



# Operational Property and Projects Sub Committee

## INFORMATION AGENDA

**Date:** MONDAY, 6 MARCH 2023  
**Time:** 1.45 pm  
**Venue:** COMMITTEE ROOMS, WEST WING, GUILDHALL

### AGENDA

8. **\*22/23 ENERGY & DECARBONISATION PERFORMANCE Q3 UPDATE FOR THE OPERATIONAL PORTFOLIO**  
Report of the City Surveyor.

**For Information**  
(Pages 5 - 14)

9. **\*CARBON ACTION STRATEGY (CAS) NZ1, NZ3 AND RS3 WORKSTREAM UPDATE FOR THE OPERATIONAL PORTFOLIO**  
Report of the City Surveyor.

**For Information**  
(Pages 15 - 26)

10. **\*CITY SURVEYOR'S BUSINESS PLAN 2022-27 QUARTER 3 2022/23 UPDATE**  
Report of the City Surveyor.

**For Information**  
(Pages 27 - 40)

11. **\*THE CITY SURVEYOR'S DEPARTMENTAL RISK REGISTER - FEBRUARY 2023 UPDATE**  
Report of the City Surveyor.

**For Information**  
(Pages 41 - 62)

12. **\*HERITAGE AT RISK REGISTER (HARR) REPORT 2022**

Report of the City Surveyor.

**For Information**  
(Pages 63 - 76)

20. **\*GW5 PROGRESS: YORK WAY ESTATE PROVISION OF SOCIAL HOUSING**

Report of the Director of Community & Children's Services.

**For Information**  
(Pages 77 - 86)

21. **\*THE CITY OF LONDON HERITAGE ESTATE 2023 UPDATE**

Report of the City Surveyor.

**For Information**  
(Pages 87 - 106)

22. **\*CITIGEN UPDATE**

Report of the City Surveyor.

**For Information**  
(Pages 107 - 110)

**Ian Thomas**  
**Town Clerk and Chief Executive**

This page is intentionally blank.

This page is intentionally left blank

# Agenda Item 8

<b>Committee(s)</b>	<b>Dated:</b>
Operational Property and Projects Sub Committee	6 <sup>th</sup> March 2023
<b>Subject: 22/23 Energy &amp; Decarbonisation Performance Q3 Update for the Operational Portfolio.</b>	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	<b>5,11,12</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>no</b>
<b>If so, how much?</b>	<b>n/a</b>
<b>What is the source of Funding?</b>	<b>n/a</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>No</b>
<b>Report of: The City Surveyor</b>	<b>For Information</b>
<b>Report author: Graeme Low</b>	

## Summary

This report presents the 2022/23 Quarter 3 energy performance for CoL operational sites. Progress remains on track to reach the operational property targets for our Net Zero Carbon targets for 2027 with an 18% reduction in energy usage since the 2018/19 baseline year. Progress has been made in completing surveys for the next phase of capital interventions, detailed Investment proposals are now being drafted. Energy prices remain a concern, alongside reported delays in the expected start date for the Power Purchase Agreement.

## Recommendation(s)

- Based on rolling year, Q3 22/23 energy consumption has reduced by 18% compared to the baseline year 2018/19.
- Note the recent acquisition of Local Energy Accelerator funds totalling £30k to support an investigative project for Guildhall battery storage.
- Note the large majority of the Public Sector Decarbonisation Scheme (PSDS) funded work is complete and in the final commissioning phase.

## Main Report

### Background

1. At OPPSC on 14<sup>th</sup> December 2022 the 22/23 Q2 Energy performance report was presented. This identified the rolling 12-month energy performance to an 18% improvement on the weather corrected values for the Climate Action Baseline year of 2018/19.
2. This saving was due to site disposals, active management of the BEMS by the Energy Team and ongoing success of the PSDS project.
3. 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 contract, covering the majority of PSDS works commenced in September 2021. The projects have now been largely completed with practical completion targeted for February 2023. Going forward, the full benefit of 850 tonnes of CO<sub>2</sub>e per annum from the £9.5m of Government funding invested in these projects.

## CAS target alignment

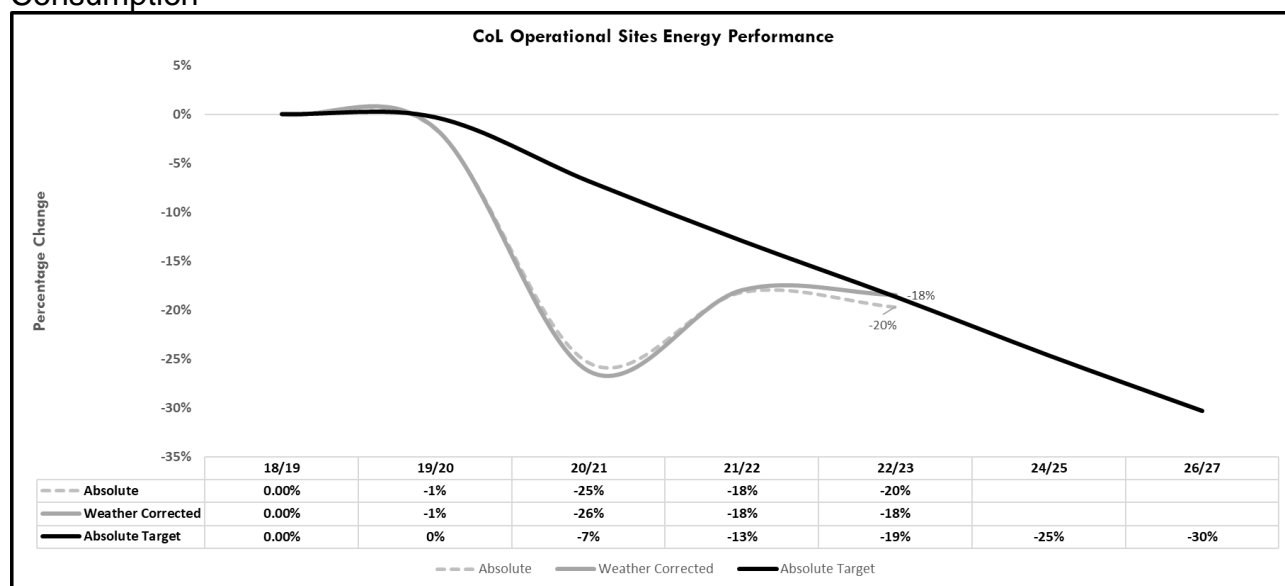
4. The Energy Team and CAS Programme Team use best practise methodologies for reporting KPIs and measuring progress against our Net Zero Carbon (NZC) targets. The CAS buildings baseline includes Operational property portfolio, Landlord supplies to housing estates and investment properties.
5. To achieve Net Zero CO2 target by 2027 for our scope 1 & 2 operational emissions, residual emissions are planned to be mitigated via land-based carbon sequestration from our green spaces. These targets are translated into energy and CO2e, see chart 1 and chart 2 below.

## Current position

There has been a gradual increase in consumption compared to the previous quarter due to the return to normal operations. The impact of PSDS Energy saving projects will not be fully realised until Q4 23/24, though some related savings are being accounted for in these figures. The City continues to support investment in energy and carbon saving projects through the recently approved gateway 2 paper focusing on the top 15 energy consuming sites. This is expected to provide an additional 520 tonnes of CO2e savings per annum across the our scope 1 2 emissions.

## Performance update

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

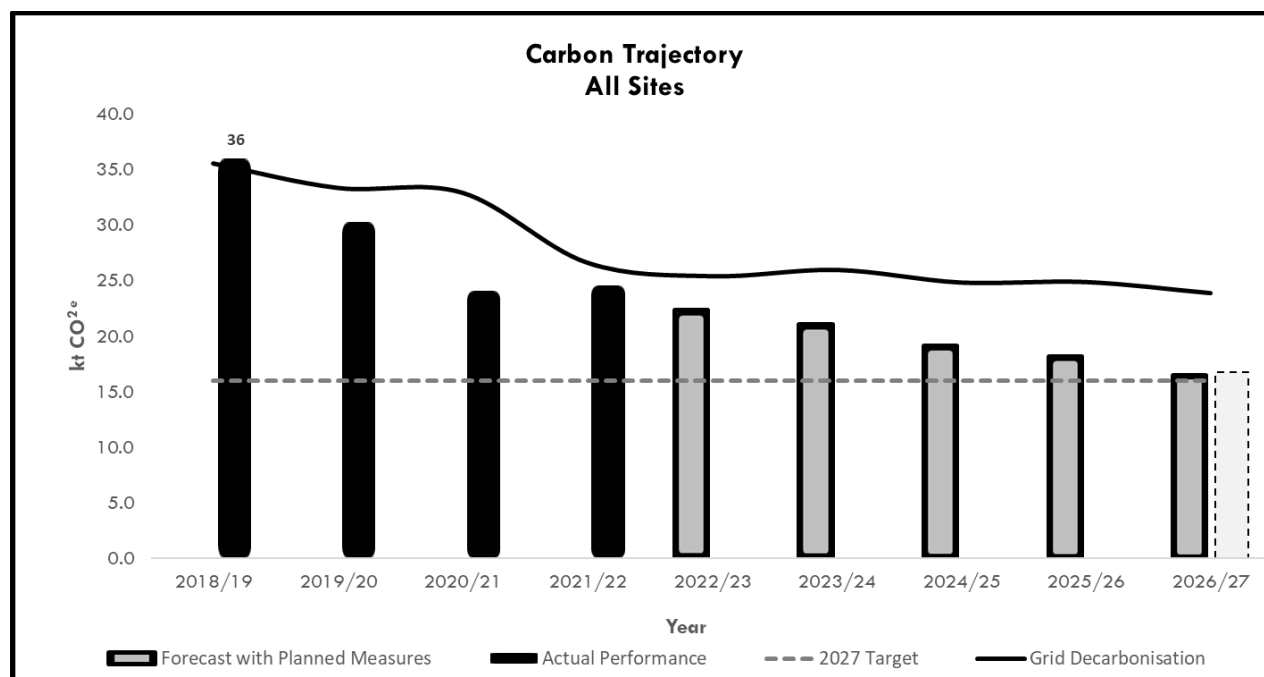


6. **Long term:** Chart 1 presents updated operational building targets to reflect 2018/2019 baseline data in conjunction with the Climate Action Strategy (CAS). It shows continued progress towards the interim target. Compared to the 2018/2019 baseline, the performance up to Q3 2022/2023 indicates:
  - a. A 20% reduction in absolute energy consumption
  - b. A 18% reduction when corrected for the weather

A comparison of rolling year energy performance for the Operational properties Q3 2022/23 and Q3 2021/2022 shows an increase in weather corrected values by 3%. This was expected as we continue a return to normal mode of operations. Further details can be found in table 1 of the appendix.

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

- a. A saving of 11,061 tonnes of CO<sub>2e</sub> or a 31% reduction from 2018/2019, based on the last full financial year figures (2021/22).



The following provides a synopsis of Chart 2:

7. The savings since 2018/19 demonstrate a positive trajectory for the Climate Action Strategy 2027 Net Zero Carbon target. Completion of the PSDS projects (table 4 of Appendix) will support continued reduction of emissions.
8. Building stock changes and improved control of our energy usage through Building Energy Management System (BEMS) control improvement within buildings has played a key role in capturing these savings, alongside the success of the PSDS project. Specifically, the Building Analytics Platform at the Guildhall has supported the improvement of site energy performance. We plan to roll this platform out to further buildings including Mansion House in the months ahead.
9. Item 8 of the appendix provides an overview of the Operational property carbon performance, without landlord emissions for Housing and IPG portfolios. This currently shows 15.5 KtCO<sub>2e</sub> of emissions, a reduction of 6.6 KtCO<sub>2e</sub> or 30% 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 Q3 Top 5 sites – weather corrected

<b>Top 5 Best Performing Sites Weather Corrected</b>	<b>Dec-19</b>	<b>Dec-21</b>	<b>Dec-22</b>	<b>Difference kWh 22 vs 21</b>
Guildhall Complex	17,373,432	14,255,097	13,153,469	- 1,101,628
City of London Crematorium	3,305,197	2,785,623	2,219,907	- 565,716
Central Criminal Court	6,806,868	6,545,577	6,060,769	- 484,808
London Metropolitan Archives	1,277,259	1,422,943	1,202,783	- 220,160
Billingsgate Market	3,823,144	3,464,910	3,276,461	- 188,449

Table 2: Overall performance Q3 bottom 5 sites – weather corrected

<b>Bottom 5 Performing Sites Weather Corrected</b>	<b>Dec-19</b>	<b>Dec-21</b>	<b>Dec-22</b>	<b>Difference kWh 21 vs 22</b>
GSMD - Milton Court	3,311,184	3,329,652	4,228,873	917,688
New Street (21)	1,813,859	2,340,481	2,361,606	547,746
Walbrook Wharf Cleansing Depot	1,684,201	1,962,451	2,108,881	424,680
City of London School	3,268,611	3,070,798	3,375,195	106,585
City of London Freeman's School	4,674,700	4,265,790	4,755,015	80,315

10. Table 2 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.
11. The top sites have continued to show a reduction due to improved controls and implementation of energy saving measures. Descriptions can be found in the Appendix.
12. The bottom sites can be attributed to increases in heating and refurbishment activities, as well as possible maintenance issues and increased levels of occupation. The energy team continue to collaborate with these sites to optimise their performance. Further information can be found in the Appendix.

