] Project Brief

Project Mission statement:

The implementation of the City Cluster Vision is divided between three programmes:

- 1) pedestrian priority and traffic reduction,
- 2) well-being and climate change resilience and,
- 3) activation and engagement.

Jubilee Gardens Improvements is a deliverable project identified within the approved City Cluster Programme 2 – Well-being and Climate Change Resilience. It is one of the high priority projects in this programme as it is one of the few green spaces in the area. The project involves the relandscaping of the Gardens to create a more useable, pleasant, greener and more resilient space. It is being developed in close collaboration with local stakeholders and the City gardens team.

The enhancements are estimated to cost between £500K-£600K and would be funded by the following resources: Cool Streets and Greening programme and Section 106 Agreement of 40 Leadenhall Street.

Definition of need:

In April 2021, Members approved a Gateway 4 report to progress the projects within the City Cluster Programme 2 – Well-being and Climate Change resilience.

Programme 2 is focused on the creation of a greener more welcoming environment, increased climate change mitigation measures, contributing towards an improved pedestrian experience and well-being.

Jubilee Gardens Improvements is one of the projects in this programme and included within this framework. The project involves the delivery of sustainable drainage system through the redesign and relandscaping of the existing Jubilee Gardens that is currently outdated and in need of improvements.

Key measures of success:

- 1) Increase the amount of greenery to help mitigate the impacts of climate change, noise and air pollution and soften the urban environment.
- 2) Deliver more accessible and attractive spaces to rest and spend time in. Improve thermal comfort in the area
- 3) The creation of 'green corridors' along busy pedestrian routes and delivery of sustainable drainage systems (Suds) in line with the Climate Action Strategy.

[3] Highlights**Finance:**

Total anticipated cost to deliver [£]: £500K-£600K

Total potential project liability (cost) [£]: N/A

Total anticipated on-going commitment post-delivery [£]: Maintenance costs will be fully reported at the next gateway (5)

Programme Affiliation [£]: N/A

[A] Budget Approved to Date*	[B] New Financial Requests	[C] New Budget Total (Post approval)
£185,000	£N/A	£500K-600K
[D] Previous Total Estimated Cost of Project	[E] New Total Estimated Cost of Project	[F] Variance in Total Estimated Cost of Project (since last report)
£500,000 - £600,000	£500,000 - £600,000	N/A
[G] Spend to Date	[H] Anticipated future budget requests	
£148,972.57	N/A	

Headline Financial changes:**Since 'Project Proposal' (G2) report:**

▲ The total estimated cost of the project is estimated at £500K-£600K. Full costs will be confirmed at the next Gateway (5).

Since 'Options Appraisal and Design' (G1-2) report:

N/A.

A gateway 4 **Progress Report** is now submitted for Committee for information.

Since 'Authority to start Work' (G5) report:

A Gateway 5 Report is the next report to be submitted on this project.

Project Status:

Overall RAG rating: Green

Previous RAG rating: Green

[4] Member Decisions and Delegated Authority

N/A..

[5] Narrative and change**Date and type of last report:**

In April 2021, Members approved a Gateway 4 report to progress the projects within the City Cluster Programme 2 – Well-being and Climate Change resilience.

Key headline updates and change since last report.

Increase in estimated cost

N/A

Change in programme

N/A

Headline Scope/Design changes, reasons why, impact of change:**Since 'Project Proposal' (G2) report:**

NA.

Since 'Options Appraisal and Design' (G3-4 report):

N/A

Since 'Authority to Start Work' (G5) report:

N/A

Timetable and Milestones:

Expected timeframe for the project delivery: Sept/Oct 2022 – March 2023

Milestones: <Top 3 delivery and planning milestones (upcoming) >

1) Submit Gateway 5 Report – expected June/July 2022

2) Procurement of materials, permits – August 2020

3) Initiate works – Sept/Oct 2022.

Are we on track for this stage of the project against the plan/major milestones? Yes.

Are we on track for completing the project against the expected timeframe for project delivery? Yes. We believe the project can be delivered within the reported time frame.

Risks and Issues

Top 3 risks: <things that have not come to pass>

<i>Risk description</i>	<i>Site conditions affect the City's ability to install street furniture</i>
<i>Risk description</i>	<i>Changes in the City Term Contractor for Environment Department may affect the timetable and resources</i>
<i>Risk description</i>	<i>Local occupiers complain about noise from works</i>

Has this project generated public or media impact and response which the City of London has needed to manage or is managing?

N/A

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The City Cluster delivery framework, is structured around three programmes and focused on the implementation of the City Cluster Vision. In addition, the work supports objectives set out in the Transport Strategy, Climate Action Strategy, Commerce and Culture Taskforce and Recovery Taskforce.

The three programmes are:

Programme 1:
Pedestrian priority & traffic reduction

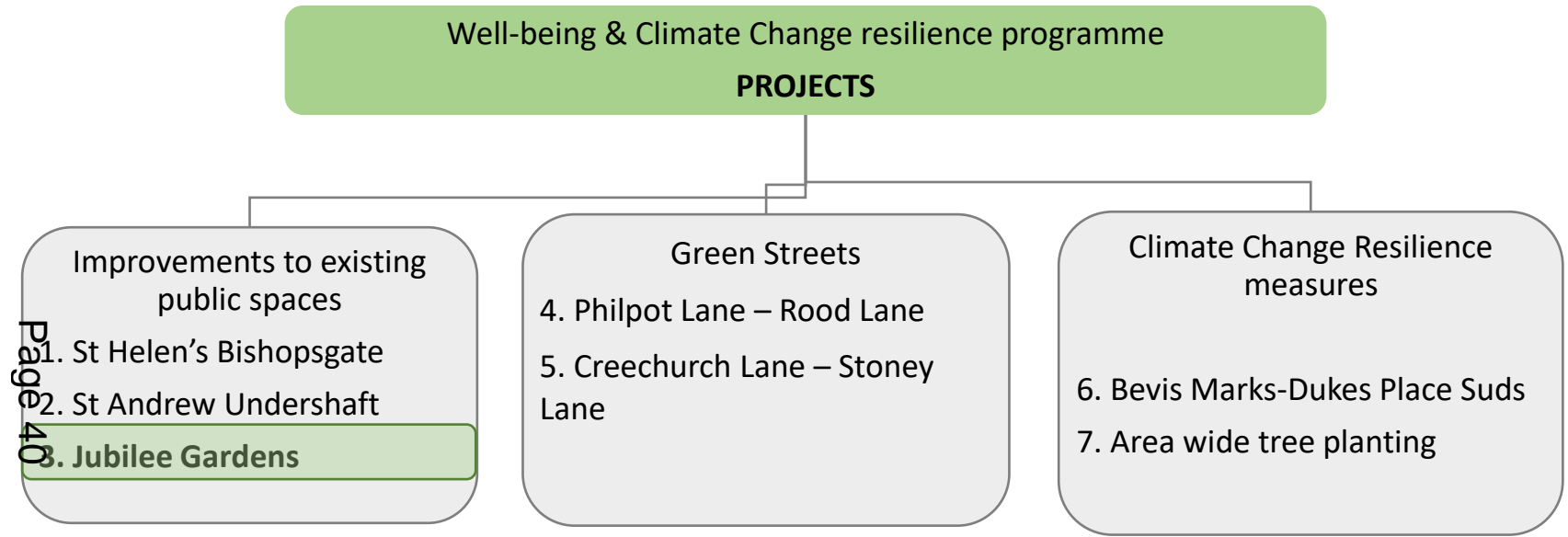
Ensure pedestrian routes can accommodate the projected increases in pedestrians and cyclists flows by rebalancing the street capacity.

Programme 2:
Well-being & Climate change resilience

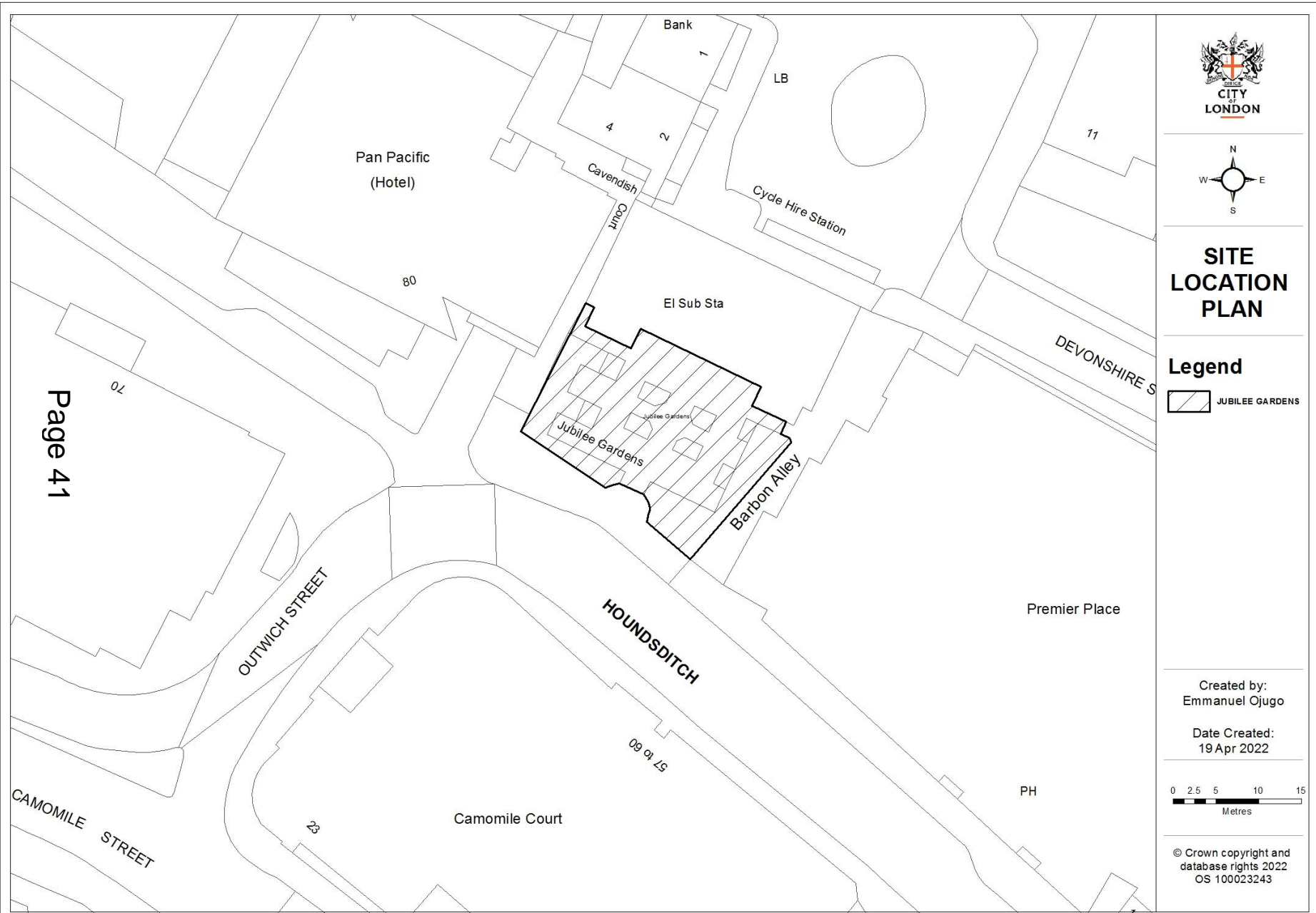
Promote the improvement of public spaces and introduce greenery to deliver an attractive environment.

Programme 3:
Activation & engagement

Deliver public places that are welcoming and inclusive; and encourage public participation and social engagement.



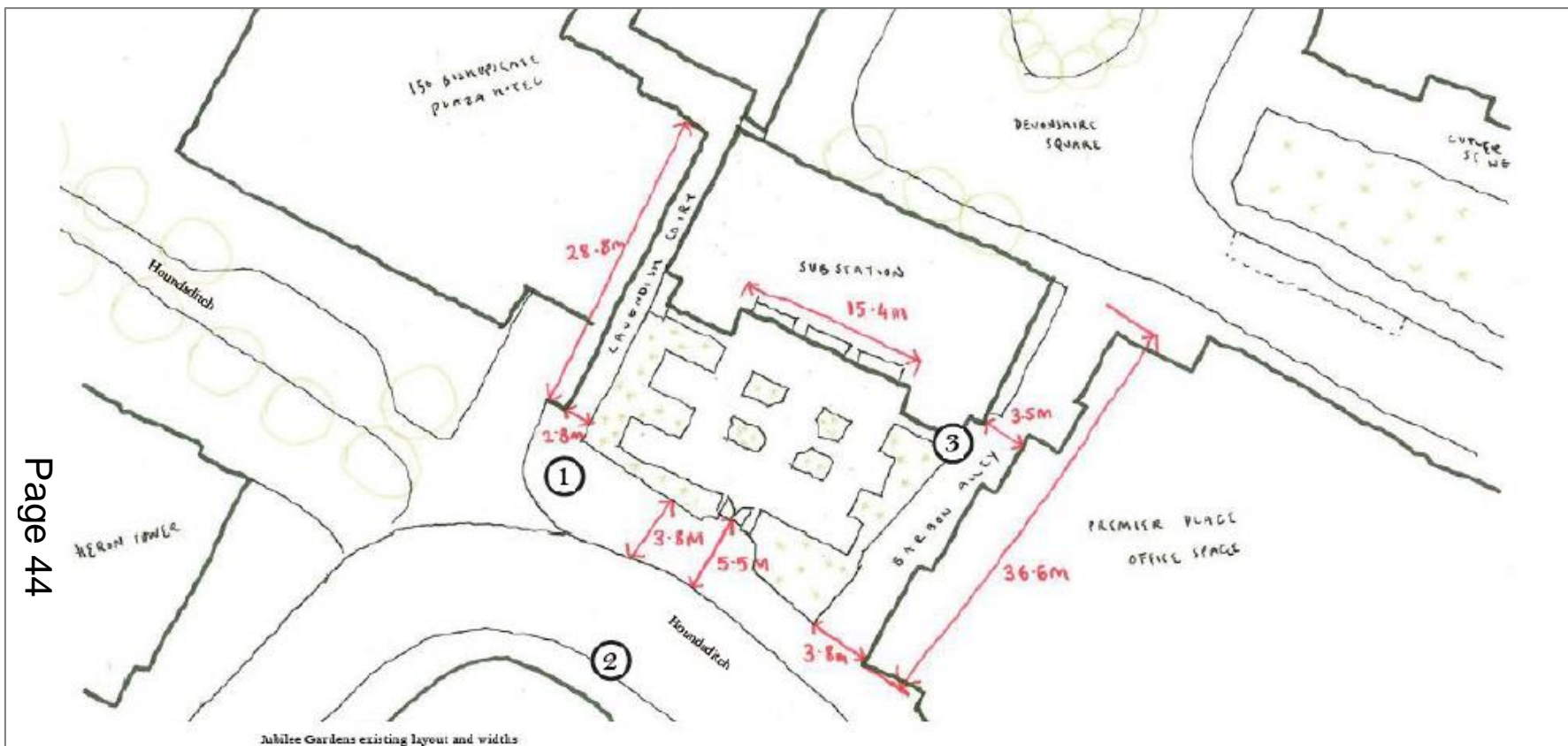
Appendix 3. Site Plan. Jubilee Gardens





Appendix 3. Jubilee Gardens | Existing









Committee(s)	Dated:
Operational Property and Projects Sub Committee	May 30th 2022
Subject: CAS NZ1, NZ3 and RS3 Workstream update for the Operational Portfolio	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	5,11 & 12
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£10,527,715 mix of revenue and capital
What is the source of Funding?	CAS Budget
Has this Funding Source been agreed with the Chamberlain's Department?	Yes
Report of: The City Surveyor	For Information
Report author: Graeme Low	