## Energy Team and other activity

### Progress on energy projects

13. **The PSDS Project:** the scope of works included lighting upgrades, ventilation upgrades, building control upgrades and improvements, sub-metering, new energy management and building analytics software. These works are now complete. Verification of the savings is expected at gateway 6 in Q4.
14. **PPA:** The PPA contract with Votalia UK Ltd. is now complete and fully operational January 2023. Once operational, the PPA will provide over 60% of our electricity at ~ £41 MWh in 22/23 compared to the current market rates for electricity of ~£250 MWh at current rates.
15. **Battery Storage:** The Energy and Sustainability Team have recently been awarded a £30k grant towards reviewing the options for battery storage and flexibility services at the



Guildhall and Barbican. The study aims to provide detailed information about options and benefits in relation to the delivery of flexibility services to support energy security.

## **Corporate and strategic implications**

16. **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 CO<sub>2e</sub> 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.
17. **Financial implications:** The savings in this report detail reductions in energy consumption and not against agreed budgets. For longer sustainable gains the focus needs to be on improving efficient use of energy, through targeted investment in energy saving measures. Note that future savings as a result of lower energy spend related to the PSDS project will be transferred to the Build Back Better fund for re-investment with further projects, any capital underspend will be returned to Government.

## **Conclusion**

18. The Energy performance within Q3 remains on track with the long-term trajectory needed to meet our CAS targets for 2027. We continue to mobilise workstream (NZ1) related to operational buildings within the Climate Action Strategy and ensured delivery of the projects that form part of the PSDS project by Q2 2022/23. We have absorbed 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. Our focus is now on ensuring the next phase of climate action projects can be implemented in a timely and effective manner.

## **Report author**

### **Graeme Low**

Head of Energy and Sustainability, City Surveyor's Department  
E: [graeme.low@cityoflondon.gov.uk](mailto:graeme.low@cityoflondon.gov.uk)

This page is intentionally left blank

## Appendix

### 1. Top 30 site energy performance and bottom 5 performance overview

Weather Corrected Data: Performance comparison by top 30 sites: Q3 2022/23

Row Labels	Sum of Dec-19	Sum of Dec-21	Sum of Dec-22	Sum of kWh Difference 22 vs 21
Animal Reception Centre	751,067	756,896	706,587	- 50,309
Barbican Arts Centre	18,374,447	13,624,152	16,376,142	2,751,989
Baynard House Car Park	164,268	164,912	164,102	- 810
Billingsgate Market	3,823,144	3,464,910	3,276,461	- 188,449
Bishopsgate Police Station	3,220,588	2,355,145	2,343,203	- 11,942
Central Criminal Court	6,806,868	6,545,577	6,060,769	- 484,808
City of London Crematorium	3,305,197	2,785,623	2,219,907	- 565,716
City of London Freeman's School	4,674,700	4,265,790	4,755,015	489,225
City of London School	3,268,611	3,070,798	3,375,195	304,397
City of London School For Girls	2,292,769	1,755,915	1,708,077	- 47,838
GSMD	1,960,494	1,847,736	1,992,579	144,843
GSMD - Milton Court	3,311,184	3,329,652	4,228,873	899,220
GSMD - Sundial Court	1,798,269	1,614,720	1,506,240	- 108,480
Guildhall Complex	17,373,432	14,255,097	13,153,469	- 1,101,628
London Central Market (Smithfield)	14,836,981	10,330,529	10,966,178	635,650
London Metropolitan Archives	1,277,259	1,422,943	1,202,783	- 220,160
London Wall Car Park	222,445	213,757	206,431	- 7,325
Mansion House	2,138,532	2,076,265	2,028,472	- 47,793
Mayor's Court	211,852	278,159	251,075	- 27,083
New Spitalfields Market (Landlords)	6,705,459	5,824,980	5,861,443	36,463
New Street (21)	1,813,859	2,340,481	2,361,606	21,125
Open Spaces East Heath & Kenwood	192,166	202,747	147,129	- 55,618
Open Spaces Epping Forest	633,258	765,338	648,014	- 117,324
Open Spaces Golders Hill & Extension	400,438	397,775	305,105	- 92,669
Open Spaces Hampstead Heath Leisure	688,100	605,108	652,637	47,528
Open Spaces Parliament Hill	284,855	263,281	274,409	11,128
Streetlighting	3,365,904	2,029,741	1,910,709	- 119,032
Tower Bridge	2,330,547	1,917,549	2,204,006	286,457
Tower Hill Coach & Car Park	551,307	529,950	571,419	41,469
Walbrook Wharf Cleansing Depot	1,684,201	1,962,451	2,108,881	146,429
<b>Grand Total</b>	<b>108,462,202</b>	<b>90,997,977</b>	<b>93,566,914</b>	<b>2,568,937</b>

## 2. Bottom 5 performing sites

### Weather Corrected data

Bottom 5 Performing Sites Weather Corrected	Dec-19	Dec-21	Dec-22	Difference kWh 21 vs 22	Potential Rationale
GSMD - Milton Court	3,311,184	3,329,652	4,228,873	917,688	The increase is due to Citigen heat and Chill. Energy Team is working with the site
New Street (21)	1,813,859	2,340,481	2,361,606	547,746	The site was refurbished from 2017 - 2019, therefore lower consumption during 2019. Site has resumed full occupancy
Walbrook Wharf Cleansing Depot	1,684,201	1,962,451	2,108,881	424,680	Gas heaters in vehicle workshop replaced in 2019, poor roof condition, tenancy
City of London School	3,268,611	3,070,798	3,375,195	106,585	Increase in site activities and development since baseline year. Recommend BEMS management
City of London Freeman's School	4,674,700	4,265,790	4,755,015	80,315	Philip House was unoccupied during baseline year. Emphasis on improved ventilation as a result of covid

Active investigations are ongoing at Milton Court and 21 New Street to confirm the issues in relation to the increases in energy consumption as these continue to perform poorly. Initial indications point to a significant increase in gas consumption at 21 New St since December 2022, and we are exploring with Citigen in relation to Milton Court. A report on the full findings will be provided in due course.

## 3.CO<sub>2e</sub> 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	ktCO <sub>2e</sub>	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
Carbon Removals and Land Management (Scope 1)	ktCO <sub>2e</sub>	Scope 1	-16.2	-16.2	-16.2	-16.2	-16.2	-16.2	-16.2	-16.2	-17.64	-17.6	-17.6	-17.6
<b>Total net zero emissions</b>	<b>ktCO<sub>2e</sub></b>	<b>Scope 1 &amp; 2</b>	<b>20.2</b>	<b>17.7</b>	<b>14.2</b>	<b>8.19</b>	<b>6.54</b>	<b>3.18</b>	<b>1.83</b>	<b>0.76</b>	<b>-2.79</b>	<b>-10.5</b>	<b>-13.1</b>	<b>-14.6</b>
Net (negative removed)	ktCO <sub>2e</sub>	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 <sub>2e</sub>	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 <sub>2e</sub>	Scope 1 & 2									21.5	To be reduced by 2026/7		

## 4. PSDS Project update

The PSDS projects are now pending practical completion.

## 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 all the above sites have been completed, with further surveying in progress for the remainder. Projects are now being selected for investment grade proposals with initial work on this well underway. These projects will be presented for gateway approval and are not affected by the review of the capital programme. Projects under consideration will include (but not be 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.

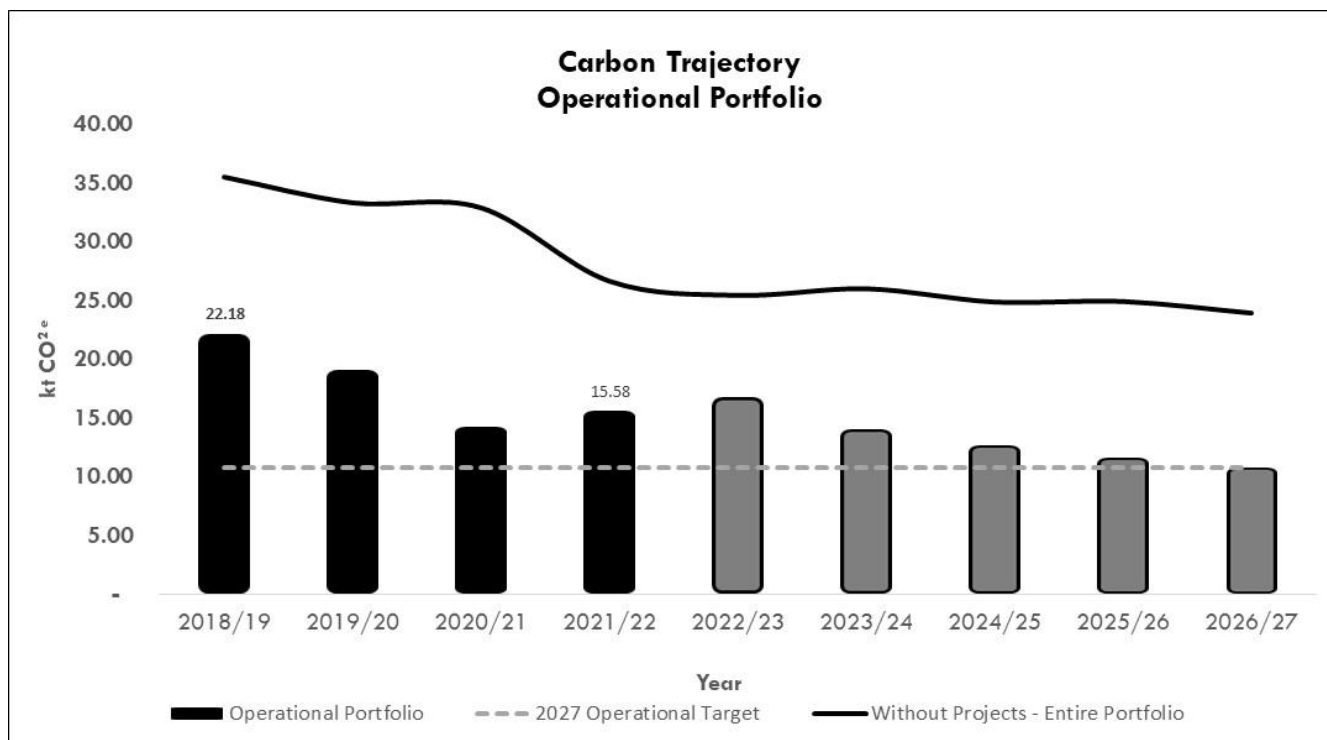
## 6. Tenant consumption

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 2022 Q1	July - Sept 2022 Q2	Oct - Dec 2022 Q3
Electricity	Billingsgate Market	362,744	374,611	337,813
Gas	Billingsgate Market	129,255	33,201	246,683
Electricity	London Central Market (Smithfield)	1,732,696	1,874,316	1,774,216
Electricity	New Spitalfields Market (Landlords)	1,234,481	1,661,938	1,190,681
Electricity	Walbrook Wharf	23,912	23,869	25,429

## 7. 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. Current quarterly carbon emissions are available in the CAS dashboard



<b>Committee(s)</b>	<b>Dated:</b>
Operational Property and Projects Sub Committee	March 6 <sup>th</sup> 2023
<b>Subject: CAS NZ1, NZ3 and RS3 Workstream update for the Operational Portfolio</b>	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	<b>5,11 &amp; 12</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>If so, how much?</b>	
<b>What is the source of Funding?</b>	
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>Yes</b>
<b>Report of: The City Surveyor</b>	<b>For Information</b>
<b>Report author: Graeme Low</b>	

## 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:

- 56 energy conservation measures have been approved at GW2. See Paragraph 4 for detail.
- £100k BEIS funded Citigen decarbonisation study secured. See paragraph 11.
- £28k Low Carbon Skills funding (BEIS) secured for Heat Decarbonisation plans at 3 sites. See paragraph 12.

## Recommendation(s)

- Note progress made in delivery of project tasks including energy surveys, BEMS Strategy, and design and technology standards.
- Note the progress on the delivery of capital projects including PSDS phase 1.

## Main Report

### Background

1. The Climate Action Strategy (CAS) measured our direct building emissions in 2018/19 as 36 ktCO<sub>2</sub>e, by 2026/7 this must reduce to 15.3 ktCO<sub>2</sub>e to reach our net zero target for our operational properties and Housing portfolio. CO<sub>2</sub>e emissions are as follows:

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

<b>Portfolio</b>	<b>Baseline 2018/19</b>	<b>YTD (Q3 2022/2023)</b>	<b>2026/27 Target</b>
Housing	10.6 kt/CO <sub>2</sub> e	3.68 kt/CO <sub>2</sub> e	4.6 kt/CO <sub>2</sub> e
Operational	22.2 kt/CO <sub>2</sub> e	9.93 kt/CO <sub>2</sub> e	10.8 kt/CO <sub>2</sub> e

2. To support this goal, the CAS buildings approach was presented at the April Corporate Asset Sub Committee in 2021 with a series of discrete actions which conjoin to deliver the CAS strategy NZ1, NZ3 and RS3 for the Operational buildings' portfolio – including housing. These actions are summarised in the table 2 below and demonstrate the requirement for the City Corporation to continue investment in carbon reduction projects. Item 7 within the appendix provides an overview of the carbon reduction expected from planned interventions.