Summary

This report presents an update on the key actions of the operational buildings workstreams as part of the climate action strategy (CAS). Progress has been made in the following key areas:

- Vital Energi have started a programme of building energy surveys, all fifteen buildings have received initial surveys, with twelve draft reports received.
- Successful £800k Social Housing Decarbonisation Fund bid for William Blake and Southwark Estates.
- Scoping study for whole life cycle carbon assessment complete and the first five assessments will begin in May.
- Appointment of Arcadis to provide assurance and support to City Surveyors led CAS Projects (NZ1, RS3, NZ3 & NZ4).
- One Energy Project Manager post has been filled with one remaining vacancy currently in recruitment.

Recommendation(s)

- Note the progress made on actions within the report.
- Note the Centre of Excellence resource to support the delivery of Climate Action Strategy tasks.

Main Report

Background

1. The Climate Action Strategy (CAS) measured our direct building emissions in 18/19 as 36.4 ktCO₂e, by 2026/7 this must reduce to 15.3 ktCO₂e to reach our net zero target for our corporate properties and Housing portfolio.
CO₂e emissions for Housing and Corporate properties are as follows:

Table 1: Baseline and current carbon emissions by portfolio and 2027 target

Portfolio	Baseline 18/19	12 months to Dec 21	2026/27 Target
Housing	10.6 kt/CO2e	8.0 kt/CO2e	4.5 kt/CO2e
Operational Properties	22.2 kt/CO2e	16.1 kt/CO2e	10.8 kt/CO2e

2. To support this goal, the CAS buildings approach was presented at the April Sub Committee with a series of discrete actions which conjoin to deliver the CAS strategy NZ1, NZ3 and RS3 for the Corporate buildings' portfolio – including housing. These actions are summarised in the table 2 below.

Table 2: NZ1 - Corporate Property and Housing Landlord Areas Actions

1 - Commission building energy surveys – Operational assets & Housing
2 - Develop building controls management strategy
3 - Enhance monitoring and targeting programme
4 - Decarbonisation of Heat
5 - Deep fabric retrofit pilot – Commercial asset
6 - Additional energy specialist resources
7 - Capital programme roll-out

Status Updates

Action 1 Progress: Commission building energy surveys – Operational assets & Housing

Operational

3. Vital Energi are currently undergoing a circa £6m construction project at Guildhall, Barbican, Guildhall School of Music and Drama and London Metropolitan Archives as part of the Public Sector Decarbonisation Scheme (PSDS) project. They are also undertaking additional audits to the top fifteen sites (appendix 1) in support of the Climate Action Strategy. Activities involve high-level assessments of each site, to provide a list of projects that can be immediately undertaken and a list of projects that rely on other existing CoL projects finishing.
4. To date Vital Energi have drafts completed for twelve out of fifteen high level assessment surveys. GSMD, The Barbican and Guildhall all await draft reports due in May. Following this, project packages will be taken forward to 'Investment Grade Proposals' (IGP), contract preparation and construction. All recommendations will be aligned with strategic decisions.
5. As projects already identified move into construction, other projects including those with dependencies will be further developed on a rolling basis. Other sites in the Operational portfolio outside of the top fifteen will also be surveyed for further projects.

Housing

6. The Housing Action Plan has been drafted and presented to Committees for approval in September 2021, this will be returning to the CCS Committee for approval Following the conclusion of the site surveys later in 2022/23.
7. We have identified several potential pilot locations (Cullum Welch House, City of London Alms Houses, Tevatree House, George Elliston and Eric Wilkins House) to trial energy efficiency measures including Insulation; renewable heat; air tightness and ventilation.
8. Survey work has been conducted at the Barbican Residential Estate to evaluate the benefit of improving insulation to soffits, barrel vaulted roofs and internal insulation in general to properties, improvements to heating controls.
9. The Social Housing Decarbonisation Fund (SHDF) bid for William Blake Estate and Sumner Building (Southwark Estate) was successful. The value of this project is £1.6m, with 50% (£800k) grant funding with the remainder funded through the HRA capital works programme (window and door replacements). The proposal provided the best fit with the grant funding criteria. The work is planned to be complete by March 2023

Next Steps – Action 1	
a.	Operational: Completion of energy surveys and development of project delivery plan for Operational properties.
b.	Housing: Commission building surveys and feasibility studies for pilot projects.

Action 2 Progress: Develop building controls management strategy.

10. Work to develop the Building Management System (BMS) Strategy is ongoing and due complete in September 2022. Additional related tasks also include:
 - The Building Advisor (Smart Buildings) platform due to “go live” 1st June 2022 for the Guildhall and LMA
 - BMS Upgrade Stage 1 – Guildhall ventilation is in Construction.
 - BMS Upgrade Stage 2 – Walbrook Wharf and LMA is at GW5 awaiting approval.
 - BMS Upgrade Stage 3 – Remaining Guildhall systems is at GW2.
 - BMS Upgrade Phase 2 – GW2 paper will be presented to OPPSC on 26th May.
 - Guildhall Internet of Things (IoT) sensors – proof of Concept launched April 2022.

Next Steps – Action two	
	Completion to building controls management strategy – Sept 22
	Complete deployment Building Advisor platform and start appraisal benefits.
	Progress BEMS Phase 1 and 2 projects through Gateway process to completion

Action 3 Progress: Enhance monitoring and targeting programme.

11. The TEAM Sigma software has been rolled out, following the successful completion of initial user training. TEAM are now setting benchmarking and targets for individual sites. This will continue to develop throughout the year and include exception reporting to alert building managers to performance issues as they occur.
12. . Installation of new metering will enhance data collection and improve measurement and verification.

Next Steps – Action 3	
	Complete benchmarks and develop league tables for properties.
	Complete analysis of energy usage and correlate to variables such as weather.
	Develop exception reporting at site and sub-site level (depending on data).

Action 4 Progress: Decarbonisation of Heat

13. Citigen - 4MW of heat pumps are now installed and Eon are moving into a long-term period of seasonal commissioning – Eon estimate 25% carbon reduction following the commissioning process.
14. Operational estate – Capital works assessment being undertaken by PSDS partners to remove/ reduce fossil fuel derived heat provision.. Further discreet feasibility studies will shortly be developed.
15. Housing – Additional consultancy work will be commissioned as part of the programme to review opportunities focused on reducing fossil fuel-based heat provision.

Next Steps – Action 4	
a.	Identify additional funding streams for decarbonisation support.
b.	Continue with Citigen decarbonisation studies prior to review period in 2024.
c.	Undertake review of housing opportunity.

Action 5 Progress: Deep fabric retrofit pilot – Corporate asset

16. This project will be a proof of concept to inform our wider design and resilience standards. Scoping and delivery will be driven by the dedicated design resource within the Centre of Excellence.

Action 6 Progress: Additional energy specialist resources.

17. A review of the Centre of Excellence (CoE) structure and roles has been completed. We have recruited one of two Energy Project Managers to support the delivery of NZ1 interventions, the second role is still a live vacancy. The Centre of Excellence is now embedded with support from Arcadis across three key areas. Support for Housing and Building Management Expertise is likely to be resourced via alternative providers in the coming weeks.

18. We anticipate the CoE will be fully resourced from June with the following:

Centre of Excellence roles	
Sustainable Investment Property Specialist – Arcadis (in place)	Heat Decarbonisation Engineering Support – Arcadis (in place)
Resilience and Sustainable Design – Arcadis (in place)	Energy Project Services (Housing) - TBC
Building Management Systems Operations – Schneider or Arcadis	Monitoring and Targeting – Team Energy Auditing (in place)

19. This resource will also address the NZ3 and RS3 work streams plus the Investment portfolio (NZ4) approach.

Next Steps – Action 6	
a.	Appointment of remaining Energy Project Manager and remaining resource requirement for BMS and Housing project manager.
b.	Actions 1,2,3,4 & 5 are reliant on a fully resourced Centre of Excellence.

Action 7 Progress: Capital programme roll-out

20. The main capital programme roll-out will flow from opportunities identified in the energy surveys. It should be noted that existing carbon saving projects are also currently in progress with the £9.5m PSDS project (completing in August 2022), Phase 1 & 2 of the Energy Reduction Programme (completion 22/23) and £4.5m Guildhall Cooling replacement project (completion expected summer 23).

Next Steps – Action 7	
a.	Project resource requirement to be addressed as per the CAS project plans and embedded within the CSD Surveying and Engineering Projects team.

NZ3 Capital Projects Design Standards and RS3 Resilient Buildings

21. The Energy and Sustainability Team are working closely with the Capital Projects team and consulting with DBE to identify synergies and opportunity for shared working. Arcadis have been appointed to develop technology and design standards which will be delivered in Q2 and Q3, respectively. Embedding these standards will begin in October, completing in March 2023. Climate Impact modelling will also begin in May and will provide a digital twin of our buildings, highlighting the impact of resilience risks such as overheating, drought and flooding. This modelling will inform the resilience action plan which is planned for completion by Q3.

Project support activities

22. Arcadis have been appointed by the City Surveyor, to provide project support across each individual project (NZ1, RS3 & NZ3). Aligned to this brief, support will be in place to cover initial assurance support; ongoing assurance; establishing and promoting the Centre of Excellence and to lead the development of an auditable

energy management system. The assurance support will be extended through to November 2022.

Key Risks

Risk	Mitigation
Delays in securing resource Impacts project delivery.	Review of Centre of Excellence completed to address this issue.
Funding gap emerges following investment grade proposals.	Existing funding to be complemented with grant funding applications. Investigate Energy Performance Contracts option to minimise capital investment.
Carbon grid factors adversely affected.	Keep in review BEIS grid factors and their impact on reach the 2026/27 Targets.

Corporate & Strategic Implications

Strategic implications:

23. This suite of actions drives the objectives of the Climate action strategy, buildings stream and will provide linkage and co-ordination with ongoing property management, capital schemes and cyclical works

Financial implications:

24. The CAS tasks in this report are covered within the overall Climate Action Strategy programme. Capital and resource costs are estimated at £21m for the 6-year term for the tasks related to these project plans. This funding forms part of the £68m agreed at RASC and P&R committees in September 2020.

Climate implications:

25. This action stream will deliver the Net zero carbon goals of the Corporation and support the climate residence goals of the broader programme

Conclusion

26. The City Surveyor has commenced the mobilisation and is moving into the delivery stage of the four workstreams, three being relevant to this Sub Committee. We have encountered constraints around the supply of resource which has led to a review of the Centre of Excellence, a flexible approach continues to be necessary to secure the right mix of skills and experience needed. This approach will support our need to move the programme forward and meeting key milestones.

Report author

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Appendix 1

List of top 15 Corporate sites for assessment

Site	tCO2 2019	tCO2 2020	GIA (M ²)
Guildhall Complex	3,008	2,588	65,952
Barbican Arts Centre	3,002	2,375	83,027
London Central Market (Smithfield)	3,094	2,223	75,035
Central Criminal Court	1,716	1,435	38,553
New Spitalfields Market (Landlords)	1,560	1,409	36,217
City of London Freeman's School	909	832	23,352
Billingsgate Market	816	726	16,795
City of London School	609	595	19,745
City of London School for Girls	524	520	10,829
Walbrook Wharf Cleansing Depot	354	401	18,230
Tower Bridge	489	397	4,253
GSMD - Milton Court	537	389	13,103
Mansion House	431	349	8,235
GSMD	420	317	10,795
London Metropolitan Archives	259	263	14,467

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Committee(s)	Dated:
Operational Property and Projects Sub Committee	30 th May 2022
Subject: 2021/22 Energy & Decarbonisation Performance Q3 Update for the Operational Portfolio	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	5,11 & 12
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	£ n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of: The City Surveyor	For Information
Report author: Graeme Low	

Summary

This report presents the 2021/22 Quarter 3 energy performance for CoL operational sites.

The continued reduction in 2021/22 was largely due to the reduction in building related activities and operations. In addition, work by both the sites and the Energy Team has enabled these savings to be secured. Please note, for the purposes of comparable analysis we have also shown the reduction from 2019 figures. The pandemic impact in 2020 is a performance outlier.

- The Q3 result for 2021/2022 was a 16% reduction in energy consumption from Q3 2019/2020 when corrected for the impact of weather.
- Compared to the 2018/2019 Climate Action Strategy (CAS) baseline year, energy consumption reduced by 15% in absolute terms.
- Since 2018/2019 the entire portfolio CO₂ emissions have reduced by 10,059 tonnes (28% reduction), achieved through a combination of grid decarbonisation, energy reduction in buildings, disposals, and reduced occupancy levels due to covid.

Recommendation(s)

- Note new carbon and energy targets for operational buildings derived from the CAS targets as shown in the Appendix.
- Note the progress of £9.4m BEIS grant, covering 100% of capital investment needed for the PSDS project.
- Note substantial progress towards the completion of PSDS projects.

Main Report

Background

1. At CASC on 24th November 2021 the 21/22 Q2 Energy performance report was presented. This identified the rolling 12-month energy performance to Q2 as a 24% improvement on the weather corrected values for the Climate Action Baseline year of 2018/19.

2. This saving was due to the temporary closure of buildings due to the Covid-19 lockdown which occurred across this period, as well as active management of the BEMS by the Energy Team.
3. The CAS targets have now been incorporated into the Energy Performance report, replacing the previous Carbon Descent Plan targets for the Operational buildings.
4. The Public Sector Decarbonisation Scheme (PSDS) projects have supported this goal and all projects on the PSDS programme have reached GW5 or beyond. The RA-W project, covering the majority of PSDS works commenced in September 2021 and are due to Complete in August 2022. Vital Energi Ltd., who are delivering the RA-W Project works have continued to survey other key Operational assets for carbon reduction measures that can feed into the CAS Operational Buildings project plan.

CAS Target Alignment

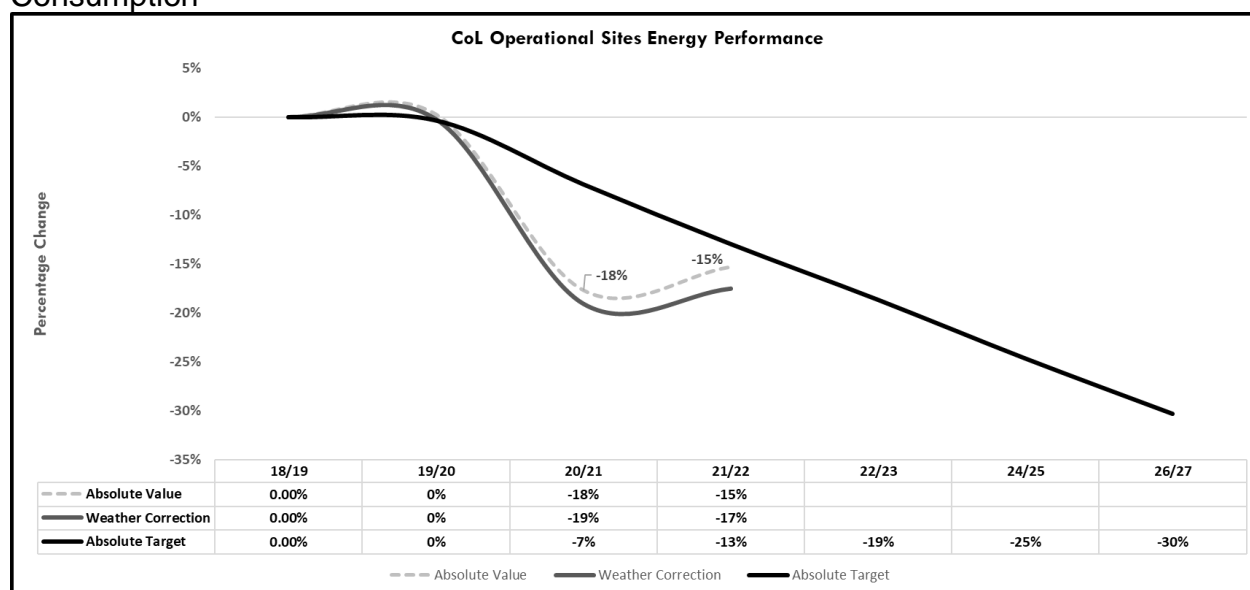
5. The Energy Team continue to collaborate with CAS on best practice methodologies for reporting KPI's and achieving overall CAS targets. The CAS buildings baseline includes the following:
 - Operational property portfolio; and
 - Landlord supplies to housing estates and investment properties.
6. Approximately 60% of emissions relate directly to the operational property portfolio.
7. To achieve CAS Net Zero CO2 target by 2027, any remaining unavoidable emissions will be mitigated via land-based carbon sequestration from our green spaces. These targets are translated into energy and CO2, see chart 1 and chart 2 below.

Current Position

There has been a gradual increase in consumption since the previous two quarters due to the return to normal operations. The impact of PSDS Energy saving projects will not be fully realised until later in 22/23. However, we remain on track to reach our CAS targets.

Performance Update

Chart 1. Q3 Performance Against CAS Target: Absolute and Weather Corrected kWh Consumption

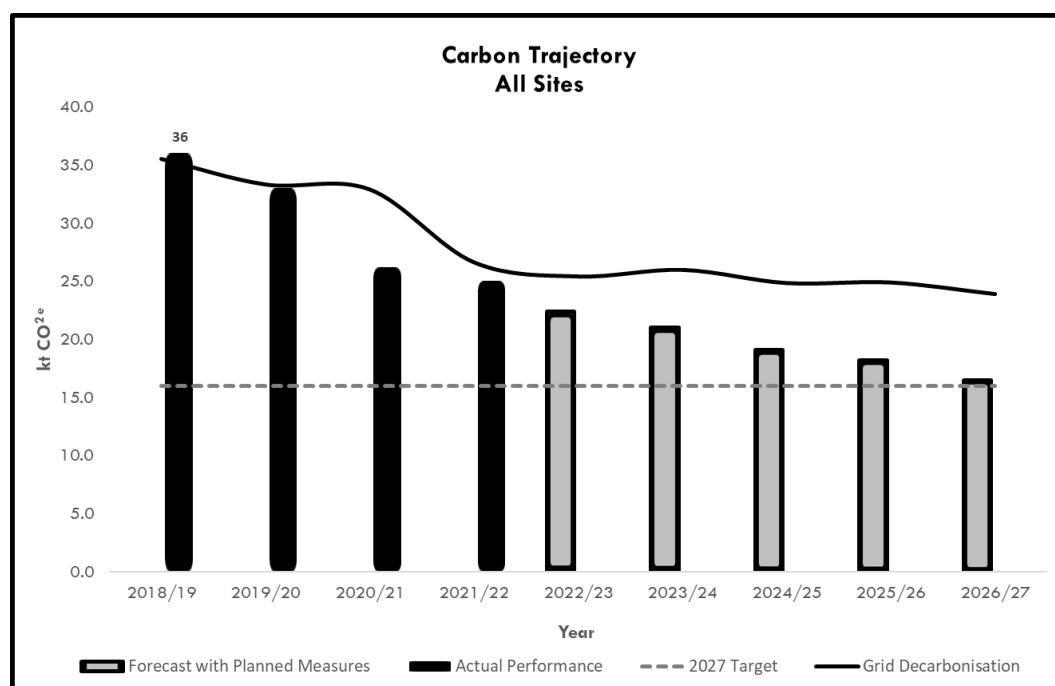


8. **Long term:** Chart 1 presents updated operational building targets to reflect 2018/2019 baseline data in conjunction with the Climate Action Strategy. It shows continued progress towards the interim target. Compared to the 2018/2019 baseline, the performance up to Q3 2021/2022 indicates:
- A 15% reduction in absolute energy consumption; and
 - A 17% reduction when corrected for the weather

A Comparison of energy performance for Q3 2021/22 and Q3 2019/2020 shows a weather corrected reduction of 16%. This provides a pre-pandemic comparison; further details can be found in table 1 of the appendix.

Chart 2 presents progress towards the 2027 carbon target for the Corporation's portfolio and shows:

- A saving of 10,059 tonnes of CO₂ or a 28% reduction from 2018/2019



The following provides a synopsis of Chart 2:

- The savings since 2018/19 demonstrate a positive start for the Climate Action Strategy 2027 Net Zero Carbon target. Focusing on the delivery of PSDS projects (table 4 of Appendix) in the short-term and a full pipeline of projects from 2022 onwards will limit any short term rises in consumption and emissions as we return to more sustained use of our buildings.
- Building stock changes and improved control of our energy usage through Building Management System (BMS) control improvement within buildings has played a key role in capturing these savings.
- Item 10 of the appendix provides an overview of the Operational property carbon performance, without Landlord emissions for Housing and IPG portfolios. This currently shows 16.1KtCO₂e of emissions, a reduction of 6.1KtCO₂e or 27.5% since 2018/19. This

keeps the Operational property portfolio on track to support the City Corporation's net zero carbon targets for 2026/27.

Table 1. Overall performance Q4 Top 5 and bottom five sites – Weather corrected

Top 5 Best Performing Sites Weather Corrected	Dec-19	Dec-20	Dec-21	Difference kWh 19 vs 21	Diff % 19 vs 21
Barbican Arts Centre	18,376,851	15,378,279	13,617,363	-4,759,488	-26%
London Central Market (Smithfield)	14,836,981	10,661,417	10,330,529	-4,506,452	-30%
Guildhall Complex	17,373,432	18,922,339	14,255,097	-3,118,335	-18%
Streetlighting	3,365,904	2,390,058	2,029,741	-1,336,163	-40%
New Spitalfields Market (Landlords)	6,705,459	6,046,452	5,824,980	-880,479	-13.1%
Bottom 5 Performing Sites Weather Corrected	Dec-19	Dec-20	Dec-21	Difference kWh 19 vs 21	Diff % 19 vs 21
Open Spaces Epping Forest	994,652	1,588,657	1,363,983	369,331	37.1%
Walbrook Wharf Cleansing Depot	1,684,201	1,882,680	1,962,451	278,251	16.5%
Bishopsgate Police Station	1,441,099	877,227	1,614,720	154,388	-10.2%
London Metropolitan Archives	3,220,999	3,555,327	3,375,387	145,684	4.8%
Mayors Court	1,277,259	1,519,882	1,422,943	66,306	11.4%

12. Table 1 above provides a snapshot of the highest energy reductions and the greatest increases within the top thirty buildings over the past 12 months to December, when compared to the previous 12 months. The full list of the top thirty site performance and performance overview for bottom five increases can be found within table 1 of the Appendix.
13. The top sites have continued to show a reduction due to improved controls and implementation of energy saving measures. For example, New Spitalfields Market have replaced common part lighting with LED and have continued to provide education to the tenants. The Streetlighting team have actively replaced and upgraded to LED/dimming controls where possible. There has also been increased vacancy following the pandemic at Smithfield Market, combined with active measures to minimise consumption where not required.
14. Increased occupancy at London Metropolitan Archives, Epping Forest and Bishopsgate Police station is thought to be the reason for the increase in consumption. The energy team continue to collaborate with the sites to support reduction projects and provide training opportunities via webinars. Open Spaces has increased due to a full complement of staff and increased usage/charging of Electric battery tools, which has led to increases in electricity usage from associated supplies.

Energy Team & Other Activity

Progress on Energy projects

15. **The PSDS Project:** Our progress with Vital Energi appointed contractor introducing energy saving measures at the Barbican Arts Centre, LMA, GSMD & the Guildhall through the PSDS project is nearing completion with four out of seven sub-projects completed and the remaining project expected to complete by August 22. These projects are expected to save an additional 850 tonnes of CO₂e per annum. Verification of these savings is expected at gateway 6 in 2022. An estimated date of completion for the PSDS projects is presented in item 4 of the appendix.

16. **Energy Supply contract procurement:** Gas and Electricity Contracts have been procured for the period October 2021 -2025 Our purchase in advance approach helps to mitigate the risk of price inflation by procuring volume incrementally when the market dips. This approach is expected to return a market reflective price. We are currently procuring October 22 – September 23 volume in the run up to October 22. We have seen large upswings in energy markets since the beginning of the calendar year. The introduction of the PPA will help mitigate the full impact of electricity prices rises when this begins operating in the Autumn.
17. **PPA:** The PPA contract has now been agreed with Voltalia UK Ltd., Work on site at the South Farm Solar site near Blandford Forum is now well advanced with foundations, structures and modules being installed and access roads all established. Recently work has progressed with the electricity sub-station. Once operational, the PPA will provide over 50% of our electricity at ~ £37 MWh in 22/23 compared to the current market rates for electricity of ~£200 MWh.

Corporate & Strategic Implications

18. **Strategic implications:** Energy performance is linked to resilience and helps ensure business continuity through reduced pressure on the energy infrastructure within the square mile. We support a thriving economy through ensuring environmental responsibility in this way. Our energy performance helps to shape outstanding environments through the reduction of CO₂ emissions and our commitment to procuring clean renewable energy. In this way our energy performance helps shape outcomes 5, 11 and 12 of the Corporate Plan.
19. **Financial implications:** The savings in this report detail reductions in energy consumption and not against agreed budgets. They remain largely due to reduced energy usage due to the pandemic. We anticipate these will reduce as staff return to work. In addition, energy costs are projected to increase over the next year due to external factors, although the PPA agreement is expected to provide some relief commencing Autumn 2022. For longer sustainable gains the focus needs to be on improving efficient use of energy, through targeted investment in energy saving measures. Note that savings from the PSDS project will be transferred to the Build Back Better fund for re-investment with further projects.

Conclusion

20. The Energy performance within Q3 remains below the long-term trajectory needed to meet our CAS targets for 2027. Whilst some of the reductions are being clawed back following the pandemic. We continue to mobilise workstream (NZ1) related to operational buildings within the Climate Action Strategy and ensure delivery of the projects that form part of the PSDS project by Q2 2022/23. We remain confident that we can absorb the impact of the reoccupation of our building stock. Our new targets are challenging but achievable, requiring action in all areas of the Corporation to ensure we meet our planned objectives.

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Appendix

1. Top 30 Site Energy Performance & Bottom 5 Performance Overview

Performance comparison by top 30 sites: Q3 2021/22 with Q3 2020/21 and 2019/2020

Note: performance includes the years 19/20 to display the impact of covid and provide a fair comparison.