**Table 2:** NZ1 - Operational Property and Housing Landlord Areas Actions

<b>1</b> – Commission building energy surveys – operational assets and housing	<b>2</b> - Develop building controls management strategy
<b>3</b> - Enhance monitoring and targeting programme	<b>4</b> - Decarbonisation of Heat
<b>5</b> - Deep fabric retrofit pilot	<b>6</b> - Additional energy specialist resources
<b>7</b> - Capital programme roll-out	

## Status Updates

**Action 1 Progress:** Building energy surveys – operational assets & Housing

### Corporate

3. Vital Energi Ltd. have provided energy efficiency audits to the top fifteen buildings (appendix 1) in support of the Climate Action Strategy.
4. To date, all fifteen buildings have had a High-Level Assessment (HLA) issued. The HLA's have been reviewed and an initial tranche of interventions that have been approved by P&R and OPPS Committees in December 22 and January 23. These 56 measures have been prioritised according to their return on investment, potential to save carbon and deliverability within a 2-year period amount to a combined value of £6.6m (including risk) and provide an annual saving of 520 tonnes of CO<sub>2e</sub> per annum.
5. The indicative project plan for these measures is highlighted in item 5 of the appendix.

### Housing

6. Survey work has been completed at the Barbican Estate to evaluate the benefit of improving insulation and heating controls with properties. Further cost analysis has recently been completed providing the value and benefit of undertaking these works. We continue to consult with Barbican residents as these proceed.
7. Housing surveys, being delivered by Silver EMS, are underway and expected to be completed by February. These will review landlord areas within our scope 1 & 2 operational emissions, focusing on options for solar PV, LED lighting upgrades, pump controls and ventilation efficiency improvements.



Next Steps – Action 1	
a.	<b>Operational:</b> Completion of decarbonisation delivery plan. Presentation of Gateway 3-5 papers for capital works.
b.	<b>Housing:</b> Completion of surveys and feasibility studies for pilot projects.

**Action 2 Progress:** Develop building controls management strategy.

8. The Schneider Electric Building Advisor platform (Analytics) has been operating since July 4<sup>th</sup> for the Guildhall and LMA. Intention is to extend the platform to Mansion House and Central Criminal Court in the coming months, as set out in the CAS Capital Programme.
9. The building controls strategy was drafted in November and is being reviewed prior to implementation.

Next Steps – Action 2	
a.	GW3-5 papers for Building Analytics Software at Mansion House and CCC
b.	BEMS integration with Team Sigma.

**Action 3 Progress:** Enhance monitoring and targeting programme.

10. Benchmarking, target setting and analysis against variables is currently being set up within Team Sigma for individual sites. In Q4 we plan to have individual targets updated within Sigma, league tables set up for building categories and benchmarks in place to compare our building performance against National datasets.

**Action 4 Progress:** Decarbonisation of Heat

11. Citigen - Development of Citigen Decarbonisation strategy is in progress - we have commissioned a study (funded by a £100k grant from the Heat Network Development Unit (HNDU) to develop the Citigen post-2027 plan. We have commissioned a consultant to investigate measures which would improve performance for Barbican Arts Centre, GSMD and Guildhall. A package of work focusing on increasing resilience and reliability of Citigen is also being developed. An agreed position has been reached with the London Wall West developers to connect the new scheme to the Citigen network, allowing new air-source heat pump plant (installed on-site) to back-feed low-carbon heat to the network and provide additional decarbonisation. We have also applied to participate in the government's Advanced Heat Networks Delivery Programme, which aims to prepare local authorities for the forthcoming Heat Zoning regulations for supporting heat network development.
12. Operational estate – Decarbonisation studies on 6 of our sites are due to be completed in February, following surveys by consultants Silver EMS which were part funded (£28k) from the government's Low Carbon Skills Fund. We have commissioned Beveridge Associates to provide detailed decarbonisation plans for a further 6 sites covering IPG and CPG, to be completed by June 2023.

13. Housing – Decarbonisation studies on our 5 communally heated housing estates are being finalised for March 2023. All estates have been surveyed to identify the technically viable options.

Next Steps – Action 4	
a.	Deliver HNDU study by June 2023, work with Citigen to develop the preferred strategy for decarbonisation of the network
b.	Complete Citigen connected sites performance improvement study by June 2023 and engage Citigen on the findings
c.	Complete the heat decarbonisation studies (Silver EMS and Beveridge commissions) for operational sites by June 2023.
d.	Complete the housing decarbonisation studies by March 2023 and develop a delivery plan.

**Action 5 Progress:** Deep fabric retrofit pilot – operational asset

14. 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. It will follow the completion of the Design and Technology Standards.

**Action 6 Progress:** Additional energy specialist resources

15. We have added support in place with Etude Consulting Ltd. Overseeing tasks relating to Housing. Additional levels of support have been agreed to progress Heat Decarbonisation over Q3 from Arcadis.
16. We have successfully recruited to two posts during the last period with one project manager post remaining vacant.
17. The Centre of Excellence will also address the NZ3 and RS3 work streams plus the Investment portfolio (NZ4) approach.

Next Steps – Action 6	
a.	Appointment of remaining Energy Engineering 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

18. The main capital programme roll-out will flow from opportunities identified in the energy surveys and gateway paper presented in December (action 1). The £9.5m PSDS project, Phase 1 & 2 of the Energy Reduction Programme (completion 2022/23) and £4.5m Guildhall Cooling replacement project (completion expected summer 2023) will contribute to our carbon reductions. Details of associated energy and cost savings are included within item 6 of the appendix.

Next Steps – Action 7	
a.	Extend interim project management resource for 2023/24 and onwards.
b.	Completion of GW3-5 papers from March 23 onwards for capital works.

### **NZ3 Capital Projects Design Standards and RS3 Resilient Buildings**

19. Work continues on both the Design and Technology standards with an initial draft provided in December. We are now working through the design and functionality of the standards. Embedding these standards will begin in Q1 2023.
20. Whole Life Carbon (WLC) member briefing session has been scheduled for mid-March 2023, the session will provide an update on CoLC's approach to developments in the Square Mile and on our own developments and major refurbishments
21. Climate impact modelling began with a digital twin model of our buildings in June 2022, focusing on flood and heat stress. The climate impact modelling outputs and intervention measures have been incorporated into a GIS platform where the information will inform the resilience action plan which is planned for completion by Q2 2023.

### **Project support activities**

22. Arcadis have been appointed by the City Surveyor to provide, 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 finish as planned in November 2022.

### **Key risks**

23. Key risks are included within item 4. of the appendix. This now includes the current operational property review impacting the level of opportunity to reduce carbon across this group of buildings.

## **Corporate & Strategic Implications**

### **Strategic implications:**

24. 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:**

25. 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:**

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

## **Conclusion**

27. The City Surveyor has commenced the mobilisation and has moved into the delivery stage of the building-related workstreams, three being relevant to this Sub Committee (NZ1, NZ3 & RS3). 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**

### **Graeme Low**

Head of Energy and Sustainability

City Surveyor's Department

E: [graeme.low@cityoflondon.gov.uk](mailto:graeme.low@cityoflondon.gov.uk)

## Appendix

### 1. List of key sites in an energy performance partnership with Vital Energi

1. Guildhall Complex	8. City of London School	14. London Metropolitan Archives
2. Barbican Arts Centre	9. City of London School for Girls	15. Tower Hill Car Park
3. London Central Market (Smithfield)	10. Walbrook Wharf Cleansing Depot	
4. Central Criminal Court	11. Tower Bridge	
5. New Spitalfields Market	12. Mansion House	
6. City of London Freeman's School	13. GSMD (inc. Milton Court and Sundial Court)	
7. Billingsgate Market		

### 2. Centre of Excellence roles.

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

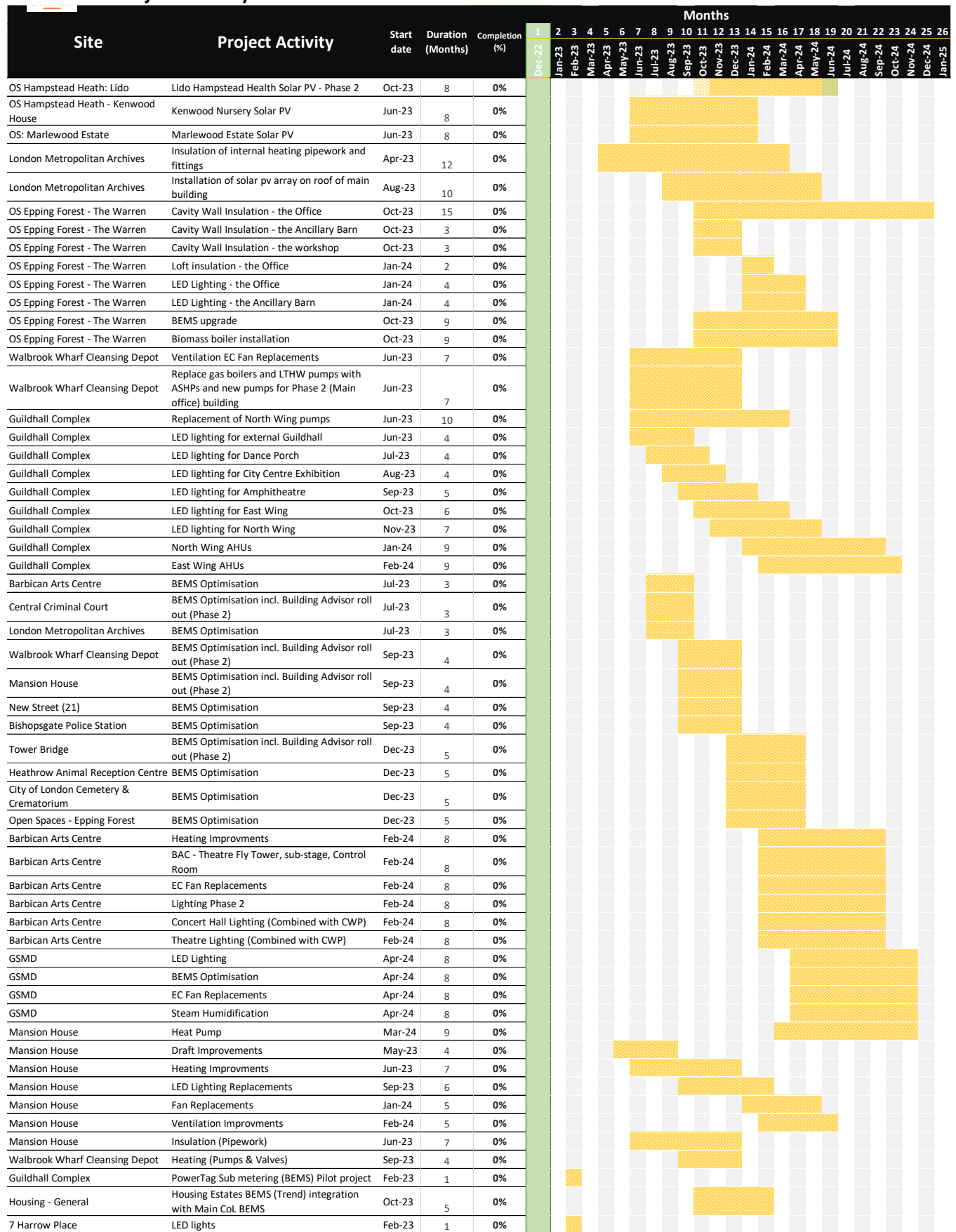
### 3. Whole Life Carbon Assessments – Pilot projects.

	Project Name	Areas (m <sup>2</sup> )	RIBA Stage	Project Type
1	15-17 Eldon Street & 1st-5th/6 Broad Street Place	10,000	RIBA 3	Office
2	Brewery Road - Refurbishment & Extension	3,931	RIBA 5	Office
3	Finsbury Garden Pavilion and Landscaping	600	RIBA 4	New Build
4	CoL Junior School Expansion	2,400	RIBA 4	School
5	COLPAI - CoL Primary Academy & Islington	8,500	RIBA 5	School

#### 4.Key Risks

Risk	Mitigation
Delays in securing resource Impacts project delivery.	Review of Centre of Excellence completed to address this issue. Use of flexible frameworks for Project Management resource. Utilising Lead Consultancy with backup resource available.
Funding gap emerges following investment grade proposals.	Existing funding allocation 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. Use PPA benefit and report Market based emissions as well as location based.
Major projects/programmes:  The proposed further review of operational properties as part of the MTFP and Net Zero Budgeting.	Major programmes and projects may impact the decisions on CAS interventions or reduce the payback period if a decision is made to dispose or refurbish a building. In all cases full consideration should be made within the decision-making process. Additional carbon emitted from new developments limited by NZC design standards introduced and any subsequent asset disposals.