Weather Corrected Data

Rolling 12 month comparison: 12 months to December 21 versus 12 months to December 20 and December 19

Row Labels	Sum of Dec-19	Sum of Dec-20	Sum of Dec-21	kWh Difference 20 Versus 21	kWh Difference 19 Versus 21	% Change 20 vs 21	% Change 19 vs 21
Animal Reception Centre	751,067	762,429	756,896	- 5,534	5,829	-1%	1%
Barbican Arts Centre	18,376,851	15,378,279	13,617,363	- 1,760,916	- 4,759,488	-11%	-26%
Baynard House Car Park	164,268	165,070	164,912	- 158	644	0%	0%
Billingsgate Market	3,823,144	3,438,748	3,464,910	26,162	358,234	1%	-9%
Bishopsgate Police Station	3,220,999	3,555,327	3,375,387	- 179,939	154,388	-5%	5%
Central Criminal Court	6,806,868	5,857,282	6,545,577	688,295	261,291	12%	-4%
City of London Crematorium	3,316,962	3,514,572	2,785,623	- 728,949	531,339	-21%	-16%
City of London Freeman's School	4,674,700	3,838,078	4,189,709	351,631	484,991	9%	-10%
City of London School	3,268,611	2,942,695	3,070,798	128,103	197,813	4%	-6%
City of London School For Girls	2,457,240	2,059,215	1,755,872	- 303,343	701,367	-15%	-29%
GSMD	1,960,494	1,350,961	1,847,736	496,775	112,758	37%	-6%
GSMD - Milton Court	3,311,184	2,695,107	3,368,252	673,144	57,067	25%	2%
GSMD - Sundial Court	1,798,269	1,468,709	1,614,720	146,011	183,550	10%	-10%
Guildhall Complex	17,373,432	18,922,339	14,255,097	- 4,667,241	3,118,335	-25%	-18%
London Central Market (Smithfield)	14,836,981	10,661,417	10,330,529	- 330,888	4,506,452	-3%	-30%
London Metropolitan Archives	1,277,259	1,519,882	1,422,943	- 96,939	145,684	-6%	11%
London Wall Car Park	222,445	219,947	213,757	- 6,190	8,689	-3%	-4%
Mansion House	2,138,532	2,107,232	2,076,265	- 30,967	62,267	-1%	-3%
Mayor's Court	211,852	259,335	278,159	18,823	66,306	7%	31%
New Spitalfields Market (Landlords)	6,705,459	6,046,452	5,824,980	- 221,472	880,479	-4%	-13%
New Street (21)	1,527,569	1,099,912	1,317,406	217,494	210,163	120%	-14%
Open Spaces East Heath & Kenwood	192,166	188,030	202,747	14,718	10,581	8%	6%
Open Spaces Epping Forest	994,652	1,588,657	1,363,983	- 224,675	369,331	-14%	37%
Open Spaces Golders Hill & Extension	400,438	370,240	356,227	- 14,013	44,211	-4%	-11%
Open Spaces Hampstead Heath Leisure	688,100	582,670	605,108	22,438	82,991	4%	-12%
Open Spaces Parliament Hill	284,855	263,747	263,354	- 393	21,501	0%	-8%
Streetlighting	3,365,904	2,390,058	2,029,741	- 360,317	1,336,163	85%	-40%
Tower Bridge	2,330,657	2,069,938	1,917,671	- 152,267	412,986	-7%	-18%
Tower Hill Coach & Car Park	551,307	495,338	391,580	- 103,758	159,727	-21%	-29%
Walbrook Wharf Cleansing Depot	1,684,201	1,882,680	1,962,451	79,772	278,251	4%	17%
Grand Total	108,716,467	97,694,349	91,369,753	- 6,324,596	- 17,346,713	-6%	-16%

2. Bottom 5 Performing Sites

Weather Corrected data

Bottom 5 Performing Sites Weather Corrected	Dec-19	Dec-20	Dec-21	Difference kWh 19 vs 21	Diff % 19 vs 21
Open Spaces Epping Forest	994,652	1,588,657	1,363,983	369,331	37.1%
Walbrook Wharf Cleansing Depot *	1,684,201	1,882,680	1,962,451	278,251	16.5%
Bishopsgate Police Station	1,441,099	877,227	1,614,720	154,388	-10.2%
London Metropolitan Archives	3,220,999	3,555,327	3,375,387	145,684	4.8%
Mayors Court	1,277,259	1,519,882	1,422,943	66,306	11.4%

* includes tenant consumption. Tenant consumption is further broken down in section 9

3.CO₂ Targets for City of London Corporation

City of London (own operations)	Units	Scope	2018	2019	2020	2021	2022	2023	2024	2025	2026	2030	2035	2040
Corporate Properties and Landlord Area Carbon Removals and Land Management (Scope 1)	ktCO ₂ e	Scope 1 & 2	36.4	33.9	30.4	24.4	22.8	19.4	18.1	17.0	14.85	7.2	4.5	3.1
Total net zero emissions	ktCO ₂ e	Scope 1 & 2	20.2	17.7	14.2	8.19	6.54	3.18	1.83	0.76	-2.79	-10.5	-13.1	-14.6
Net (negative removed)	ktCO ₂ e	Scope 1 & 2	16.2	16.2	16.2	16.2	16.2	16.2	16.2	16.2	17.6			
% reduction against baseline year	%	Scope 1 & 2	0%	-7%	-16%	-33%	-37%	-47%	-50%	-53%	-59%			
Target amount to reduce in period	ktCO ₂ e	Scope 1 & 2					13.6		4.7		3.2			
% of target to deliver in that period	%	Scope 1 & 2					63%		22%		15%			
Total target amount to reduce	ktCO ₂ e	Scope 1 & 2									21.5	To be reduced by 2026/7		

4. Timetable for the completion of PSDS Projects

Project	Practical Completion
RA-W	Aug-22
Guildhall Ventilation	Aug-22
Guildhall Sub-Metering	Complete
Guildhall Chilled Water Modifications	Complete
LMA Ventilation	Complete
Building Analytics Software	June-22
Energy Software	Complete

5. List of Key sites in an energy performance partnership with Vital Energi

Guildhall Complex	City of London School	London Metropolitan Archives
Barbican Arts Centre	City of London School for Girls	Tower Hill Car Park
London Central Market (Smithfield)	Walbrook Wharf Cleansing Depot	GSMD – Sundial Ct
Central Criminal Court	Tower Bridge	
New Spitalfields Market	GSMD - Milton Court	
City of London Freeman's School	Mansion House	
Billingsgate Market	GSMD	

High Level Assessments of 13 of the above sites have been completed, with further surveying on the remainder. Following this, projects will be selected to enter into investment grade proposal. Projects under consideration will typically include (but not limited to):

- Energy efficient lighting and controls
- Improvements to HVAC systems
- Optimisation and improvement of BMS controls
- Hydraulic and pumping optimisation
- Low carbon heating
- Renewables
- Fabric measures and draught proofing

6. Cumulative Forecast Carbon Savings

		Carbon Savings - Cumulative (tCO ₂ e/yr)								
		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
PSDS	Gas	0	0	0	0	358	357	355	354	353
	Elec	0	0	0	0	595	622	579	585	548
	Citigen Heat	0	0	0	0	93	88	83	78	73
	Citigen Coolth	0	0	0	0	88	92	85	86	81
Phase 1 & 2	Gas	0	0	0	0	7	7	7	7	7
	Elec	0	0	0	0	93	97	91	91	86
	Citigen Heat	0	0	0	0	18	17	17	16	15
	Citigen Coolth	0	0	0	0	4	5	4	4	4
Energy Saving Loan scheme	Elec	23	21	19	15	14	14	13	13	12
GHC Chillers	Elec	0	0	0	0	0	179	166	168	157
Operational management	Gas	0	348	347	349	365	387	409	431	453
	Elec	14	355	351	277	290	348	367	413	427
	Citigen Heat	0	0	120	71	86	104	119	132	143
	Citigen Coolth	0	14	362	278	271	301	297	316	312
CAS	Gas				0	153	598	885	1,170	1,451
	Elec				0	356	1,192	1,527	1,963	2,233
	Citigen Heat				0	50	188	266	334	392
	Citigen Coolth				0	38	145	196	259	300
Total		37	738	1,200	991	2,879	4,740	5,467	6,421	7,045

7. Cumulative Forecast Energy Cost Savings

		Energy Cost Savings - Cumulative (£/yr)								
		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
PSDS	Gas	£ -	£ -	£ -	£ -	£ 59,733	£ 62,127	£ 65,295	£ 68,482	£ 69,359
	Elec	£ -	£ -	£ -	£ -	£ 530,581	£ 535,785	£ 539,696	£ 549,928	£ 565,152
	Citigen Heat	£ -	£ -	£ -	£ -	£ 81,950	£ 85,235	£ 89,581	£ 93,953	£ 95,156
	Citigen Coolth	£ -	£ -	£ -	£ -	£ 51,278	£ 53,333	£ 56,053	£ 58,788	£ 59,541
Phase 1 & 2	Gas	£ -	£ -	£ -	£ -	£ 1,197	£ 1,245	£ 1,308	£ 1,372	£ 1,390
	Elec	£ -	£ -	£ -	£ -	£ 82,928	£ 83,741	£ 84,352	£ 85,951	£ 88,331
	Citigen Heat	£ -	£ -	£ -	£ -	£ 16,327	£ 16,982	£ 17,848	£ 18,719	£ 18,959
	Citigen Coolth	£ -	£ -	£ -	£ -	£ 2,557	£ 2,659	£ 2,795	£ 2,931	£ 2,969
Energy Saving Loan scheme	Elec	£ 11,274	£ 11,761	£ 11,941	£ 11,670	£ 12,046	£ 12,164	£ 12,253	£ 12,485	£ 12,831
GHC Chillers	Elec	£ -	£ -	£ -	£ -	£ -	£ 153,895	£ 155,018	£ 157,957	£ 162,330
Operational management	Gas	£ -	£ 54,948	£ 51,159	£ 52,052	£ 60,857	£ 67,430	£ 75,211	£ 83,437	£ 89,120
	Elec	£ 6,710	£ 197,716	£ 218,471	£ 222,830	£ 258,881	£ 300,294	£ 341,644	£ 388,021	£ 439,767
	Citigen Heat	£ -	£ -	£ 51,193	£ 56,795	£ 75,794	£ 100,687	£ 128,789	£ 159,164	£ 185,600
	Citigen Coolth	£ -	£ 7,596	£ 139,209	£ 143,242	£ 158,752	£ 175,289	£ 194,918	£ 215,644	£ 229,763
CAS	Gas				£ -	£ 25,566	£ 104,107	£ 162,729	£ 226,368	£ 285,455
	Elec				£ -	£ 317,748	£ 1,027,204	£ 1,422,736	£ 1,844,884	£ 2,301,889
	Citigen Heat				£ -	£ 43,869	£ 182,512	£ 287,727	£ 402,360	£ 509,390
	Citigen Coolth				£ -	£ 22,443	£ 84,502	£ 128,555	£ 176,513	£ 220,992
Total		£ 17,984	£ 272,021	£ 471,974	£ 486,589	£ 1,802,507	£ 3,049,193	£ 3,766,507	£ 4,546,958	£ 5,337,992

8. Energy Reduction Programme Phase 1 & 2 Estimated savings

Phase 1 & 2			
Energy Reduction Programme - Phase 1	Budget (incl. risk)	Savings (£/yr)	Savings (tCO2e/yr)
Tower Hill Car Park Lighting	£121,440	£19,273	29
CCC Lighting	£181,703	£43,239	48
Smithfield Car Park Lighting	£90,600	£15,543	25
Energy Reduction Programme - Phase 2			
Smithfield HVAC Upgrades	£186,111	£31,622	37
London Metropolitan Archives Air Conditioning	£15,560	£2,770	33
Central Criminal Court	£3,241	£2,758	14
Mansion House Lighting	£66,568	£13,899	9
Tower Hill Coach & Car Park Ventilation Control	£113,652	£19,155	32

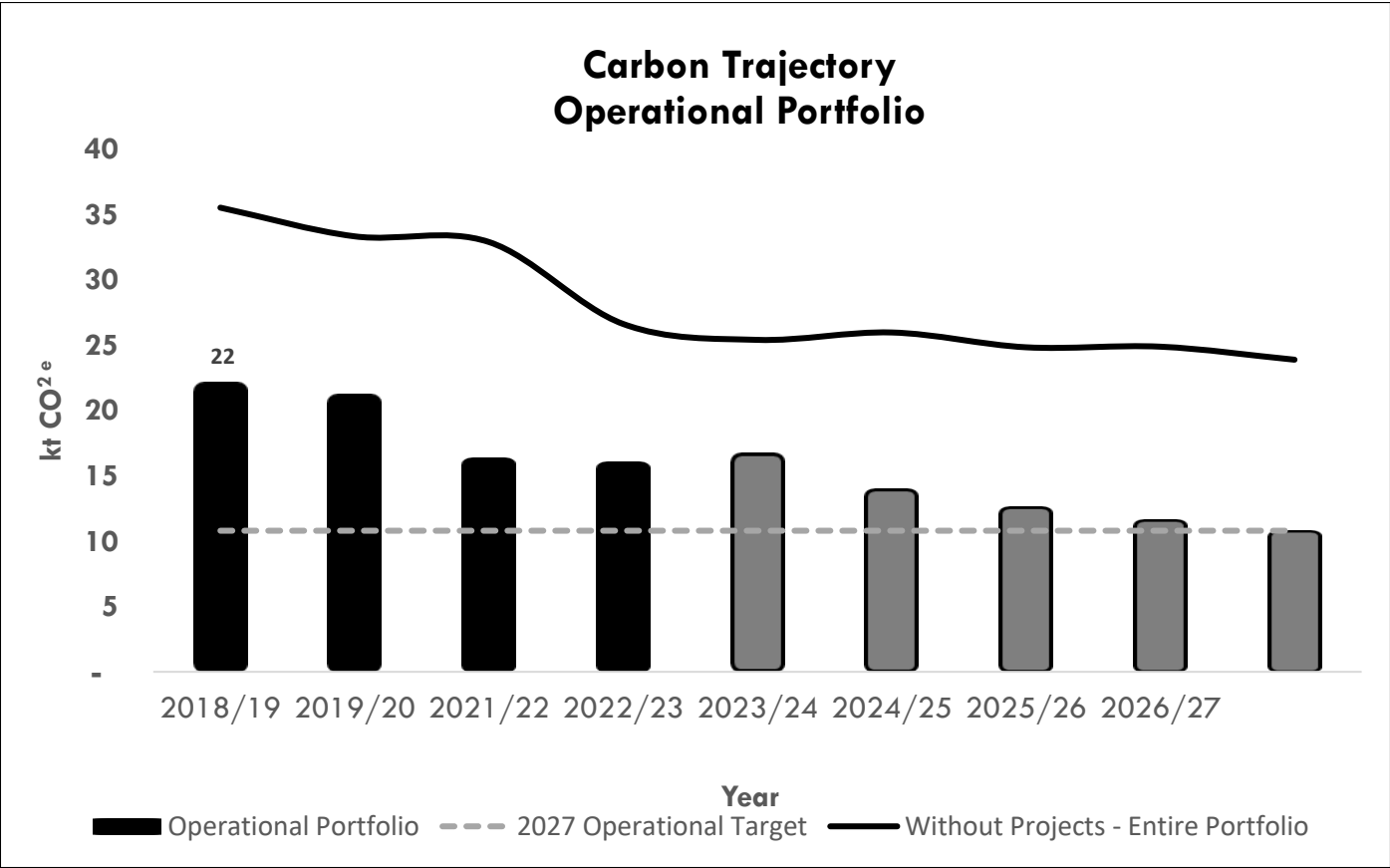
9. Tenant Consumption

Note: This table has been newly created due to feedback from stakeholders requesting information about tenant and landlord consumption.

Tenant Consumption figures (kWh)		April - June 2021 Q1	July - Sept 2021 Q2	Oct - Dec 2021 Q3
Electricity	Billingsgate Market	31,845	373,310	303,367
Gas	Billingsgate Market	202,690	50,789	190,709
Electricity	London Central Market (Smithfield)	1,193,433	1,777,086	1,340,800
Electricity	New Spitalfields Market (Landlords)	1,262,768	1,507,878	1,177,265
Electricity	Walbrook Wharf	20,110	28,023	29,760

10. Operational Properties Only

The black bars represent operational portfolio carbon. The grey bars represent projected carbon. The black line shows actual carbon and projected carbon for the City’s entire portfolio, including operational, investment and housing.



Committee(s)	Dated:
Property Investment Board – For information Operational Property and Projects Sub Committee – For information	13 May 2022 30 May 2022
Subject: City Surveyor's Business Plan 2021-26 Quarter 3 2021/22 Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	4, 7, 12
Does this proposal require extra revenue and/or capital spending? N/A	N
If so, how much? N/A	N/A
What is the source of Funding? N/A	N/A
Has this Funding Source been agreed with the Chamberlain's Department? N/A	N/A
Report of: The City Surveyor (CS123/22)	For Information
Report author: John Galvin / Faith Bowman City Surveyor's Department	

Summary

This report provides Members of Property Investment Board (PIB) and Operational Property and Projects Sub Committee (OPPSC) details of progress in quarter 3 (October to December) 2021/22 against the 2021-26 Business Plan.

The election purdah period has meant that the presentation of this report has been delayed. Therefore, whilst this is the formal quarter 3 update report, wherever it is possible to include quarter 4 data (January to March), this has been noted. The regular quarter 4 report will be presented to Committees later in the year.

The report also provides Members with an update on the commercial property market and a financial statement.

For quarter 3, five key performance indicators (KPIs) were ahead of target (green), four were marginally behind target (amber) and four items were not assessed in the period. One final measure is only reported at the end of the reporting year.

The amber indicators were as follows:

- KPI. 1 – Asset Realisation and Additional Income (OPPSC)
- KPI. 3 – Space utilisation (OPPSC)
- KPI. 6 – Capital Projects risks status (OPPSC and PIB)
- KPI. 14 – Digital infrastructure strategy (OPPSC and PIB)

It should be noted that KPI. 3 has data available for quarter four, where it ended the year ahead of target (green).

The financial position at quarter 3, set out in Appendix A, reveals that the City Surveyor is forecasting and overspend at year-end of £874,000 against a budget of £30.5m (2.9%). This is being closely monitored.

Recommendation(s)

That Members note the content of this report.

Main Report

Background

1. In line with the City Corporation's performance management approach, this is a quarterly report on the progress made during quarter 3 of 2021-22 (September to December) against the 2021-26 Business Plan.
2. Due to the election purdah period this report has is being presented to Members later in the year than it would otherwise. Therefore, whilst this is the formal quarter 3 report, wherever it has been possible to include quarter 4 data, this has been noted. The full year-end and quarter 4 report will be presented to Members later in the year.

Current Position

3. 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. Commentary on the commercial property market is included in Appendix D.
4. 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.
5. A separate monitoring report on the risks within the department is also circulated for this meeting.

Financial Statement

6. The position at quarter 3, set out in Appendix A, reveals that the City Surveyor is forecasting and overspend at year-end of £874,000 against a budget of £30.5m (2.9%).
7. Whilst efforts are being made to contain this overspend, the position could deteriorate if there are further tenant failures. This would result in increased unrecoverable void costs which would have to be met from his budget. The position is being closely monitored.
8. The end of year finance data was not fully signed off at time of circulation and a full update will be provided in the quarter 4 report.

Business Plan progress update

9. The following KPIs are not currently being assessed against a target, and consequently no RAG status will apply. These measures are under constant review, and when there is additional clarity over what constitutes positive performance, the targets will be updated. This is anticipated to be from quarter 1 2022/23.

- A. KPI. 9 – Rental forecasts (PIB)
- B. KPI. 10 – Minimise arrears (PIB)
- C. KPI. 11 – Minimise voids (PIB)

Quarter 3 2021/22 update

10. A RAG status is used to summarise the progress of the performance indicators we are measuring 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 3.

Status ¹	Green	Amber	Red	TBC	N/A
Operational Property and Projects Sub Committee	5	4			1
Property Investment Board	5	4		1	4
Overall ²	5	4		1	4

11. Of the fourteen key performance indicators being monitored, five were assessed as being on target (green), with four indicators marginally behind target (amber). As noted in paragraph 9, three measures do not have a RAG assessment, and one measure will be reported at the end of the reporting year.

12. The following indicators was marginally behind target at the end of quarter 3:

- A. KPI. 1 – Asset Realisation and Additional Income (OPPSC)
Quarter 3 performance – 'off target', Amber

The objective of this indicator is to attain receipts (capital and projected income) that are > 90% of the total forecast value of £1.9m. There is also an additional income target £1.5m per annum. This relates to an increase in rental billing (achieved through lease events), not in relation to rent received. As we approach the end of the financial year, an update on our key sites is noted below:

Park View

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 OPPSC. Therefore, row indicating KPIs overall is not a total of the PIB and OPPSC rows.

On target, the Committee has approved disposal and easement. Total receipts of £171,500, broken down as follows:

- City Fund - £148,500
- Epping Forest Capital Fund - £23,000

Woodredon Farm and Equestrian Centre

Second round offers have been received and assessed. Member decision on the recommended purchaser is expected shortly with completion in later in August.

Green Lane

This site is not on target. There are complex estate management issues which are being worked through in consultation with the Epping Estate Team, supported by external advice. Resolution is expected by September 2022.

Income Target

The income target is not forecast to be achieved. The continued impact of COVID-19 and the resulting market uncertainty, combined with the extended moratorium on forfeiture provisions until March 2022, have led to a delay in agreeing many transactions. This element of the KPI is unlikely to be fully met by year-end. Despite these headwinds, the department has also generated combined additional savings, income and capital receipts from transactions completed in 2021/22 across the operational estate of £3.35m (of which £166k contributes to departmental local risk). Furthermore, additional income of circa £122k per annum has been secured through the lease event programme managed by this department on behalf of other services i.e., the management of the third-party interests (leases, licences etc).

- B. KPI. 3 – Space Utilisation (OPPSC)
Quarter 3 performance – ‘off target’, Amber

The end of year target for this indicator was to reduce the ‘office space cost per FTE by 5% (to £3,826/FTE). Whilst this indicator was off target at the end of quarter 3, the year-end figure achieved £3,739/FTE and hence achieved its target.

- C. KPI. 6 – Capital Project – Project Risk Status (OPPSC and PIB)
Quarter 3 performance – 23%, Amber

The objective of this indicator is to look at the Risk Status of each project comparing the percentage of ‘Red-status’ projects to the overall number of projects. A target has been set for red projects not more than 20%. The quarter 3 result for this indicator was just above target at 23%.

The amber rating is a direct result of COVID-19 and site restrictions. Due to these limitations several projects are still running behind programme and therefore did not achieve a green status.

D. KPI. 14 – Digital Infrastructure Strategy (OPPSC and PIB)
Quarter 3 performance – ‘off target’, Amber

The objective of this indicator is to deliver the Digital Infrastructure Strategy by the end of 2022. This strategy focusses on encouraging and facilitating the deployment of telecommunications networks to boost economic growth, digital inclusion, and deliver a range of societal benefits. This delivery of this strategy is assessed against quarterly milestones.

The target has not been achieved in quarter due to the wireless concession partner changing ownership. Consequently, the contract to deliver the pilot was being held in abeyance. It is expected that sign-off will be achieved to allow deployment of the pilot in quarter 1 2022/23.

Conclusion

13. The department continues to perform well, supporting the City Corporation in recovering from COVID-19.

Appendices

- Appendix A Budget Monitoring Statement
- Appendix B Key Performance Indicator Table
- Appendix C Headline Performance Charts
- Appendix D Market Commentary

Background Papers

- The City Surveyor The City Surveyor's Business Plan 2021-26 (CS 347/20)
- The City Surveyor Business Plan Quarter 1 Update (CS 358/21)
- The City Surveyor Business Plan Quarter 2 Update (CS453/21)

Faith Bowman

John Galvin

Departmental Performance & Services
City Surveyor's Department

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Budget Monitoring Statement Quarter 3

Appendix A Page 1 of 1

CITY SURVEYOR'S DEPARTMENT - BUDGET MONITORING STATEMENT 2021-22 QUARTER 3						
LOCAL RISK BUDGET Quarter 3	Latest Approved Budget £000	Quarter 3 Profile £000	Quarter 3 Total Expenditure £000	Under / (Over) Spend for Period £000	Quarter 3 Projected Outturn £000	Under / (Over) Spend for 2021-22 £000
CITY SURVEYOR						
City Fund						
City Fund Estate & Leadenhall	(2,132)	(1,450)	(1,671)	(221)	(2,443)	(311)
CPAT & City Centre	(491)	(370)	(324)	46	(456)	35
Walbrook Wharf	(929)	(696)	(559)	137	(823)	106
Mayor's & City of London Court	(20)	(15)	(19)	(4)	(17)	3
Central Criminal Court (Old Bailey)	(284)	(213)	(213)	0	(284)	0
Recoverable Projects	0	0	0	0	0	0
Lower Thames St Roman Bath	(7)	(5)	(5)	0	(8)	(1)
R&M & MI Work for other departments	(1,255)	(941)	(842)	99	(1,159)	96
Corporate FM cleaning & security	(90)	(68)	(87)	(19)	(104)	(14)
	(5,208)	(3,758)	(3,720)	38	(5,294)	(86)
City's Cash						
City's Cash Estate	(3,291)	(2,201)	(2,232)	(31)	(3,219)	72
Departmental	(8,605)	(6,527)	(7,417)	(890)	(9,772)	(1,167)
Mayorality & Shrievalty	(33)	(60)	(35)	25	(49)	44
R&M & MI Work for other departments	(1,836)	(1,364)	(1,351)	13	(1,868)	(32)
Corporate FM cleaning & security	(610)	(445)	(468)	(23)	(622)	(12)
	(14,435)	(10,597)	(11,503)	(906)	(15,530)	(1,095)
Guildhall Administration						
Guildhall Complex	(8,061)	(6,126)	(5,867)	259	(7,851)	210
	(8,061)	(6,126)	(5,867)	259	(7,851)	210
Total City Surveyor Local Risk excl BHE	(27,704)	(20,481)	(21,090)	(609)	(28,675)	(971)
Bridge House Estates						
Bridge House Estates	(2,535)	(1,501)	(1,493)	8	(2,478)	57
Tower Bridge Corporate FM cleaning	(262)	(196)	(165)	31	(222)	40
	(2,797)	(1,697)	(1,658)	39	(2,700)	97
Total City Surveyor Local Risk incl BHE	(30,501)	(22,178)	(22,748)	(570)	(31,375)	(874)

Notes

1. Overspend down to increased void costs. In particular empty rates and additional professional fees contributed to this item.
2. Savings principally in security and energy.
3. Savings on City Fund due to reduction in reactive call outs. Savings on City's Cash has not materialised due to level of reactive spend on Open Spaces.
4. This item comprises overspend on salaries due to fundamental review savings placed on hold (£0.5m); balance of the 12% savings target not yet identified (£0.4m); and reduced professional fee income (£0.3m).
5. Savings principally on security overtime and equipment. Underspend may increase marginally if work from home extends.
6. Reduction on various expenditure budgets offset by shortfall in service charge income.