## 5. Indicative Project delivery timescales



## 6. Anticipated Energy and Cost savings from Energy Conservation Measures Implemented/planned.

Project	Total Energy savings	Annual cost savings (23/24 energy prices)
	kWh/yr	£

### PSDS Programme

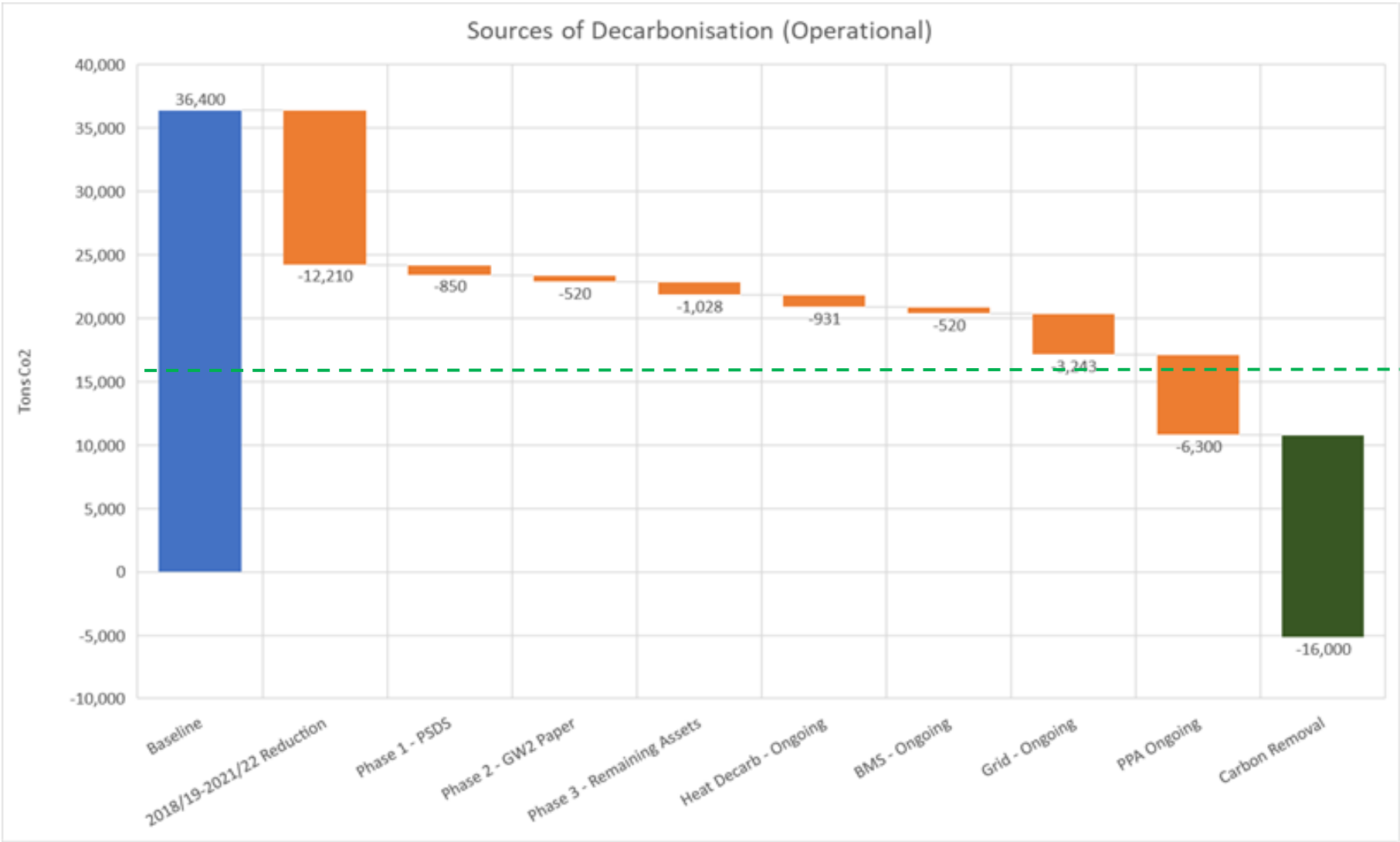
PSDS RA-W Barbican Arts Centre	2,838,978	£443,518
PSDS RA-W Silk Street (GSMD)	644,064	£105,848
PSDS RA-W Milton Court (GSMD)	540,326	£95,884
PSDS RA-W Sundial Court (GSMD)	257,836	£53,196
PSDS RA-W John Hossier Anexe	20,057	£4,814
PSDS RA-W Guildhall Complex	584,700	£122,929
PSDS Guildhall Ventilation	2,445,371	£341,040
PSDS Guildhall Chilled Water Mods	160,551	£38,532
PSDS LMA Ventilation	62,410	£14,978
<b>TOTAL</b>	<b>7,554,292</b>	<b>£1,220,738</b>

### CAS Phase 1 Capital Programme

CAS Phase 1 Programme: BAC Mech.	157,427	£79,832
CAS Phase 1 Programme: BAC Lighting	246,212	£56,629
CAS Phase 1 Programme: BAC Specialist Lighting	198,353	£48,457
CAS Phase 1 Programme: GSMD	166,411	£40,654
CAS Phase 1 Programme: Guildhall	309,869	£71,270
CAS Phase 1 Programme: LMA	57,831	£17,646
CAS Phase 1 Programme: Mansion House	916,660	£76,992
CAS Phase 1 Programme: Open Spaces - Solar PV	112,134	£25,791
CAS Phase 1 Programme: Open Spaces - The Warren	33,555	£10,669
CAS Phase 1 Programme: Walbrook Wharf	310,257	£29,853
CAS Phase 1 Programme: BEMS	807,648	£110,603
<b>TOTAL</b>	<b>3,316,357</b>	<b>£568,396</b>



7. Waterfall chart showing the impact of interventions (including grid decarbonisation) on achieving the 2027 Scope 1 & 2 target.



--- Carbon reduction target (16ktCO2)

This page is intentionally left blank

<b>Committee(s)</b>	<b>Dated:</b>
Operational Property and Projects Sub Committee – For information	06 March 2023
Property Investment Board – For information	19 May 2023
<b>Subject:</b> City Surveyor's Business Plan 2022-27 Quarter 3 2022/23 Update	<b>Report – public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	<b>4, 7, 11, 12</b>
<b>Does this proposal require extra revenue and/or capital spending? N/A</b>	<b>N</b>
<b>If so, how much? N/A</b>	<b>N/A</b>
<b>What is the source of Funding? N/A</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department? N/A</b>	<b>N/A</b>
<b>Report of: The City Surveyor (CS 065/23)</b>	<b>For Information</b>
<b>Report author:</b> 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) 2022/23 against the 2022-27 Business Plan.

Of the thirteen key performance indicators being monitored five were assessed as being green, on target. There were also five measures which were assessed as amber. Two further indicators are assessed in quarters 2 and 4, and one is assessed annually.

This report was due to be presented to Members of PIB at the March meeting of this Committee. The March Board was cancelled, and hence this report is only being presented to the May meeting of PIB.

Against an overall local risk budget of £32.245m, the City Surveyor is currently forecasting an overspend of £1.076m (3.3%). If Bridge House Estates services are excluded the City Surveyor is forecasting an overspending of £1.131m against a budget of £29.163m (3.9%) Whilst the department's local risk position is challenging, it continues to develop income and capital receipts for the organisation not reflected within the local risk budget figures.

## 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 2022-23 (October to December) against the 2022-27 Business Plan.

### **Current Position**

2. This report provides the latest budget information which is set out in Appendix A. Appendix B provides a detailed table of the department's Key Performance Indicators (KPIs). Charts of performance indicators that are of interest to your Committee are included in Appendix C. Commentary on the commercial property market is included in Appendix D.
3. A separate monitoring report on the risks within the department is also circulated for this meeting.

### **Financial Statement**

4. The quarter 3 monitoring figure reveal that against an overall local risk budget of £32.245m, the City Surveyor is currently forecasting an overspend of £1.076m (3.3%). If Bridge House Estates services are excluded the City Surveyor is forecasting an overspending of £1.131m against a budget of £29.163m (3.9%) for his remaining City Fund and City's Cash services.
5. The principal reason for this deficit is an overspend on the departmental division of service budget. This is partly due to the remaining 12% Target Operating Model (TOM) savings which won't be realised until next financial year. A further contributing factor is the £280,000 of cross cutting Fundamental Review savings, concerning the centralisation of asset management and project management, which the City Surveyor was unable to progress as it was superseded by the TOM.
6. There is an overspend at the Central Criminal Court (CCC), projected to be £341k by year-end. The City Surveyor took responsibility for the management of this site in 2021, and a review of the CCC's finances revealed that the site had not been in balance for the preceding five years. The projected overspend has risen in recent years, driven by several factors - notably increased security and cleaning, developed through the pandemic, coupled with a move to open the Court throughout the year. It should be highlighted that the security and cleaning regime has now returned to normal service levels.

The CCC is funded through a historic agreement with His Majesty's Courts & Tribunals Service (HMCTS) which allocates a percentage split to various costs. As outlined above there has been an increase in the overall spend at the site, and this had meant that the City is responsible for a portion of these additional costs. The City Surveyor is intending to address this as part of wider discussions on how the running costs of the new court at Salisbury Square will be met by HMCTS.

In the interim the City has undertaken a review of the agreement with HMCTS, most recently in January 2023, and we are confident we are recovering all costs allowable under the existing agreement. On a positive note, limited income is generated by hosting events at the CCC, circa £90K by year, some £20K more than budgeted and we are considering ways to expand income further in the coming year.

7. Whilst the department's local risk position is challenging, it continues to develop income and receipts for the organisation and other budgets not held by the City Surveyor. To the end of quarter 3, the City Surveyor has generated in excess of £11.4m (£10.848m in capital receipts, and £0.560m in additional income) across the operational estate through highway transactions, rights of light claims and operational property opportunities. Only £0.367m is attributable to the City Surveyor's local risk. The department manages the commercial third party lease portfolio within the operational estate on behalf of other departments with year-to-date (mid-Feb) lease events contributing £178k per annum to the organisation.

### Quarter 3 2022/23 update

8. 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 <sup>1</sup>	Green	Amber	Red	N/A
Operational Property and Projects Sub Committee	2	4		2
Property Investment Board	4	3		2
Overall <sup>2</sup>	5	5		3

9. Of the thirteen KPIs monitored, five were assessed as being on target (green), and five are behind target (amber). Three further measures are reported either bi-annually or at the end of the reporting year.

10. The amber KPI is as follows:

A. KPI. 1 – Asset realisation and additional income (OPPSC)

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

<sup>2</sup> Some KPIs relate to both PIB and OPPSC. Therefore, row indicating KPIs overall is not a total of the PIB and OPPSC rows.

The City Corporation is seeking to achieve in excess of 90% of the total forecast of asset realisation and additional income. The forecast figure is £19.6m for 2022/23.

The forecast figure of £19.6m for 2022/23 includes a number of disposals. Whilst most are progressing in line with expectations, we have experienced a delay at West Ham Park. Here the contract exchange has been delayed whilst pre-application discussions are undertaken with statutory parties. This transaction, if progressed, will fall into the 2023/24 reporting year.

**B. KPI. 3 – Delivery of Climate Action Strategy (CAS) milestones – operational property (OPPSC)**

This measure is targeting a 5% year-on-year reduction in carbon emissions. For the period an increase of 3% was recorded.

The indicator compares emissions with 2021/22 which, for the October-December period, included a period of COVID-19 lockdown. The overall reduction from the 2018/19 baseline year continues to show that the City Corporation is on track to meet its long-term CAS objectives.

**C. KPI. 4 – Delivery of Climate Action Strategy (CAS) milestones – investment property (PIB)**

This measure is targeting the delivery of investment property CAS milestones. One workstream element is showing a two-month delay to the expected completion date (to June 2023).

**D. KPI. 6 – Adherence to budgetary profiles (OPPS and PIB)**

The objective is to ensure that, by the end of the reporting year, the City Corporation spends between 95% and 105% of programmed property project budgets. At quarter three, this was 59.1%.

The majority of posting occurs in quarter four, however the quarterly figure was behind profile. The main drivers of this performance are:

- Investment Property Group (IPG) revenue budget. This has been substantially reduced by IPG Asset Managers to £3.15m (from £4.5m). Circa 90% of this revised value has been committed.
- Cyclical Works Programme (CWP) report a low spend to date, but over 80% of the annual budget has now been committed. A significant portion of the uncommitted budget (around £1.5m) lies with the Barbican Centre and GSMD. At these sites there has been operational planning constraints which have impacted the ability to deliver projects.

**E. KPI. 7 – Capital projects risk status (OPPS and PIB)**

This indicator looks at the RAG status of each project with target that fewer than 30% of projects have an overall assessment of “red”. At quarter 3 this was 43%.

A number of projects are outside of target due to increased cost resulting from inflation, and extended programmes as a result of COVID-19.

## **Conclusion**

11. Whilst there are five measures behind target, the relevant teams are working diligently to recover time and ensure that programmes are delivered in line with expectations. Whilst the department’s local risk position is challenging, it continues to develop income and receipts for the organisation.

## **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 2022-27 (CS 454/21)
- The City Surveyor      The City Surveyor’s Business Plan 2022-27 – Quarter 1 2022/23 Update (CS 271/22)
- The City Surveyor      The City Surveyor’s Business Plan 2022-27 – Quarter 2 2022/23 Update (CS 361/22)

**Faith Bowman**

**John Galvin**

Departmental Performance & Services  
City Surveyor’s Department

E: [john.galvin@cityoflondon.gov.uk](mailto:john.galvin@cityoflondon.gov.uk)

This page is intentionally left blank



# Budget Monitoring Statement Quarter 3 2022/23

## Appendix A Page 1 of 2

### Budget Monitoring Statement

LOCAL RISK BUDGET Period to 25th December 2022	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 £000	Note
<b>City Fund</b>							
City Fund Estate & Leadenhall	(2,325)	(1,247)	(1,430)	(183)	(2,490)	(165)	1
Walbrook Wharf	(1,072)	(769)	(714)	55	(972)	100	2
Mayor's & City of London Court	(20)	(15)	(26)	(11)	(17)	3	
Central Criminal Court	(382)	(270)	(451)	(181)	(723)	(341)	3
Lower Thames St Roman Bath	(7)	(5)	(6)	(1)	(6)	1	
R&M & MI Work for other departments	(1,285)	(951)	(831)	120	(1,299)	(14)	6
Corporate FM cleaning & security	(90)	(68)	(76)	(8)	(107)	(17)	
	(5,181)	(3,325)	(3,534)	(209)	(5,614)	(433)	
<b>City's Cash</b>							
City's Cash Estate	(2,727)	(1,281)	(1,645)	(364)	(2,596)	131	4
Departmental	(9,323)	(6,954)	(7,771)	(817)	(10,241)	(918)	5
Mayoralty & Shrievalty	(93)	(83)	(18)	65	(74)	19	
R&M & MI Work for other departments	(1,900)	(1,409)	(1,264)	145	(1,962)	(62)	6
Corporate FM cleaning & security	(610)	(451)	(483)	(32)	(644)	(34)	
	(14,653)	(10,178)	(11,181)	(1,003)	(15,517)	(864)	
<b>Guildhall Administration</b>							
Guildhall Complex	(9,329)	(6,697)	(6,810)	(113)	(9,163)	166	7
	(9,329)	(6,697)	(6,810)	(113)	(9,163)	166	
<b>Total City Surveyor Local Risk excl BHE</b>	<b>(29,163)</b>	<b>(20,200)</b>	<b>(21,525)</b>	<b>(1,325)</b>	<b>(30,294)</b>	<b>(1,131)</b>	
<b>Bridge House Estates</b>							
Bridge House Estates	(2,820)	(2,036)	(1,252)	784	(2,765)	55	8
Tower Bridge Corporate FM cleaning	(262)	(196)	(196)	0	(262)	0	
	(3,082)	(2,232)	(1,448)	784	(3,027)	55	
<b>Total City Surveyor Local Risk incl BHE</b>	<b>(32,245)</b>	<b>(22,432)</b>	<b>(22,973)</b>	<b>(541)</b>	<b>(33,321)</b>	<b>(1,076)</b>	

1. The overspend comprises lower service charge income partially offset by reduced costs at 6 Broad Street Place & New Liverpool which are vacant pending redevelopment.
2. Expenditure is lower than anticipated principally on reactive repairs and cleaning.
3. The overspend is principally due to additional security and cleaning as a result of a new regime introduced during the pandemic.
4. A shortfall in service charge income (mainly Smithfield commercial offices) is offset against an underspend/slippage in the revenue works programme for the estate as a whole. If this continues there will be a net saving at year end.
5. The departmental overspend is due to the residual 12% Target Operating Model savings target. This will not be realised in full until 2023/24. Further there is £280k of cross cutting Fundamental Review savings in respect of consolidation of Asset management and project management which the City Surveyor was unable to progress as they relate to other departments' budgets.
6. The year-end overspend relates to additional reactive repairs and cyclical works being undertaken in the last quarter.
7. There are anticipated savings on repairs and maintenance items and numerous other supplies and services budget should produce a net saving by year-end.

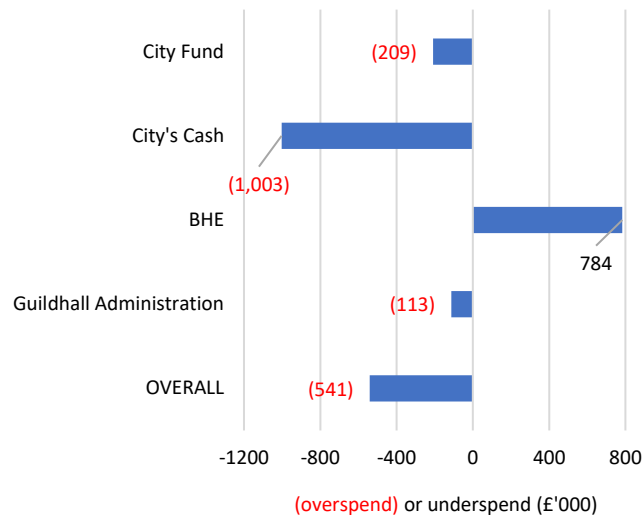
8. The underspend at quarter 3 relates principally to savings on cyclical works due to slippage and to savings on business rates. It is anticipated that cyclical works spend will catch up by year-end. Further, a £400k provision has been included for business rates relating to an early vacation by a tenant at Chiswell Street. This sum was not budgeted for in the department's original estimates.

Key Performance Indicators												
Ref	Title	Target	Group	Committee	Q1		Q2		Q3		Q4	
					Actual	RAG	Actual	RAG	Actual	RAG	Actual	RAG
KPI. 1	Asset Realisation and additional income	£19.6m	CPG	OPPSC	on target	green	on target	green	off target	amber		
KPI. 2	Space Utilisation*	£4.78	CPG	OPPSC	n/a	n/a	£5.867	amber	n/a	n/a		
KPI. 3	Delivery of Climate Action Strategy Milestones - operational estate	<5%	OG	OPPSC	5.00%	amber	5.00%	amber	3%	amber		
KPI. 4	Delivery of Climate Action Strategy Milestones - investment property	on schedule	OG	PIB	on target	green	month del	amber	2 mth delay	amber		
KPI. 5	Property contract Performance Compliance	> 90%	OG	OPPSC	98.52%	green	99.21%	green	95.56%	green		
KPI. 6	Adherence to Budgetary Spend Profiles	95% - 105%	All	PIB; OPPSC	17.03%	green	36.19%	green	59.10%	amber		
KPI. 7	Capital Project - Project Risk Status	< 20%	PPG	PIB; OPPSC	20.00%	green	27%	green	43.00%	amber		
KPI. 8	Capital Project- Health & Safety*	80%	PPG	PIB; OPPSC	n/a	n/a	81%	green	n/a	n/a		
KPI. 9	Capital Project - Site sustainability waste management	> 90%	PPG	PIB; OPPSC	97.00%	green	94%	green	99%	green		
KPI. 10	Rental Forecasts	£94.19m	IPG	PIB	£94.39m	green	£96.29m	green	£95.99m	green		
KPI. 11	Minimise Arrears (reducing target <9% June, <7% Sept, <5% Dec <2% March)	<2% eoy	IPG	PIB	9.34%	green	5.21%	green	4.98%	green		
KPI. 12	Minimise voids (*)	n/a	IPG	PIB	3.77%	green	n/a	n/a	2.01%	green		
KPI. 13	Outperform MSCI**	exceed benchmark	IPG	PIB	n/a	n/a	n/a	n/a	n/a	n/a		
	*reported bi annually											
	** reported annually											
	eoy - end of year											

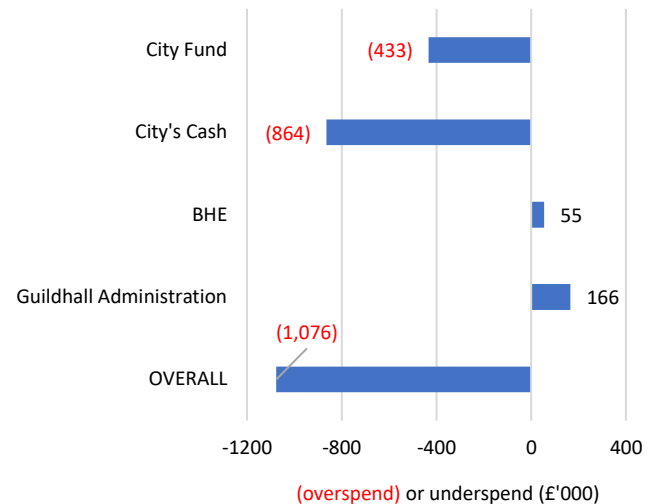
This page is intentionally left blank

## Headline Performance Charts Quarter 3 2022/23

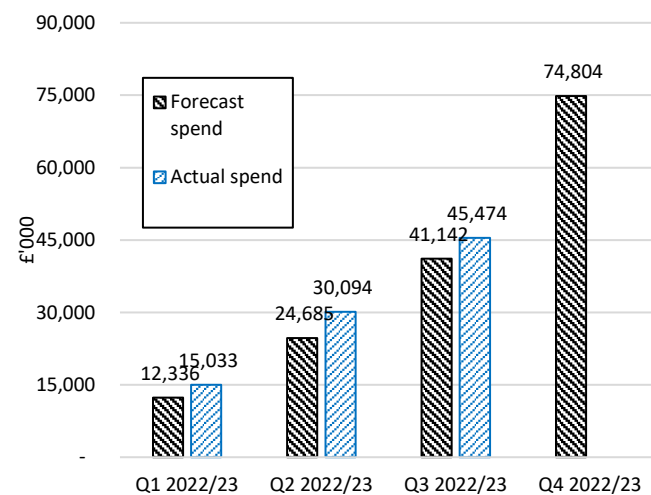
## Appendix C Page 1 of 1



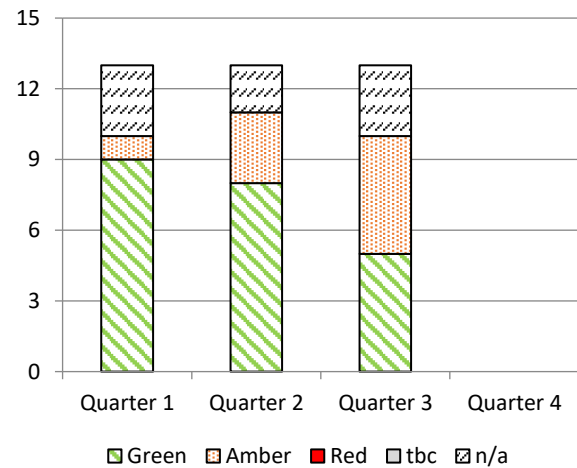
**Figure 1** End of quarter variance against profiled local risk budget – (overspend) or underspend



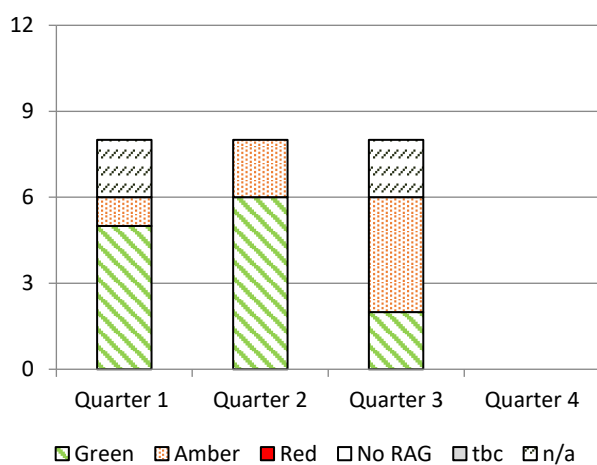
**Figure 2** Projected year-end variance of the local risk budget – (overspend) or underspend



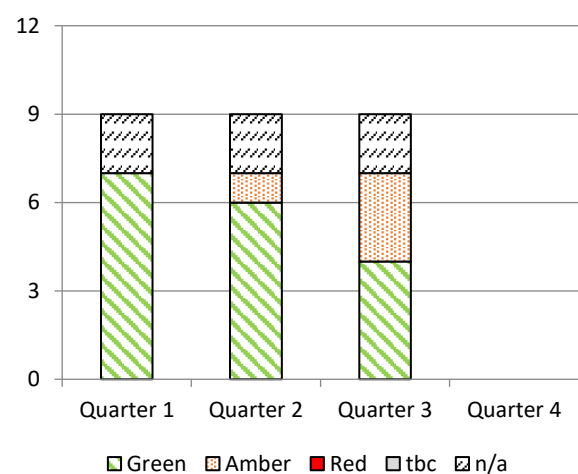
**Figure 3** All project spend, forecast v actual



**Figure 4** Performance of departmental KPIs overall



**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)

This page is intentionally left blank

**October to December**

1. In the West End office leasing market, Savills reported take up of 452,128 sq ft in December (the strongest month in the quarter). This took total take-up in calendar 2022 to 4.5m sq ft which was up 6% on the year prior and above the 10-year average by 8%.
2. Demand for high-quality space has translated into sustained growth for average prime rents, which increased 7.3% in 2022 to £128.76 per sq ft. Similarly, average Grade A rents grew 3.4% to £85.15 per sq ft. This stands in contrast to average Grade B rents, which have declined 4.7% to £52.40 per sq ft.
3. West End supply rose slightly to 7.6m sq ft, leaving the vacancy rate unchanged from the previous month at 6.4%. It remains 210 bps higher than the pre-COVID December 2019 figure of 4.3%. The proportion of supply classed as Grade A increased to 72%. 46% is now new as several large developments due in April to June 2023 were added to the figures.
4. In the City office leasing market, Savills reported take-up of 417,937 sq ft in December bringing the quarterly take-up to 1.4m sq ft. Annual take-up reached 5.8m sq ft, which is up on 2021 by 21%, but down on the 10-year annual average by 8%.
5. Quarterly average prime rent reached £88.36 per sq ft, this is a record setter for the City of London. Annual average prime rents increased 4.5%, settling at £86.03 per sq ft. Similarly, average grade A rents increased 4.2%, to reach £67.13 per sq ft. The bifurcation between the 'best' and the 'rest' is becoming increasingly pronounced. Between now and 2026, Savills are forecasting prime rents to increase 3.4% year-on-year, compared to a 0.7% decline for Grade B space.
6. Total City supply has increased marginally, settling at 13.4m sq ft. Since August, the vacancy rate has remained between 9.5% and 9.6%. Despite the high vacancy rate compared to the long-term average (6.3%), the quality split within the market means vacancy rate amongst prime stock is far lower.
7. JLL reported investment volumes were subdued in the final quarter of the calendar year reaching just £1.2 billion across Central London. This was 68% below the 10-year quarterly average (£3.7bn) and the lowest quarterly volumes since April to June 2020.
8. Full year volumes saw £12.2 billion traded across Central London, which was below the £13.3 billion transacted in 2021 and 18% lower than the 10-year annual average of £14.8 billion. The largest transaction of the quarter was Lazari's acquisition of the Fenwick Department Store, 63 New Bond Street, W1 for £428.5 million. The building has planning consent for a five-storey office extension and a part change of use from retail to offices.