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Key Performance Indicators										
Ref	Title	Target	Group	Committee	Q1		Q2		Q3	
					Actual	RAG	Actual	RAG	Actual	RAG
KPI.1	Asset Realisation and additional income	£19m	CPG	CPPSC	on target	green	iff target	amber	iff target	amber
KPI.2	Energy Consumption***	Min 4%	OG	CPPSC	16.00%	green	10.00%	green	6.00%	green
KPI.3	Space Utilisation*	£3.826	CPG	CPPSC	n/a	n/a	n/a	green	n/a	amber
KPI.4	Property contract Performance Compliance	> 90%	OG	CPPSC	90.37%	green	96.30%	green	90.37%	green
KPI.5	Adherence to Budgetary Spend Profiles	95% to 10%	All	PIB, CPPS	9.53%	green	31.92%	green	37.62%	green
KPI.6	Capital Project - Project Risk Status	< 20%	PPG	PIB, CPPS	21.00%	amber	17.00%	green	23.00%	amber
KPI.7	Capital Project- Health & Safety*	80%	PPG	PIB, CPPS	n/a	n/a	87.00%	green	n/a	n/a
KPI.8	Capital Project - Site sustainability waste management	> 90%	PPG	PIB, CPPS	98.00%	green	98.00%	green	98.00%	green
KPI.9	Rental Forecasts****	n/a	IPG	PIB	£122.9m	n/a	121.6m%	n/a	121.1m%	n/a
KPI.10	Minimise Arrears****	n/a	IPG	PIB	13.52%	n/a	12.03%	n/a	11.46%	n/a
KPI.11	Minimise voids (*)****	n/a	IPG	PIB	3.45%	n/a	n/a	n/a	2.91%	n/a
KPI.12	Outperform MSC**	exceed by	IPG	PIB	n/a	n/a	n/a	n/a	n/a	n/a
KPI.13	Delivery of improvements districts	on schedu	CPAT	PIB, CPPS	on target	green	on target	green	on target	green
KPI.14	Digital infrastructure strategy	on schedu	CPAT	PIB, CPPS	on target	green	off target	amber	iff target	amber
	*reported bi annually									
	** reported annually									
	*** reported a quarter in arrears									
	**** RAG currently suspended									

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Headline Performance Charts Quarter 3 2021/22

Appendix C Page 1 of 1

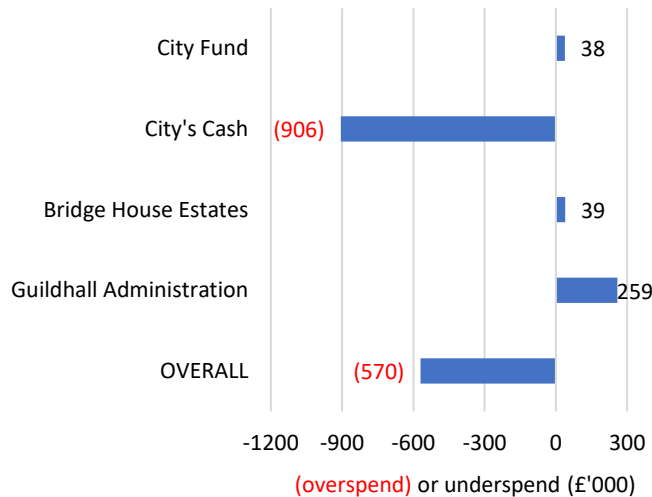


Figure 1 End of quarter variance against profiled local risk budget – (overspend) or underspend

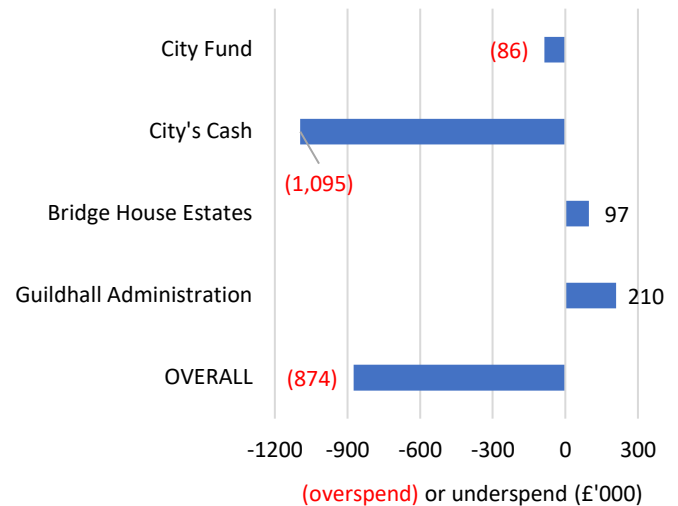


Figure 2 Projected year-end variance of the local risk budget – (overspend) or underspend

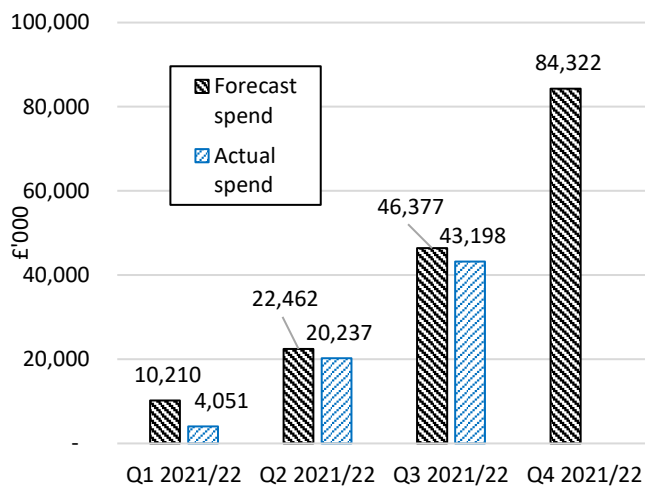


Figure 3 All project spend, forecast v actual

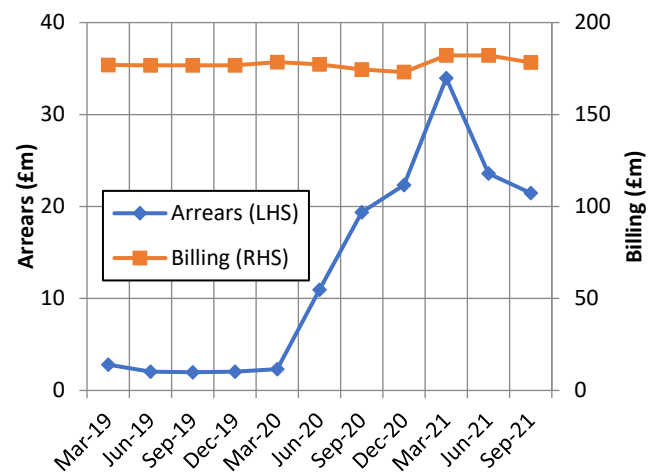


Figure 4 (Investment Properties) Commercial tenants' arrears compared to annual rolling billing run.

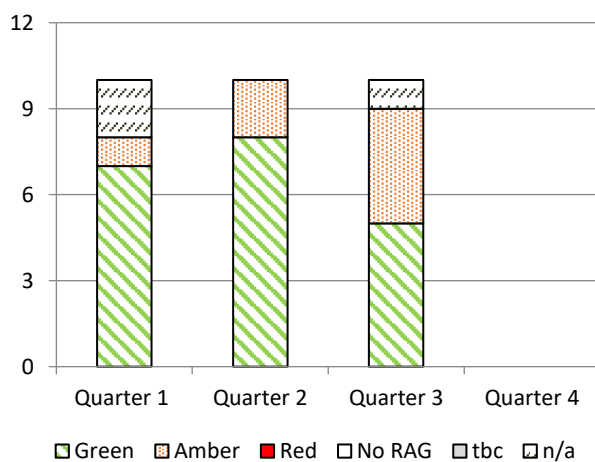


Figure 5 Performance of KPIs linked to Corporate Property (Operational Property and Projects Sub Committee)

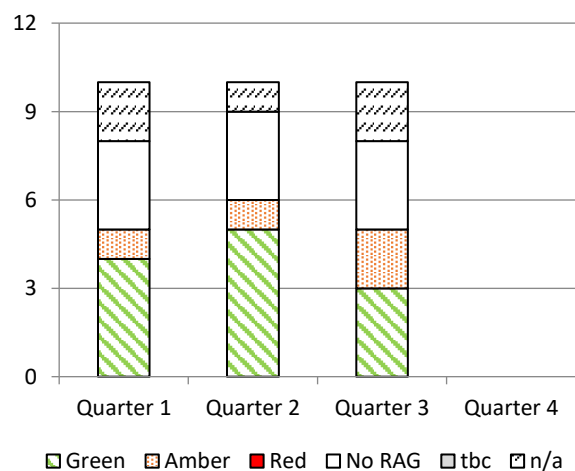


Figure 6 Performance of KPIs linked to Investment Property (Property Investment Board)

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Market Trends, October – December 2021

1. In the City office leasing market, Savills reported that take-up for the December quarter reached 778,341 sq ft across 34 deals, giving a total for the year of 4.8m sq ft. This was up on 2020 by 65% but down on the 10-year annual average by just under a quarter (23%).
2. Grade A space remained the clear preference as it accounted for 93% of take-up, which is up on the 10-year average of 83%. Total City supply settled for a second consecutive month on 12.5m sq ft, equating to a vacancy rate of 9.0%, which is down 40 bps on the peak in September, but still up on the long-term average by 300 bps. The average prime rent for 2021 settled at £82.30 psf, up on 2020 by 3.1% and the highest annual figure on record.
3. 2021 saw 58 deals over £70.00 psf, this accounts for 20% of total transactions, this is up by 9 on last year and up 12 on the five-year average. Moreover, the average grade A rent for 2021 settled at £64.37 psf, down marginally on 2020 by 1.1%, highlighting the growing disparity within Grade A quality. Looking forward, 4.4m sq ft of space is due for completion in 2022, 33% of which is already pre-let, leaving 3.0m sq ft of space left to be delivered speculatively throughout the year.
4. In the West End office leasing market, Savills reported that 612,861 sq ft transacted in the October to December quarter, bringing the year-end total to 4.19m sq ft. As a result, the total volume of deals was 2.3% higher than the 10-year long-term average, and 132% higher than 2020's total volume.
5. Overall, Grade A transactions made up 85% of 2021's total, this is 8% higher than the average Grade-A share seen over the past 10-years. The average prime rent for the final quarter of calendar 2021 stood at £116.00 psf, which contributed to the average prime rent for the whole of 2021 to stand at £120.00 psf, this is 7.1% higher than 2020's average. As it stood in December the total available space in the West End reached 7.5m sq ft, equating to a vacancy rate of 6.4%. This is 60 bps down from its peak in April 2021, however, is still above the 10-year long-term average by 230 bps.
6. In the City investment market, Savills confirmed that December was the busiest month of 2021 with 15 buildings trading. £890.70m transacted, taking the overall volume for the year to £7.72bn across 91 deals. This is 68% ahead of 2020 turnover where only £4.59bn transacted. Despite this significant uplift, volumes were still low in a historic context being 20% below the 10-year average for turnover of £9.68bn. This was mainly due to the UK being in 'full lockdown,'.
7. By year-end there were 24 buildings which sold with a value over £100.0m, totalling £5.57bn, 72% of total transactional volume for the year. This was short

of the 2017 record, where deals over £100.0m accounted for 76% of total transactional volume.

8. In the West End investment Market, the October to December investment activity totalled £1.53bn accounted for 26% of the West End's annual volume and reflected 19% of deals by the number of transactions. This has left 2021 turnover 19% higher than 2020, partly justified by the fact less of the year was restricted by a national lockdown.
9. More notably the West End's 2021 turnover sits 11% above the 2019 total and only 4% below the 5-year average, illustrating a resurgence in market activity to pre-Covid levels. There were 7 transactions over £100m taking place compared to 18 deals in this size bracket exchanging over the entire year. This indicates the undeterred and significant investor confidence in the West End market despite the ongoing and uncertain pandemic conditions.
10. Savills Prime City yield remains at 3.75% (same as pre-covid), this compares to a West End Prime Yield of 3.25%.

Committee(s)	Dated:
Property Investment Board – For information Operational Property and Projects Sub Committee – for information	13 May 2022 30 May 2022
Subject: City Surveyor's Departmental Risk Register – April 2022 Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	5
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: City Surveyor (CS 137/22)	For Information
Report authors: Faith Bowman / John Galvin City Surveyor's Department	

Summary

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

The City Surveyor department currently has nine risks on its Departmental Risk Register (Appendix 1). Two of these risks are recorded as red. The red risks currently being managed by the department are:

- SUR SMT 004 - Maintenance and renewal of physical assets – Investment property and Corporate (operational) property (excluding housing assets)
- Current risk score 16 (Red)
- SUR SMT 005 - Construction Price Inflation
- Current risk score 16 (Red)

SUR SMT 004 is currently under consideration to be escalated to the Corporate Risk Register. The remaining seven risks are all currently scored as amber.

Members receive one appendix which captures all departmental risks.

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

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 Operational Property and Projects Sub Committee (OPPSC) has determined that they will receive the City Surveyor's risk registers on a quarterly basis.
2. This report has attached the overall departmental risk register as Appendix 1.
3. Risks are reviewed regularly by the department's Senior Management Team (SMT) in line with the organisation's Risk Management Policy and Strategy (RMP&S). Risks are assessed on a likelihood-impact basis, and the resultant score is associated with a traffic light colour.
4. Should any changes occur between formal meetings a process exists such that risks can be captured, assessed, and mitigating activities captured. This ensures that the risk management process remains 'live'.

Current Position

5. The City Surveyor Departmental Risk Register currently contains two red, and seven amber risks. The details of each of these are included in Appendix 1.
6. Risk SUR SMT 004, relating to the 'maintenance and renewal of physical assets' is being considered for escalation onto the Corporate Risk Register. In line with the RMP&S, this will be presented to the next meeting of Audit and Risk Management Committee (24 May), subject to officer governance gateways.
7. The department also manages the repairs and maintenance risks associated with the five city bridges. These risks are reported separately through to the Bridge House Estates Board.

Changes since last review

8. The key items to note for this period are summarised below:
 - A. SUR SMT 004 – Maintenance and renewal of physical assets – Investment property and Corporate (operational) property (excluding housing assets)
Current score – 12 (Red)

This risk is designed to be comprehensive. It covers both investment and corporate (operational non-housing) property assets. Further it captures the five key funding streams that are used to maintain and improve these physical assets. Each of these funding mechanisms are captured under the risk as specific actions.

The risk at department level is currently (Red) 12 rating, reflecting the gap between available funds and the repairs and maintenance needs of the estates – particularly the corporate estate.

This risk has been escalated for consideration into the Corporate Risk Register due to its significance (reflecting the current funding gap) and wide impact (multiple stakeholders).

B. SUR SMT 009 – Recruitment and retention of property professionals
Current score – 8 (Amber)

This risk has been identified by several of the divisions within the City Surveyor's Department as it is becoming increasingly difficult to recruit suitably skilled staff at the correct level for the grade being advertised.

It has also become more difficult to retain staff who get better reward packages from other organisations (both commercial and public sector).

As such, this risk has been recently elevated to the Departmental Risk Register.