9. Purchases during the calendar year were dominated by overseas investors which invested £9.6 billion (79% of the total). The largest group was Asia-Pacific with a 44% of the total, followed by American purchasers with 16%. Investors from Singapore, South Korea and the USA have been most active within these groups. Investment from UK purchasers accounted for 21% of annual volumes, down from 39% recorded in 2021.
10. The City prime yield moved out a further 25bps to stand at 4.50% at the end of quarter. The prime West End yield for larger lot sizes softened over the quarter with the £40m-£125m lot sizes standing at 4.00% and lot sizes over £125m moving out to 4.25%.



<b>Committee(s)</b>	<b>Dated:</b>
Operational Property and Projects Sub Committee – For information	06 March 2023
Property Investment Board – For information	19 May 2023
<b>Subject:</b> The City Surveyor's Departmental Risk Register – February 2023 Update	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	<b>4, 7, 11, 12</b>
<b>Does this proposal require extra revenue and/or capital spending? N/A</b>	<b>N</b>
<b>If so, how much? N/A</b>	<b>N/A</b>
<b>What is the source of Funding? N/A</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department? N/A</b>	<b>N/A</b>
<b>Report of: The City Surveyor (CS 059/23)</b>	<b>For Information</b>
<b>Report author:</b> John Galvin / Faith Bowman 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 is the owner for one corporate risk. There are a further nine risks on its Departmental Risk Register (Appendix B). Three of these departmental risks are recorded as red. The red risks currently being managed are:

- Corporate Risk:
  - CR 37 – Maintenance and renewal of physical assets – Investment property and Corporate (operational) property (excluding housing) – PIB & OPPSC  
Current risk score 16 (Red)
- Departmental Risks:
  - SUR SMT 005 – Construction Price Inflation – PIB & OPPSC  
Current risk score 16 (Red)
  - SUR SMT 006– Construction Consultancy Management – PIB & OPPSC  
Current risk score 16 (Red)
  - SUR SMT 009 – Recruitment and retention of property professionals – PIB & OPPSC  
Current risk score 16 (Red)

## Recommendation(s)

Members are asked to note this report, and the actions taken within the City Surveyor's Department to effectively monitor and manage risks arising from our operations.

## **Main Report**

### **Background**

1. The City of London Corporation's Risk Management Policy and Strategy (RMP&S) 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 register on a quarterly basis.
2. This report would ordinarily be reported through to the March date of PIB. This Committee date has been cancelled, and consequently this report is being presented to Members of this Committee in May. Where possible updates have been included to the Departmental Risk Register.
3. Aligned with the November report, we are now only reporting through to your Committee the risks which are relevant under the Committee's terms of reference. For clarity and transparency Appendix A provides a summary table of all departmental risks and the Committee to which they are reported. The full departmental risk register is available to Members upon request.
4. The risks relevant to this Committee are included as Appendix B to this report.
5. Risks are reviewed regularly by the department's Senior Management Team (SMT) in line with the organisation's RMP&S. Risks are assessed on a likelihood-impact basis, and the resultant score is associated with a traffic light colour.
6. 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**

7. The City Surveyor's Department has escalated one red risk to the Corporate Risk Register. The City Surveyor is working with colleagues from across the City Corporation to progress mitigations. Further, the Departmental Risk Register contains three red and six amber risks.

### **Changes since last review**

8. The main changes to the department's risks are captured below.

- A. SUR SMT 011 – Contractor failure – PIB & OPPSC  
Current risk score 12 (Amber)

This is a new risk on our departmental register, capturing the possible failure of one of our contractors, or their sub-contractors. Such failures may result in increased delivery cost, or increased time to completion. Historically the City Corporation has not had significant influence over the selection of sub-

contractors, and we are exploring with Procurement what additional controls can be put in place in order to manage this risk.

- B. SUR SMT 010 – Insurance – Investment and Corporate Estate – PIB & OPPSC  
Current risk score 12 (Amber)

The risk scoring on this item has reduced from November when it was Red 16. This risk captures the need to re-value our property estates (both Investment and Corporate) to ensure that the City meets its legal obligation under its insurance policies. The reason for the change in scoring is the recent identification and release of funding to undertake the valuation process. As these are undertaken it is anticipated that this risk will reduce to target.

- C. SUR SMT 007 – Energy Pricing – OPPSC  
Current risk score 8 (Amber)

The scoring on this risk has reduced from November when this was Red 16. This change reflects the new Power Purchase Agreement, the solar farm in Dorset, going live. This will provide greater energy cost certainty into the future. Further the wider market price of energy has fallen back from the peaks seen in 2022. Combined these factors have reduced this risk to Amber.

## Heatmap

9. Through the performance dashboard tool, Power BI, it is possible to create heatmaps of the department's risks as below. 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. Note that the table includes the Corporate Risk that is being managed by the department.
10. The Heatmaps do not track individual risks over time, rather it is a snapshot comparison of the overall risk profile. Members will note that, whilst the overall number of risks has increased (by one) the portion of red risks has decreased.

	Minor	Serious	Major	Extreme
Likely			6	
Possible		1	2	
Unlikely				
Rare				

Table 1: November 2022 Risk Heatmap

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

Table 2: February 2023 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 A Risks by Committee
- Appendix B The City Surveyor's Corporate and Departmental Risk Register relevant to this Committee

## Background Papers

- The City Surveyor The City Surveyor's Departmental Risk Register – June 2022 Update (CS 219/22)
- The City Surveyor The City Surveyor's Departmental Risk Register – September 2022 Update (CS 270/22)
- The City Surveyor The City Surveyor's Departmental Risk Register – November 2022 Update (CS 357/22)

**John Galvin**

**Faith Bowman**

Departmental Performance & Services  
City Surveyor's Department

E: [john.galvin@cityoflondon.gov.uk](mailto:john.galvin@cityoflondon.gov.uk)

**Risks by Committee**

1. The City Surveyor's Department (CSD) is currently managing one risk at the Corporate level (CR 37) and a further nine at the departmental level.
2. Outlined in the table below is how these risks relate to the two reporting Committees, Operational Property and Projects Sub Committee (OPPSC) and Property Investment Board (PIB).
3. Of the ten total risks, nine relate to OPPSC and seven to PIB. For risk CR37, only one mitigating action relates to the activities of PIB (Action CR37D).
4. From November 2022 only risk relevant to the specific Committee will be presented to that Committee. The full list of risks and their mitigations are available upon request.

<b>Code</b>	<b>Title</b>	<b>OPPSC</b>	<b>PIB</b>	<b>Score</b>
CR 37	Maintenance and renewal of Physical Assets-Investment property and Corporate (operational) property (excluding housing assets)	X	X (action CR37d)	16
SUR SMT 005	Construction Price Inflation	X	X	16
SUR SMT 006	Construction Consultancy Management	X	X	16
SUR SMT 009	Recruitment and retention of property professionals	X	X	16
SUR SMT 002	Insufficient budget to meet user and asset demand at Guildhall	X		12
SUR SMT 003	Investment Strategy Risk		X	12
SUR SMT 010	Insurance - Investment and Corporate Estates	X	X	12
SUR SMT 011	Contractor Failure	X	X	12
SUR SMT 007	Energy Pricing	X		8
SUR SMT 008	Special Structures	X		6

This page is intentionally left blank

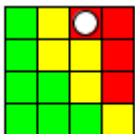
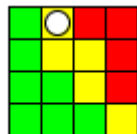

## SUR Departmental risks - detailed report EXCLUDING COMPLETED ACTIONS for COMMITTEE

Report Author: Faith Bowman

Generated on: 13 February 2023



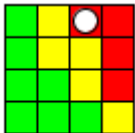
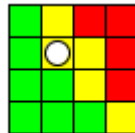

Rows are sorted by Risk Score

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
<b>CR37 Maintenance and renewal of Physical Assets-Investment property and Corporate (operational) property (excluding housing assets)</b> 04-Nov-2019 Paul Wilkinson	<b>Cause:</b> Poor property condition combined with insufficient budget allocation to maintain assets in line with strategy/ commitments/expectations. <b>Event:</b> Misalignment between the relevant Asset Management Strategy, City's lease obligations to third parties in occupation and insufficient available funds to reach / maintain this standard <b>Impact:</b> 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	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) <b>30 Jan 2023</b>	 Likelihood Impact	8	31-Mar-2024	 Constant
							Reduce	

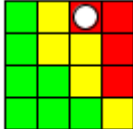
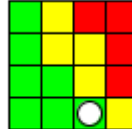

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR37a	Cyclical Works Programme (CWP)	The CWP 2023/24 had been reduced to £4.9m to address the H&S and compliance items only. This will allow time to re calibrate the forward maintenance plans (that CWP is derived from) to take account of the various corporate initiatives currently in play, for example; operational property review, master planning, renewal programmes, accommodation relocation plans etc. It has been agreed by OPPS Committee that a paper will be presented during April 2023 to provide detail of the revised CWP that also considers how to approach the backlog of works. In addition, climate action related CWP projects are being identified to ensure that adequate funding is provided to remain on the carbon zero 2027 pathway.	Paul Wilkinson	30-Jan-2023	31-Mar-2024
CR37b	Ring fenced properties and budgets ( CoLP estate, New Spitalfields, Billingsgate and the three private schools	<p>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.</p> <p>This element is being mitigated through the delivery of the recommendations arising from the recent Internal Audit. Whilst there has been progress in some areas, the actions have not been implemented comprehensively across the Corporation. A follow-up review of the Audit Recommendations has been scheduled for April 2023 and the department will be supporting this activity.</p> <p>The department is aware of outstanding repair and maintenance issues at some ring-fenced sites, including the Barbican Centre and GSMD. Whilst CSD is not responsible for the delivery of repairs to these locations, it is keen to ensure that our repair delivery process is optimised. CSD is working with colleagues to consider and unblock issues where possible. This aligns with the City Surveyor's role as Head of Profession for Estates and Facilities Management.</p>	Peter Collinson; Peter Young; Paul Wilkinson	30-Jan-2023	31-Mar-2024
CR37d	Revenue Programme (Investment Estate Only)	<p>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.</p> <p>The department presented a summary table to Property Investment Board on 15 February which detailed rental income and repair and cyclical works over the last ten years. For the City Fund Estate, an average of 4.26% was spent, whilst on the City's Estate, this equated to 6.02%.</p> <p>One of the post-Covid trends is a 'flight to quality' from occupiers, making the condition of our assets critical to future income</p>	Nicholas Gill	30-Jan-2023	31-Mar-2024



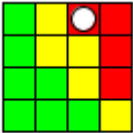
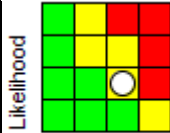

CR37f	Annual Major Capital Bids	<p>The City Surveyor's Department is progressing major capital projects, and these projects are all essential to keep the operational estate including the Guildhall in a good standard. Significant works have been identified from the recent Smithfield Market Condition Survey 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&amp;S works are required this limits the scope for further improvement projects.</p> <p>Over quarter 3 2023/24 all projects were reviewed to consider the impact of increased inflation, together with any mitigations in place. The outcomes from this review have recently (January 2023) been circulated to officers.</p> <p>There will be no capital bids for 2023/24 – however there will be a small emergency funding pot should any immediate H&amp;S issue arise.</p>	Peter Collinson; Nicholas Gill; Peter Young	30-Jan-2023	31-Mar-2024
CR37g	Operational Property Review	<p>The City Corporation has recently commenced an Operational Property Review to consider the future property requirements to deliver the organisations services. This will align with the RPR programme and the refresh of the organisation's Corporate Plan.</p> <p>The review is commencing and further details as to milestones and objectives will be available shortly.</p> <p>Rationalisation of the organisation's property estate will help alleviate pressure on maintenance budgets. However, it should be highlighted that rationalisation will only be able to make a small contribution to the overall position.</p>	Peter Young	30-Jan-2023	31-Mar-2024

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 <b>Construction Price Inflation</b>	<b>Cause:</b> Market conditions have led to input price inflation <b>Event:</b> Project and programme cost escalation <b>Impact:</b> Inability to delivery capital and revenue projects within budget	Likelihood  Impact	16	Material costs and labour availability are combining to raise costs.  Report went to the November Property Investment Board on “Impact of Construction Market and Inflation on Property Investment Board Projects”  Market conditions remain dynamic and will be kept under review.  The Capital Project Review has recently concluded, and results have been communicated to officers (January 2023). The review considered the impact of increase inflation together with any mitigations in place. This resulted in a smaller set of projects proceeding	Likelihood  Impact	6	31-Mar-2024	
14-Oct-2021 Ola Obadara				30 Jan 2023			Reduce	Constant

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 005a	Procurement Strategy	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). 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.	Ola Obadara	30-Jan-2023	31-Mar-2024
SUR SMT 005d	Contracts	Chamberlain's procurement and the department have explored the inclusion of fluctuating provisions in our contracts. This action has resulted in attracting a greater number of contractors to bid on projects, however the inflation risk has been transferred to the organisation. The value of this approach will be continually reviewed.	Ola Obadara	30-Jan-2023	31-Mar-2024
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	30-Jan-2023	31-Mar-2024
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	30-Jan-2023	31-Mar-2024

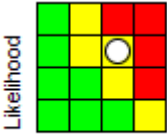
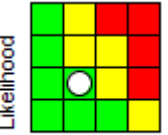

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
SUR SMT 006 <b>Construction Consultancy Management</b>	<b>Cause:</b> Poor performance by consultants <b>Event:</b> Abortive work, delays, or non-performance. <b>Impact:</b> Additional costs, project delays	Likelihood  Impact	16	This relates to abortive design / development.  Aligned with other departmental risks, the department is stretched for resource. This had led to fewer leads being responsible for a greater number of projects. This reduces scrutiny capacity and can increase the likelihood of errors.  There is a link to our internal recruitment and retention risk (SUR SMT 009) as property professionals across the industry are moving companies at a greater rate. This means that the delivery lead often changes throughout the life of the project, and replacements are often not at the same quality as those engaged at earlier stages.	Likelihood  Impact	4	31-Mar-2024	
14-Oct-2021 Ola Obadara				30 Jan 2023			Reduce	Constant