The department is actively engaging with corporate partners to help mitigate this risk. There is a strong relation to the emerging Corporate Risk relating to the 'skills and capacity of our people'. This risk is being considered by the Executive Leadership Board.

Whilst some mitigations are outside the control of CSD, the department is keen to ensure that it pursues all available actions to mitigate the likelihood of this risk. These items are captured in the mitigating actions in Appendix 1.

C. SUR SMT 005 – Construction Price Inflation
Current score – 16 (Red)
SUR SMT 007 – Energy Pricing
Current score – 12 (Amber)

Both these risks capture pricing inflation concerns. The department is monitoring these markets closely and pursuing a range of actions which will assist mitigating the impact of these market forces. These items will be kept under close review.

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 departmental risks (right). A comparison with the those presented at the last report (November) is included as the table on the left.

10. The Heatmaps do not track individual risks over time, rather it is a snapshot comparison of the overall risk profile. Members should note that there is one additional risk for this period.

	Minor	Serious	Major	Extreme
Likely			2	
Possible		1	5	
Unlikely				
Rare				

Table 1: November 2021 Risk Heatmap

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

Table 2: April 2022 Risk Heatmap

Conclusion

11. Members are asked to note the recent changes to the departmental risk register, and the actions taken by CSD to mitigate the likelihood and/or impact of the risks.

Appendices

- Appendix 1 – Departmental risk register

Background Papers

- The City Surveyor – The City Surveyor's Departmental Risk Register – July Update (CS 215/21)
- The City Surveyor – The City Surveyor's Departmental Risk Register – August Update (CS 357/21)
- The City Surveyor – The City Surveyor's Departmental Risk Register – November Update (CS 455/20)

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SUR Departmental risks - detailed report EXCLUDING COMPLETED ACTIONS for COMMITTEE

Report Author: Faith Bowman

Generated on: 20 April 2022

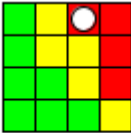
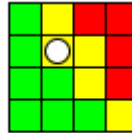

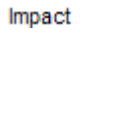
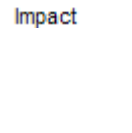


Rows are sorted by Risk Score

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/Risk Approach	Current Risk score change indicator
Poor SMT 004 Assets-Physical Assets-Investment property and Corporate (operational) property (excluding housing assets) 04-Nov-2019 Paul Wilkinson	Cause: Poor property condition combined with insufficient budget to maintain assets in line with commitments/expectations. Event: Misalignment between the relevant Asset Management Strategy, City's lease obligations to third parties in occupation and the available funds to reach / maintain this standard Impact: Built estate becomes not fit for purpose/ functions/occupancy. The City becomes in breach of legal repairing covenants. Cost of maintenance and utility costs increases, placing further pressure on City resources. In extreme circumstances there will be H&S implications, leading to potential enforcement action, legal action by tenants or asset failure in whole or part with detrimental effects leading to impact on occupiers	 Likelihood Impact	16	This risk results from both a workshop with the Executive Leadership Board (ELB) and a risk arising from the departmental risk register. The mitigation captures the 5 repairs and maintenance funding streams: . Cyclical Works Programme (CWP) . Ring-fenced properties . Local maintenance budgets . Major Capital projects . Investment estate revenue programme Note that the majority of this risk relates to the Corporate (operational) properties (excluding housing) 14 Apr 2022	 Likelihood Impact	4	31-Mar-2023	 Constant
							Reduce	

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 004a	Cyclical Works Programme (CWP)	The CWP bid for 22/23 is valued at £29.8m, and these works are essential to keep the operational properties in a good standard. This bid was subject to a bilateral meeting on 08/10 and following Member steer has subsequently been reduced to c.£11.1million. This funding was approved by RASC in January and progress will be reported through to Operational Property and Projects Sub Committee (OPPSC). Peter Collinson & Peter Young will be meeting with Sonia Virdee (Chamberlain's) to discuss the interaction between the Medium-Term Financial Plan (MTFP) and the combination of backlog and deferred maintenance (July 2022). A new bid is being developed (23/24) and will likely be circa £30m, but will need to go through a similar prioritisation process.	Peter Collinson	14-Apr-2022	31-Mar-2023
SUR SMT 004b	Ring fenced properties and budgets (CoLP estate, New Spitalfields, Billingsgate and the three private schools	CSD is communicating with ring fenced departments to identify appropriate building maintenance requirements and spend (forward maintenance). These department occupiers allocate their own 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 holds the budget responsibility and thus decides with final control over maintenance activity. This element is being mitigated through the delivery of the recommendations arising from the recent Internal Audit. The master planning of certain sites (such as the Boys' School) helps add clarity around required spend.	Peter Collinson; Peter Young	14-Apr-2022	31-Mar-2023
SUR SMT 004c	Repairs and Maintenance Budget	The local repairs and maintenance budget has come under significant pressure. The intelligent prioritising of works helps mitigate the impact of this issue. This reflects good practice and helps inform the CWP scoring matrix. The implementation of the new Computer Aided Facilities Management (CAFM) system Concerto increases the intelligence that can be drawn from our systems.	Peter Collinson	14-Apr-2022	31-Mar-2023
SUR SMT 004d	Revenue Programme (Investment Estate Only)	The allocation of sufficient funds to maintain our investment portfolio to a high standard is required to maximise income generation and asset appreciation. Discussions are on-going with internal colleagues such that sufficient provision is made from the rent received. For the coming year 4.6% of projected rent has been allocated, broadly in line with the 5% industry 'rule of thumb'. One of the post-Covid trends is a 'flight to quality' from occupiers, making the condition of our assets critical to future income.	Nicholas Gill	14-Apr-2022	31-Mar-2023
SUR SMT 004f	Annual Major Capital Bids	The City Surveyor's Department is progressing major capital projects, and these projects are all essential to keep the operational estate including the Guildhall in a good standard. Significant works have been identified from the recent Smithfield Market Condition Survey and if not funded present a live Health and Safety risk. Some departments submit their own bids based upon advice from the City Surveyor. If more H&S works are required this limits the	Peter Collinson; Nicholas Gill; Peter Young	14-Apr-2022	31-Mar-2023

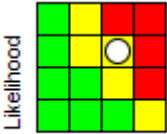
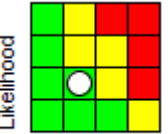

		scope for further improvement projects.			
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Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
SUR SMT 005 Construction Price Inflation	Cause: Market conditions have led to input price inflation Event: Project and programme cost escalation Impact: Inability to delivery capital and revenue projects within budget	 Likelihood	16	<p>Material costs and labour availability are combining to raise costs. This cost increase has already been seen in our tender returns, and this explains why this risk notes its likelihood as “likely”.</p> <p>The recent sharp uplift in fuel and energy prices is creating negative impacts across the supply chain and may lead to this risk being less transitory than first envisaged.</p> <p>We are currently experiencing the following issues:</p> <ul style="list-style-type: none"> . Contractor claims – have increased (this is in-line with the broader industry) . Contractor financial stability – is being monitored closely, and we are ensuring that contingencies are in place where relevant. . Market interest – contractors are being selective, and often declining to tender. . Shortage of labour and materials – manifesting in significant increases in prices (tendered projects are often circa 20% above the pre-tender estimate). <p>As a headline, tender prices are forecast to rise by over 21% between now and Q1 2026.</p> <p>There is the risk that there are further price rises. This will lead to some</p>	 Likelihood	6	31-Mar-2023	
		 Impact			 Impact			

14-Oct-2021 Ola Obadara				<p>cancelled projects, or projects facing uplifts in costs. This therefore has a knock-on impact on other corporate priorities which require project delivery.</p> <p>These increased costs may impact the organisation's ability to deliver capital and revenue projects within budget.</p> <p>14 Apr 2022</p>			Reduce	Constant
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
PAGE 87 SUR SMT 005a	Procurement Strategy	<p>The department is working with legal and procurement to identify different buying options, thereby managing the risk to the department / organisation. This exploration included a review of the prior Single Stage tender process (which had been preferred for medium range projects - £2m - £50m).</p> <p>Following the review Two Stage contracts will be used more frequently. This is the current market norm for these projects. The change enables contractors to better transfer their risk and leaves the City with a degree of cost uncertainty, even post Gateway 5. Whilst this transfer is not desired, it offers far better market coverage and reflects the prevailing external conditions. This will be kept under review.</p>	Ola Obadara	14-Apr-2022	31-Mar-2023
SUR SMT 005b	Committee Paper	The City Surveyor's Department input into a paper for Project Sub Committee, Procurement Sub Committee and Policy and Resources outlining the impact and implications of this risk.	Ola Obadara	14-Apr-2022	30-Jun-2022
SUR SMT 005c	Capital Project Review	A detailed review of projects that are scheduled to be delivered over the next 2-3 years is underway. This will test different inflationary assumptions	Ola Obadara	14-Apr-2022	30-Jun-2022
SUR SMT 005d	Contracts	Chamberlain's procurement and the department will explore the potential inclusion of fluctuating provisions in our contracts. Currently contractors are expected to take inflation into account when tendering, sharing this risk may attract greater interest for contractors to price and deliver.	Ola Obadara	14-Apr-2022	31-Mar-2023
SUR SMT 005e	Contract Engagement	We are looking to engage early with our contractors on a consultancy basis to obtain as much information as possible prior to contract.	Ola Obadara	14-Apr-2022	31-Mar-2023

SUR SMT 005f	Specification and Materials	Ensuring materials are readily available before and during the design phase and, if possible, procure in advance of the contract. Further consideration is being given to the origin of source materials to ensure supply.	Ola Obadara	14-Apr-2022	31-Mar-2023
SUR SMT 005g	Scope of works	In the event of the above mitigations being insufficient to contain the quantum of cost, some projects may need to be de-scoped, delayed or even cancelled. Should this action be required, there will be a knock-on impact on the delivery of departmental and corporate objectives. This will be kept under review.	Ola Obadara	14-Apr-2022	31-Mar-2023

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/Risk Approach	Current Risk score change indicator
SUR SMT 002 Insufficient budget to meet user and asset demand at Guildhall <div>Page 89</div>	Cause: Insufficient funding available for Major Works, Cyclical Works and Reactive Maintenance to manage the repair demands on the Guildhall Complex. Event: Insufficient asset funding. Impact: The standard of the Guildhall Complex will 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.	 Likelihood Impact	12	<p>The principal mitigation actions are related to forecasting and monitoring the allocation of financial and human resources</p> <p>The department reviewed the prioritisation of major projects in light of covid-19 and the financial circumstances. This also considered the Guildhall Refurbishment and how this may impact projects. This review has been approved by CAsC.</p> <p>This risk has is influenced by other risks, notably the wider repairs and maintenance risk (SUR SMT 004).</p> <p>Actions noted in the last update (002h prioritisation review; and 002k Annual bid process) have now been completed.</p>	 Likelihood Impact	4	31-Mar-2023	 Constant
							Reduce	
10-Feb-2015 Peter Young				19 Apr 2022				

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 002e	Fundamental Review of the North and West Wings of Guildhall	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. An Annual Bid for fees in 2021/22 was approved, and the Gateway 2 (feasibility study) was approved in November 2021. This will explore outline options for the future of the north and west wings to provide modern, fit-for-purpose accommodation for Members and Officers.	Paul Wilkinson; Peter Young	19-Apr-2022	31-Mar-2023

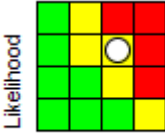
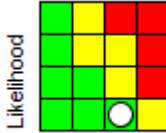

SUR SMT 002f	Cross departmental working	Single point of contact for Profit and Loss to be created within the Remembrancer's Department. The mechanics of this have now been created and agreed by the Chamberlain's Department. CSD will interact further with Remembrancer's Department to achieve final agreement.	Remembrancer; Peter Collinson; Peter Young	19-Apr-2022	30-Sep-2022
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.	Peter Collinson	19-Apr-2022	31-Mar-2023
SUR SMT 002j	Budget adjustment	The department is identifying how to maintain services across the complex in light of lower budget allocations for 2022/23 and ongoing Covid 19 conditions. This will identify areas where savings are being made and any changes in service to align to the new budget.	Peter Collinson; Peter Young	19-Apr-2022	31-Mar-2023

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/Risk Approach	Current Risk score change indicator
SUR SMT 003 Investment Strategy Risk	<p>Cause: The business environment declines, office workers do not return to their workplace in numbers anticipated, retail tenant failure, or demand moves away from City of London assets.</p> <p>Event: Lower rental levels achieved, lower demand, increased turnover of tenancies, increased tenant failure</p> <p>Impact: Inability to maximise property returns and income for an acceptable level of risk</p>	 Likelihood Impact	12	<p>This risk captures a number of sub-risks which may impact the organisation's ability to maximise its property returns for an acceptable level of risk.</p> <p>Void levels within the City's investment portfolio have remained low throughout the Covid-19 pandemic, reflective of the swift and decisive action undertaken. This has promoted the continued operation of property occupiers.</p> <p>The moratorium on enforcement action ceased as of 01/04/2022. Arrears built up from 03/20 – 07/21 will be ring-fenced for six months. Over this time the government is encouraging tenants and landlords to reach a commercial agreement pertaining to these arrears. Arrears outside of this period are being handled in line with existing process/procedures.</p>	 Likelihood Impact	8	31-Mar-2023	Constant
							Reduce	
17-May-2021 Nicholas Gill				19 Apr 2022				

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 003a	Macro-economic	The actions described are being undertaken and reviewed regularly with the Assistant	Nicholas	19-Apr-	31-Mar-