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 006a	Commissioning stage	The department has commenced going to market at RIBA stage 3 rather than RIBA stage 4. This is designed to 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	30-Jan-2023	31-Mar-2024
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	30-Jan-2023	31-Mar-2024
SUR SMT 006c	Procurement	Working with Procurement to increasing due diligence, particularly in regard to the quality of contractor appointed (rebalancing the quality/cost equation). This is with the view that we will get better quality applications and this risk may reduce.	Ola Obadara	30-Jan-2023	31-Mar-2024
SUR SMT 006d	Scope of works	The team is reviewing and tightening up the scope of works specification. This will counter opportunistic interpretations of the scope of works that we were seeing from some consultants.	Ola Obadara	30-Jan-2023	30-Sep-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 009 Recruitment and retention of property professional	<p><b>Cause:</b> 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><b>Event:</b> 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 organisation (both commercial and public sector)</p> <p><b>Impact:</b> 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 born 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>	16	<p>This risk has been identified within a number of divisions within the City Surveyor's Department. The impacts vary by Group with the risk being particularly acute in Investment Property, Surveying and Project Management.</p> <p>This is aligned to pressures faced in other City departments, and CSD is engaging with corporate colleagues to ensure that the particular pressures felt within this department are understood broadly.</p> <p>The City's pay and reward review has recently commenced (January 2023) and the external consultancy Corn Ferry will be assisting in this analysis. The City Surveyor has scheduled meetings.</p> <p>The City's revised workplace posture (minimum 2 days in-the-office working) is being seen as a positive by staff and assists in the retention of staff who may otherwise leave for greater reward packages at competitor organisations.</p> <p>Whilst these activities are being pursued corporately, the department continues to ensure that it does everything it can do internally to mitigate this risk.</p>	 <p>Likelihood</p> <p>Impact</p>	8	31-Mar-2024	
							Reduce	Constant
21-Jan-2022				30 Jan 2023				

--	--	--	--	--	--	--	--

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.	Paul Wilkinson	30-Jan-2023	31-Mar-2024
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.	Paul Wilkinson	30-Jan-2023	31-Mar-2024
SUR SMT 009c	Communication	Quarterly meetings from the department's Chief Officer so all staff feel engaged with the activities of the department.	Paul Wilkinson	30-Jan-2023	31-Mar-2024
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 Corporate Risk on "Skills & capacity of our people".	Paul Wilkinson	30-Jan-2023	31-Mar-2024
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. There is corporate HR representation on this departmentally-led Group.	Ola Obadara	30-Jan-2023	31-Mar-2024
SUR SMT 009f	Pay and Review Survey	The Corporation is reviewing pay & reward and the department is feeding into this activity. The department has highlighted that there are specific pressures within this department which may make the issue more acute within CSD roles.	Paul Wilkinson	30-Jan-2023	31-Mar-2024
SUR SMT 009g	Staff Survey 2022	The Your Voice Matters survey was undertaken in 2022. Detailed results are available and have been communicated to Directors. Analysis within the department have highlighted positives / areas for consideration and an action plan developed.	Paul Wilkinson	30-Jan-2023	31-Mar-2024

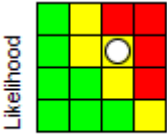
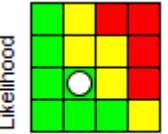

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
<b>SUR SMT 002</b> <b>Insufficient budget to meet user and asset demand at Guildhall</b>  10-Feb-2015 Peter Young	<b>Cause:</b> Insufficient funding available for Major Works, Cyclical Works and Reactive Maintenance to manage the repair demands on the Guildhall Complex. <b>Event:</b> Insufficient asset funding. <b>Impact:</b> 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	<b>12</b>	The principal mitigation actions are related to forecasting and monitoring the allocation of financial and human resources  The wider consideration of the Guildhall complex was the subject of a report to Operational Property and Projects Sub Committee (OPPSC) in January 2023.  <b>30 Jan 2023</b>	 Likelihood Impact	<b>4</b>	31-Mar-2024	  Constant
							Reduce	

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	Options for the future of the North and West Wings to provide modern, fit-for-purpose accommodation for Members and Officers is now underway. The options report was presented to OPPSC in January 2023 and to Policy & Resources Subsequently. Further actions will be determined following on from Member direction.		Paul Wilkinson; Peter Young	30-Jan-2023	31-Mar-2024
SUR SMT 002f	Cross departmental working with Remembrancer's Events Team.	Single point of contact for Profit and Loss for event space created within the Remembrancer's. Shadow budget now agreed. Shadow accounts being monitored by Chamberlain's through 2022-23. The business plans of both the Remembrance and the City Surveyor have highlighted the delivery of this activity as a priority for 2023-24		Remembrancer; Peter Collinson; John James; Peter Young	30-Jan-2023	31-Oct-2023
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	30-Jan-2023	31-Mar-2024

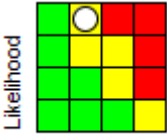
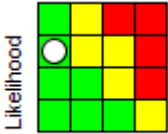





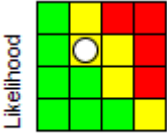
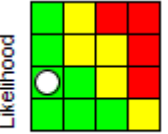

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 010a	Register of data	A property schedule exists and this has been updated with the survey carried out on Special Sites (by RLF). However, any ad-hoc valuations from IPG need to be fed into this spreadsheet to ensure comprehensive accuracy.	Nicholas Gill	15-Aug-2022	30-Sep-2023
SUR SMT 010b	Funding	Where leases allow, the cost can be recovered from commercial tenants, and operational occupiers as appropriate. Funding has been agreed and a budget line identified (Jan 2023). As this is now in place instructions are due to be placed with contractors such that this activity can progress	Nicholas Gill; John James	30-Jan-2023	30-Jun-2023
SUR SMT 010c	Delivery	Deliver - Once funding has been identified.	Nicholas Gill	30-Jan-2023	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
<b>SUR SMT 011 Contractor Failure</b>  13-Feb-2023	<b>Cause:</b> Market conditions <b>Event:</b> Failure of either a main contractor, or a substantial sub contractor <b>Impact:</b> Delayed delivery of projects, or the delivery of projects at a higher cost	 Likelihood Impact	12	This risk relates to the failure of a main contractor, or a main sub contractor. Particularly with the second of these element the City Corporation does not have significant influence over who is commissioned to undertake work.  <b>13 Feb 2023</b>	 Likelihood Impact	4		 Constant
							Avoid	

Action no	Action description	Latest Note			Action owner	Latest Note Date	Due Date
SUR SMT 011a	Tendering	The department has commenced work with Procurement to ensure that our commissioning takes greater account of contractor and sub-contractor failure. We may need to have a greater say in who a main contractor identifies as an appropriate sub-Contractor. Further actions to follow this initial engagement.			Ola Obadara	13-Feb-2023	31-Mar-2024

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
<b>SUR SMT 007 Energy Pricing</b>          18-Oct-2021 Peter Collinson	<b>Cause:</b> Rapid increases in the market cost of energy <b>Event:</b> Increasing price born by the City of London Corporation <b>Impact:</b> Money directed to energy payments that could be used in other endeavours	 Likelihood	8	The risk scoring associated with this risk has reduced due to two factors:  . The Power Purchase Agreement (solar farm in Dorset) has come on-stream. This facility will provide circa 50% of the organisation's energy requirements at a significant discount to the market. Note that the impact will be seasonal. . Broader energy market prices have fallen back since the heights seen in 2022. However these prices remain higher than those seen prior to the invasion of the Ukraine.  <b>30 Jan 2023</b>	 Likelihood	3	31-Mar-2024	          Decreasin g
							Reduce	

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 Purchase Agreement (PPA), and energy efficiency measures.  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.	Peter Collinson; Graeme Low	30-Jan-2023	31-Mar-2024
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	30-Jan-2023	31-Mar-2024

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
<b>SUR SMT 008 Special Structures</b>  20-Oct-2021 Peter Young	<b>Cause:</b> Lack of central register for special structures and/or ambiguity over accountability, responsibility for budget provision <b>Event:</b> Incomplete, or not up-to-date register of special structures and planned maintenance regime <b>Impact:</b> Potential failure of special structure and/or forced closure of asset / space	 Likelihood	<b>6</b>	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.  <b>30 Jan 2023</b>	 Likelihood	<b>2</b>	31-Mar-2024	  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 Cyclical Works Programme (CWP) 22/23 Bid List. The Operations Group is now developing detailed briefs for contractors. It is anticipated that the process will run through 2023 and, depending on the gap between current and desired condition, further funding bid requests may result. Note that this action is subject to the availability of funding (CWP bid process, as outlined in action CR37a).			Peter Collinson	30-Jan-2023	31-Mar-2024
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	30-Jan-2023	31-Mar-2024
SUR SMT 008d	Special Structures – operational portfolio	Corporate Property Director and Operations Group Director 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	30-Jan-2023	31-Mar-2024



<b>Committee(s):</b> Operational Property and Projects Sub-Committee	<b>Dated:</b> 6 March 2023
<b>Subject:</b> Heritage at Risk Register (HARR) Report 2022	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	1, 8, 10, 11 & 12
<b>Does this proposal require extra revenue and/or capital spending?</b>	No
<b>If so, how much?</b>	n/a
<b>What is the source of Funding?</b>	n/a
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	n/a
<b>Report of:</b> City Surveyor – (CS.069/23)	<b>For Information</b>
<b>Report author:</b> Joana Antonio, City Surveyor's Department	

## Summary

Historic England publishes an annual register of statutorily protected heritage sites in England, which it regards 'most at risk of being lost through neglect, decay or inappropriate development. The latest edition of the Heritage At Risk Register (HARR) was published in November 2022 with the London & South East Register alone containing 1,095 entries.

The City of London Corporation (CoL) is involved with 5 heritage assets listed in the 2022 edition of the HARR down from 8 in 2021 and out of a total of 877 CoL owned heritage assets. Only 1 asset is in the CoL's full control – The Grotto in Wanstead Park. When compared to the last report in June 2021, 3 assets have been successfully removed and no assets have been added since.

This report explains the circumstances and issues for each asset and sets out the plans of action implemented or to be implemented, to eventually remove those properties that the CoL wholly or partly owns from the HARR.

## Recommendation

Members are asked to:

- Note the contents of this report.
- Note the next HARR update will be incorporated as part of the annual Heritage Estate Update report.

## **Main Report**

### **Background**

1. A very small proportion of the COL's property portfolio, which includes 877 heritage assets, is currently notified in the HARR. Designation within HARR is helpful in gaining advice from Historic England and priority access to funding.

### **Current Position**

2. The CoL is involved with 5 heritage assets listed in the 2022 edition of the HARR, which nationally covers a total of 4,919 entries.
3. When compared to the last report in 2021, 3 assets have been successfully removed. 2 separate entries for All Hallows were removed from the HARR in 2022 following a successful programme of repairs. The Roman Wall in the basement of 90 Gracechurch Street was removed in 2021 after improved management of the site with the installation of a dehumidifier, improved drainage, and cleaning of the mould from the masonry.
4. From the list of 5 assets registered in the 2022 edition of the HARR, only 1 is in the CoL's full control – The Grotto in Wanstead Park.
5. 4 of the entries in the HARR pertain to assets that are Registered Parks or Conservation Areas, where parts are owned or managed by third parties, making removal from the HARR more difficult to achieve and in some cases impossible (Bunhill Fields Conservation Area).
6. The full text of the entries in the HARR for CoL's properties and a summary of issues and circumstances for each asset can be found in Appendix A.
7. While the premise for Bunhill Fields Conservation Area inclusion in the HARR is due to the surrounding developments, the City Surveyor prepared a Conservation Management Plan (CMP) in 2020 to help determine a sustainable future for the Burial Ground and its 2333 memorials, therefore ensuring it is not added as a specific property into future editions of the HAAR. In addition, a five-year conservation project is in place to allow on-going conservation and ad hoc emergency repairs to the memorials.