	<p>The strategy is to maintain a diverse portfolio that reduces the impact of this risk. This includes:</p> <ol style="list-style-type: none"> 1. Use (office, retail, industrial) 2. Location (City, Southwark, West End etc.) 3. Tenancies (Long term Headlease geared, FRI, directly managed) 4. Covenants (multinationals, SME) 5. Asset management (lease renewals, voids, arrears, etc) 6. Monitoring retail habits in change of building use 	Directors.	Gill	2022	2023
SUR SMT 003b	<p>Portfolio</p> <p>Ensuring that the overall composition of the investment portfolio takes advantage of emerging segments of growth, whilst managing the exposure to property types which are showing reducing demand.</p>	This is achieved through regular market scanning, and the integration of learning into the Corporation's approach.	Nicholas Gill	19-Apr-2022	31-Mar-2023
<div>Page 92</div> SUR SMT 003c	<p>Climate Action</p> <p>The alignment of our portfolio with the future strategic needs of occupiers, particularly supporting their ESG (Environmental-Social-Governance) needs. Climate Action is principally managed through the Climate Action risk (SUR SMT 001). However, it is referenced here as there is a requirement to ensure that the properties offered by the City of London are meeting the emerging needs of tenants.</p>	Ensure that the properties offered by the COL are meeting the emerging needs of tenants.	Nicholas Gill	19-Apr-2022	31-Mar-2023
SUR SMT 003d	<p>Office risk</p> <p>A slow return of workers to the office may lower demand for office spaces, or the types of spaces required may necessitate additional works prior to letting</p>	<p>The department is monitoring the return to the office through data supplied by partners (such as football information), market research reports, and tenant feedback.</p> <p>The department continues to observe a 'flight to quality' – higher specified and higher quality spaces. Occupiers are increasingly considering their space as a tool in the 'war for talent'. Whilst some occupiers are downsizing their space, others are looking to create a better environment for staff through lower densities / improved amenities.</p>	Nicholas Gill	19-Apr-2022	31-Mar-2023
SUR SMT 003e	<p>Retail</p> <p>Changes in consumer preferences (moving to on-line retail) which has been accentuated through the COVID-19 pandemic. Elements of the City portfolio is also dependent on tourism, which has seen a significant decline over the last 12+ months. The speed at which this return is yet to be understood.</p>	<p>The moratorium on enforcement action concluded in March 2022. Arrears built up from 03/20 – 07/21 will be ring-fenced for six months. Over this time the government is encouraging tenants and landlords to reach a commercial agreement pertaining to these arrears. Arrears outside of this period are being handled in line with existing process/procedures.</p> <p>The 'Covid-arrears' element of the risk was managed through the below. These actions were largely successful, and only a minor increase in voids manifest.</p> <p>. Move to monthly payments (offered to directly managed and FR&I tenants).</p>	Nicholas Gill	19-Apr-2022	31-Mar-2023

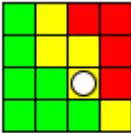
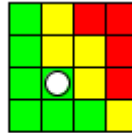

		<div><div>. Rent concessions for some tenants (Mar, Jun, Sep, Dec quarters). No further concessions are proposed.</div><div>. Engagement with peers to understand wider market impacts. . Regular arrears monitoring, including the provision of bi-monthly dashboards Rental collection snapshot is being produced by Chamberlain’s Department.</div></div>			
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Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
SUR SMT 006 Construction Consultancy Management 14-Oct-2021 Ola Obadara	Cause: Poor performance by consultants Event: Abortive work, delays, or non-performance. Impact: Additional costs, project delays	 Likelihood Impact	12	This risk is being managed but it will take some time to resolve issues arising from contractors previously appointed. This relates to abortive design / development. 19 Apr 2022	 Likelihood Impact	4	30-Sep-2022	 Increasing
							Reduce	

Action no	Action description	Latest Note		Action owner	Latest Note Date	Due Date
P a g e 9 4 SUR SMT 006a	Commissioning stage	The department has commenced going to market at RIBA stage 3 rather than RIBA stage 4. This will prevent abortive design and development. This change followed close work with the procurement team in Chamberlain's. The impact of this change will be tracked over the coming months.		Ola Obadara	14-Apr-2022	30-Sep-2022
SUR SMT 006b	Legal	The team is working closely with the legal department to ensure that procurement activity aligns with project objectives and the consultants meet quality requirements.		Ola Obadara	14-Apr-2022	30-Sep-2022




Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 007a	Managing cost management	This element of the risk is being managed through the forward buying strategy, Power	Peter	19-Apr-	31-Mar-

		Purchase Agreement (PPA), and energy efficiency measures. A briefing note has been sent to the City Surveyor and Chamberlains. We are hedging the market by placing trades, to ensure a market reflective price, however there has been unprecedented volatility in the market over recent months. Higher prices are unavoidable, though the PPA will support a reduction in the average price of electricity post September 22.	Collinson; Graeme Low	2022	2023
SUR SMT 007b	Managing supplier failure	The City is contracted with TGP energy, which is a large multi-national with risk divested across both supply and generation. TGP has a low portion of income generated from UK domestic customers (thereby minimising price capping implications).	Peter Collinson; Graeme Low	19-Apr- 2022	31-Mar- 2023

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/Risk Approach	Current Risk score change indicator
SUR SMT 001 Climate Action Strategy - Deliver programme of works across operational and investment portfolios <div>Page 97</div>	Cause: Insufficient resources and prioritisation allocated to Climate Action. Event: The City Surveyor's Department fails to deliver programme of works on time, to budget, or with the required contribution to assist the delivery of the City Corporation's Climate Action Strategy. Impact: Failing to adequately invest in net zero initiatives leading to negative impact on our financial and property investments.	 Likelihood Impact	8	<p>The Department has four workstreams (Investment Property, Corporate Property, Capital Projects and Resilience), which detail the actions to be undertaken to mitigate this risk.</p> <p>Centre of Excellence is now partially in place following successful recruitment. The BEMS operations and Housing Energy Project Manager roles remain vacant, though there is a plan to resolve this via Schneider and Arcadis respectively in the coming weeks.</p> <p>Due to the recovery in resourcing situation the risk likelihood has been reduced. As this is further addressed, the long-term delivery of the programme will not be impacted.</p> <p>Materials and technology availability is being tracked. Aligned to other departmental risks there are input price inflation and availability issues in the supply chain. This industry-wide issue continues to be tracked.</p> <p>Further risks may be highlighted as the programme evolves.</p> <p>The delivery of mitigations under this risk support the Corporate Risk CR30</p>	 Likelihood Impact	4	31-Mar-2027	
							Reduce	Decreasing
13-Apr-2021 Peter Collinson				14 Apr 2022				

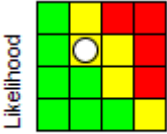
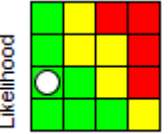

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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 001a	Investment property	Investment Property Consultant has recently been appointed for the first phases. We are anticipating work commencement in September. This workstream will counter the possibility of low value / stranded assets.	Peter Collinson; Graeme Low	14-Apr-2022	31-Mar-2027
SUR SMT 001b	Corporate Property	Mobilisation largely complete facilitated by the delivery of the recruitment action. Housing and BEMS support will be in place in the coming weeks.	Peter Collinson; Graeme Low	14-Apr-2022	31-Mar-2027
SUR SMT 001c	Capital Projects	Mobilisation in progress facilitated by the delivery of the recruitment action. Guidelines / brief requires clarification, and this is being resolved with the relevant internal leads. Whole Life Carbon assessments are due to begin April 2022.	Peter Collinson; Graeme Low	14-Apr-2022	31-Mar-2027
SUR SMT 001d	Resilience	Mobilisation in progress facilitated by the delivery of the recruitment action. Climate Impact Modelling exercise starting in April.	Peter Collinson; Graeme Low	14-Apr-2022	31-Mar-2027
SUR SMT 001f	Monitoring and awareness	Review of targets annually to reflect changing industry standards. This is related to the 'carbon factor' of the electricity grid, and how rapidly this de-carbonises. This may change the programme or prioritisation of works.	Peter Collinson; Graeme Low	14-Apr-2022	31-Mar-2027
SUR SMT 001g	Recruitment	There is a requirement to have a team of nine for climate action, but recruitment had been delayed by governance issues. The Centre of Excellence is largely in place (as per SUR SMT 001b). in addition we have two permanent posts within the team that are currently vacant, but are in the recruitment process.	Peter Collinson; Graeme Low	14-Apr-2022	31-Mar-2027

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/Risk Approach	Current Risk score change indicator
SUR SMT 009 Recruitment and retention of property professionals	<p>Cause: Uncompetitive pay and benefits structures within some professional grades; poor quality work environments; lack of professional progression over recruitment freeze and restructuring period; increased employee focus on work-life balance</p> <p>Event: Increasingly difficult to recruit suitably skilled staff at the correct level for the grade being recruited for. Increasingly difficulty to keep staff who get better reward packages from other organisations (both commercial and public sector)</p> <p>Impact: Increased vacancies, objectives unachieved or delivered late (including project delivery and income generation), reduced customer satisfaction, less real estate activity, reduced employee wellbeing, demotivation of staff. Increased costs borne by the organisation through recruitment campaigns and training etc, or to the department through filling vacancies through comparatively expensive temporary contracts.</p>	 <p>Likelihood</p> <p>Impact</p>	8	<p>This risk has been identified within a number of divisions within the City Surveyor's Department.</p> <p>Across the wider economy there is an increase in the amount of jobs being offered leading to greater competition for employees. This is putting greater focus on the wider 'offer' that is being provided by the CoL/CSD in comparison to our competitors.</p> <p>Building magazine have cited that there are currently 48k vacancies in the construction industry, the highest figure for two decades, and this is leading to 'poaching' of staff, with premiums of up to 25% provided.</p> <p>Employee research (Cushman & Wakefield, JLL, Gensler) have highlighted that work-life balance is an increasing priority for staff so being aware of these evolving employee demands is critical.</p> <p>The cost of recruitment is also significant and can harm the overall position of the organisation. Much of this risk is outside the control of CSD, however the department continues to deliver actions to mitigate the risk where possible. Further, it has pro-actively with our corporate partners to seek further solutions.</p> <p>This departmental risk directly</p>	 <p>Likelihood</p> <p>Impact</p>	4		

21-Jan-2022				supports the emerging Corporate Risk on “Skills & capacity of our people” which is current under consideration for escalation onto the Corporate Risk Register. 19 Apr 2022				Reduce	Constant
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 009a	Advertising	The department and the HR Business Partner has produced a recruitment best practice document, which includes ensuring that vacant posts are advertised in areas which will generate interest from suitably qualified candidates, including those currently under-represented within our workforce.	Matthew Porpiglia; Paul Wilkinson	19-Apr-2022	31-Mar-2023
SUR SMT 009b	Best Practice	Including delivery of appraisals, regular one-to-ones, team and group meetings. This aims to improve communications at all levels, ensuring that CSD is a positive work environment and that issues/blockers can be raised and addressed. In some areas career graded roles have been instituted, and deployment can be further explored.	Matthew Porpiglia; Paul Wilkinson	19-Apr-2022	31-Mar-2023
SUR SMT 009c	Communication	Monthly communications from the department’s Chief Officer so all staff feel engaged with the activities of the department.	Paul Wilkinson	19-Apr-2022	31-Mar-2023
SUR SMT 009d	Engagement with HR	Some of the items highlighted as the ‘causes’ of this risk are outside the control of CSD, and engagement with our Corporate partners will be critical to overcoming these items. This departmental risk directly supports the emerging Corporate Risk on “Skills & capacity of our people”	Matthew Porpiglia; Paul Wilkinson	19-Apr-2022	31-Mar-2023
SUR SMT 009e	Equalities, Diversity and Inclusion	The department has an active ED&I network, which regularly engages with the City Surveyor and the Senior Management Team. This is seeking to make the department a more attractive destination for under-represented groups and seek to retain and progress staff from all backgrounds.	Ola Obadara	19-Apr-2022	31-Mar-2023
SUR SMT 009f	Pay and Review Survey	Review with HR the possibility of a refreshed Pay and Review survey. This was last undertaken in January 2018 by McDonald and Co and, as noted in the update, considerable market change has occurred since this time. A budget will need to be identified for this activity for it to progress.	Paul Wilkinson	19-Apr-2022	31-Mar-2023

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/Risk Approach	Current Risk score change indicator
SUR SMT 008 Special Structures 20-Oct-2021 Peter Young	Cause: Lack of central register for special structures and/or ambiguity over accountability, responsibility for budget provision Event: Incomplete, or not up-to-date register of special structures and planned maintenance regime Impact: Potential failure of special structure and/or forced closure of asset / space	 Likelihood Impact	6	Special structures relate to those structural elements with an asset which supports other (often public) elements, so captures basements, sub-road spaces, supporting structures etc. There is no current central register of these structures within the portfolio, and therefore no current prescribed or routine inspection regime in place to ensure that these structures remain in a suitable condition. 19 Apr 2022	 Likelihood Impact	2	31-Mar-2023	 Constant
							Reduce	

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 008a	Special Structures register	Funding to undertake the technical inspections, create the inventory and survey current condition was approved as part of the CWP 22/23 Bid List. The Operations Group is now developing detailed briefs for contractors. It is anticipated that the process will run through 2022 and, depending on the gap between current and desired condition, further funding bid requests may result.	Peter Collinson; Peter Young	19-Apr-2022	31-Mar-2023
SUR SMT 008b	Special structures – investment portfolio	Register for the investment estate exists but requires a refreshed survey to ensure on-going accuracy of information.	Peter Collinson; Nicholas Gill; Peter Young	20-Apr-2022	31-Mar-2023
SUR SMT 008c	Special structures – Barbican Estate	Corporate Property Group Director met with Barbican to discuss that all special structures across the Barbican are identified (not just tunnels) and that they will need to be recorded. Housing use a physical asset register system called Keystone and the rest of the portfolio (non-housing) is on Concerto (CAFM) managed by the City Surveyor.	Peter Collinson; Peter Young	20-Apr-2022	31-Mar-2023

		<p>The department's Operation's Group is reviewing whether the CAFM system is the right place to record the special structures once fully identified and inspected. Barbican Estate is considering Keystone for the Barbican special structures.</p> <p>For Barbican Estate and Housing, point to note is that Community and Children's Services have their own corporate maintenance contract and do not use the CSD corporate BRM contractor (Skanska). This adds a further layer of complexity for Barbican, where there is more than one maintenance contractor undertaking works (housing and non-housing).</p>			
SUR SMT 008d	Special Structures – other assets	Corporate Property Director and Operations Group Inspector to engage with other departments to ensure that there is clarity over responsibilities and what actions need to progress to mitigate this risk comprehensively across the City of London Corporation.	Peter Collinson; Peter Young	20-Apr-2022	31-Mar-2023

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