### **Key Data**

8. The following table sets out the plans of action to enable removal of these assets from any future HARR:



	<b><u>Assets</u></b>	<b><u>Condition/ Trend<sup>1</sup></u></b>	<b><u>Actions/ Strategy</u></b>
1	<p><b>Wanstead Park E12 (326 acre Grade II* Registered Park &amp; Garden, Conservation Area)</b> Added to the HARR in 2009</p> <p><u>Ownership:</u> The CoL holds majority of the Park in trust through the Epping Forest Charity. Other owners include Wanstead Park Sport Ground Ltd.; Parish of Wanstead (Church of England); London Borough of Redbridge.</p>	<b>Extensive significant problems / Stable</b>	<p>A Conceptual Options Plan and Cost Planning Study commissioned in 2019 recommends actions to enable the improvement and eventual removal of the Park from the HARR.</p> <p>The Wanstead Park Ponds Project was established in 2019 to fulfil the CoL's 'High Risk Reservoir' duties. Proposals for works to the dams and improved water management are being developed as set out in Appendix A. Funded from City Cash subject to drawdown approval. Refer to Appendix A.</p> <p>The Project Board have also been co-ordinating with other projects to improve the sustainable water management within the park, including reinstatement of the pump house and commissioning of a Sustainable Drainage System (SuDS) feasibility study. Funding of the SuDS is dependent on successfully bidding for external funds. Refer to Appendix A.</p>
2	<p><b>Wanstead Park E11 (Conservation Area, 8 LBs, part in Registered Park &amp; Garden grade II*)</b> Added to the HARR in 2010</p> <p><u>Ownership:</u> Multiple owners including the CoL.</p>	<b>Very bad / Deteriorating</b>	See item 1 above.
3	<p><b>The Grotto, Wanstead Park E11 (Listed Building Grade II, Registered Park &amp; Garden Grade II*, Conservation Area)</b> Added to the HARR in 2018</p> <p><u>Ownership:</u> CoL's ownership and responsibility.</p>	<b>Poor</b>	<p>Historic England confirmed that removal of this asset from the HARR will be achieved once the building is structurally sound, the fabric repaired satisfactorily, and a maintenance plan is put in place.</p> <p>Packages of preliminary works are currently being implemented, including structural investigations, retrieval of archaeological materials from the lakebed and repairs to the landing stage. A Restoration and Maintenance Plan is due to be commissioned in 2023. CWP funding is available for the four activities above. Further funding will be required for the restoration works. The current programme anticipates completion of all work required to allow removal from HARR by 2025.</p>
4	<p><b>Bunhill Fields Conservation Area (Conservation Area)</b> Added to the HARR in 2008</p> <p><u>Ownership:</u> Multiple owners including the CoL.</p>	<b>Fair / Deteriorating</b>	CoL to assist the Islington Council over inappropriate developments in the wider area.
5	<p><b>Ashted Park (Registered Park &amp; Garden Grade II)</b> Added to the HARR in 2009</p> <p><u>Ownership:</u> Partly owned by the CoL and partly owned by Mole Valley District Council and managed by the Surrey Wildlife Trust.</p>	<b>Generally satisfactory but with significant localised problems / Improving</b>	Officers are currently working with HE to understand actions required to remove the asset from the HARR.

<sup>1</sup> Condition or Trend as reported in the HARR 2022. Further details provided in Appendix A.

## **9. Corporate & Strategic Implications**

10. The City of London Corporation Heritage Estate 2023 Update Report – dated 06 March 2023, reflects more broadly on the corporate risk of insufficient funding and resourcing for maintenance of the CoL operational property portfolio and the knock-on effect to maintain heritage assets.

### **Financial implications**

11. It should be noted that the more affordable/easier to fix assets in the HARR, such as the remains of the City Wall have successfully been removed. Larger properties, such as Wanstead Park (including The Grotto) will require a combination of new capital investment (subject to the annual capital bid process and criteria for making such bids) and Lottery funding to raise the substantial initial investment needed, together with continued Cyclical Works Programme (CWP) funding and additional Local Risk resources.

### **Resource implications**

12. The Corporate Asset Sub-Committee CoL's Heritage Estate report from April 2021, and successive update in November 2021, presented a strategic outcome framework to support improving the approach to the overall management of the Heritage Estate (HE). The new database created in 2021 has been used as a programme management tool.
13. Progress is being made to ensure quinquennial surveys are undertaken in a timely manner to identify both health and safety as well as reputational risks. A number of factors have impacted on the HE programme including the pandemic, a reduction in CWP funding envelope for the operational property portfolio as a result of the prioritisation exercise undertaken for the whole CWP and also a six month vacancy in the HE service now subsequently filled.
14. Staff resource limitations and the size of the Heritage Estate (877 assets) will mean it is not possible to anticipate every potential new addition to the HARR. To mitigate this, officers are establishing regular liaison within all accountable departments/services where heritage assets are prevalent in the public domain in order to improve information sharing, collaboration and specialist oversight of assets vulnerable to climate change and accelerated conservation need.
15. Where there are multiple ownerships for HARR entries, collaborative working with Historic England and relevant Partner Organisations takes place to identify strategies to address removal of assets, as demonstrated in Wanstead Park. However, this approach is dependent on the context of ownership and all parties having the resources to prioritise. See Appendix A for further details.

### **Legal implications**

16. Currently, the owners of listed buildings are under no legal obligation to maintain their property in a good state of repair, even though it is in their interests to do so. Local planning authorities and Historic England can, however, take action to

secure repair when it becomes evident that a building is being allowed to deteriorate, see Appendix B.

17. Changes to enforcement powers are being considered in the Levelling-up and Regeneration Bill which is due for enactment in 2024 and further covered in the City of London Corporation Heritage Estate 2023 Update Report – dated 06 March 2023.

### **Risk implications**

18. If appropriate maintenance works are not undertaken to heritage assets, they will inevitably deteriorate further, risk being added to the HARR and increase repair costs. Failure to invest in these assets may also contribute to the eventual loss of these irreplaceable historic buildings and artefacts while posing a reputational risk to the CoL as well as possible health and safety implications. Surveyors and client departments have been working to closely monitor and address statutory protected assets with more immediate health and safety risks and to prevent their potential addition to the HARR such as Warren House in Epping, Cleary Gardens in the City, both the Pinfold Pound and the Pergola in Hampstead Heath, Copped Park in Epping and Bunhill Fields Burial Ground in the City.

**Equalities implications** - none

### **Climate implications**

19. Extreme weather events will impact on heritage assets particularly those that are within open spaces – landscapes, highways, parks and gardens.

**Security implications** - none

### **Conclusion**

20. Three assets have been removed from the HARR and no descriptive conditions have worsened since the last report to Committee. One asset – Wanstead Park – has improved its condition.
21. Only a very small proportion of the CoL's Heritage Estate portfolio, which includes 877 assets, is currently notified in the HARR. From the list of 5 assets registered in the 2022 edition of the HARR, only 1 is in the CoL's full control (the Grotto). 4 of the entries in the HARR are partly owned or managed by third parties making removal from the HARR more difficult to achieve and in some cases impossible such as Bunhill Fields Conservation Area which is included in the HARR due to the surrounding developments. These four assets are subject to varying degrees of complexity regarding requirements, responsibilities, interdependencies and funding.
22. Given constraints on officer resourcing, the current Heritage Estate strategy is to prioritise those which the CoL have more control of, so resource expended is proportionate to progress, as well as identifying assets at possible risk of additional listing to the HARR.

**Appendices**

- Appendix A – CoL's heritage assets included in 2022 HARR
- Appendix B – Local Authority enforcement powers

**Background Papers**

- Heritage at Risk Register (HARR) Report 2020, dated 22 June 2021
- The City of London Corporation Heritage Estate 2023 Update Report – dated 06 March 2023

**Joana Antonio**

Heritage Estate Officer

City Surveyor's

T: 07514 723590

E: [joana.antonio@cityoflondon.gov.uk](mailto:joana.antonio@cityoflondon.gov.uk)

## Heritage at Risk Register (HARR) Report 2022

City of London Corporation's heritage assets listed in the 2022 HARR London and South East

### Detailed Description and Plans of Action

<b>SITE NAME:</b>	<b>Wanstead Park E12</b>
<b>DESIGNATION:</b>	<i>Registered Park and Garden grade II*, 7 LBS, 2 CAs</i>
<b>CONDITION:</b>	<i>Extensive significant problems</i>
<b>VULNERABILITY:</b>	<i>High</i>
<b>TREND:</b>	<i>Stable</i>
<b>NEW ENTRY:</b>	<i>No</i>
<b>OWNER TYPE:</b>	<i>Local Authority, multiple owners</i>
<b>LIST ENTRY NUMBER:</b>	<i>1000194</i>

*Remains of an important landscape dating from the late C17 to the early C19 and associated with George London and Humphry Repton, further developed in the late C19 by the City of London as a public park. The central area was converted to a private golf course in the early C20. Features of the historic designed landscape survive but are in poor condition. A Parkland Plan has been prepared to inform decision making and forward planning. Possible sources of funding for implementation are being explored.*

Note: This information was extracted from HARR 2022.

#### City Surveyor / Director of Environment observations:

##### Trend:

In comparison to the previous HARR, the Trend has now improved from 'Declining' to 'Stable'.

##### Ownership/Responsibility:

Parts of Wanstead Park held in trust by the CoL; Wanstead Park Sport Ground Ltd.; Parish of Wanstead (Church of England); London Borough of Redbridge.

Wanstead Park faces major challenges around heritage protection, integrity of water supply, nature conservation and flood protection. Parts of the Park's five lake cascade have also been designated under the Reservoirs Act as 'High Risk' by the Environment Agency.

Historic England recognises that a multi-phase approach will be needed to address the complexity of issues to remove the Park from the Register. The "Conceptual Options Plan and Cost Planning Study - Rev G" from 2019 recommends actions to enable the improvement and eventual removal of the Park from the HARR including the production of the costed Conceptual Option Plan and the implementation of the Priority Projects. The Priority Projects include works to the water bodies, which is the single largest issue; improvement of the boundaries and views; improved management of the landscape; works to determine a sustainable long-term solution to the condition of the Grotto; and provision of assurances of on-going management of the landscape and structures.

The Wanstead Park Ponds Project was set up in 2019 by the CoL, to fulfil its statutory duties in relation to the Environment Agency rated 'High-Risk' reservoirs. Two flood studies were done, one into the lake system and another into the relationship between the Ornamental Water and the River Roding. Subsequent recommendations were to strength and improve the dam structures of each lake. In addition, it was recommended to address the water balance within the lakes to avoid periods of prolonged drying out. Current proposals also include reinstating and extending the up cascade pumping system to enable greater flexibility in how water is moved around the site. The Project is currently tendering for design, with

the intention to begin enabling works in Autumn 2023 with works completing in 2024. The ponds project is funded from City Cash (subject to drawdown approval of RASC and other relevant committees). The overall project is estimated to be £950 000 to £1.15 million, which is earmarked for this project. Of this £241 000 is approved in full and drawdown, another £333 500 is now subject to RASC approval at the next opportunity, and the remainder will be sought at Gateway 5.

The Project Board have also been co-ordinating with other projects looking to improve the sustainable water management within the park. This includes the reinstatement of the Roding pumphouse to enable a winter supply to the Ornamental Water and land drainage works to the Long Walk to more efficiently capture and convey water in the park. In addition, a Mayor of London support Sustainable Drainage (SuDS) Feasibility Study has recently been completed which recommends other works to improve water supply and quality, reduce losses and improve habitats and amenity facilities. The Epping Forest team are exploring how these proposals can be taken forward.

The SuDS Project funding is dependent on successfully bidding for external funds, such as the Mayor of London's Green and Resilient Spaces Fund or other relevant funds.

<b>SITE NAME:</b>	<b>Wanstead Park E11</b>
<b>DESIGNATION:</b>	<i>Conservation Area, 8 LBs, part in RPG grade II*</i>
<b>CONDITION:</b>	<i>Very bad</i>
<b>VULNERABILITY:</b>	<i>Low</i>
<b>NEW ENTRY:</b>	<i>No</i>
<b>TREND:</b>	<i>Deteriorating</i>

Note: This information was extracted from HARR 2022.

#### **City Surveyor / Director of Environment observations:**

##### Ownership/Responsibility:

Wanstead Park Conservation Area also has multiple owners, including the CoL.

The action/activities developed in the previous listing will help to address this Conservation Area at Risk designation. See item above. However, while the condition of the Park is a key factor, HE also cites problems with detrimental changes to the Edwardian residential stock surrounding the Park.

<b>SITE NAME:</b>	<b>The Grotto, Wanstead Park E11</b>
<b>DESIGNATION:</b>	<i>Listed Building grade II, RPG grade II*, CA</i>
<b>CONDITION:</b>	<i>Poor</i>
<b>OCCUPANCY:</b>	<i>N/A</i>
<b>PRIORITY CATEGORY:</b>	<i>C (C)</i>
<b>OWNER TYPE:</b>	<i>Local Authority</i>
<b>LIST ENTRY NUMBER:</b>	<i>1183624</i>

*Ruined grotto boathouse of circa 1762. It consists of a honeycomb rockwork facade of segmental plan with several arches at lake level, and window openings above. The area is fenced off from public access. The grotto has been managed as a ruin, but its stability is threatened by mortar failure, loss of rockwork, and self-sown vegetation. The owner, the City of London, has carried out repairs and clearance, and commissioned a Conservation Management Plan to identify the most appropriate approach to securing the structure's long-term future. Further discussions are required to take this forward.*

Note: This information was extracted from HARR 2022.

### City Surveyor / Director of Environment observations:

#### Ownership/Responsibility:

CoL's ownership and responsibility.

Since the Grotto's addition to the HARR in 2018, Cyclical Works Programme (CWP) funding has been allocated to this asset to allow officers to undertake urgent works and to commission a Conservation Management Plan (CMP), implemented in 2019, to help the CoL to remove the Grotto from the HARR and to help determine a successful and sustainable future for the Grotto. The CMP provides a framework for making decisions about the Grotto's future.

Various options for the future of the Grotto have been discussed at the two stakeholder consultation workshops. The outcome of this consultation was a consensus that the most realistic path for removing the Grotto from the HARR in the longer-term would be to restore the façade to its eighteenth-century appearance, as far as possible. The policies set out on the CMP seek to help the CoL achieve this ambition to remove the Grotto from the HARR and secure its successful, long-term future.

To remove this asset from the HARR, Historic England advised that the building should be structurally sound, the fabric repaired satisfactorily and as fully as possible and a maintenance plan should be in place. Packages of preliminary works are being implemented in the first half of 2023, including structural investigations and retrieval of archaeological materials from the lakebed. A Restoration and Maintenance Plan and the completion of the landing stage will be commissioned and carried out in 2023. CWP funding is available for the above activities. Further funding will be required for the construction works.

The current programme anticipates completion of all work required to allow removal from HARR by 2025.

Subsequent feasibility studies will inform the level of intervention required for the remaining restoration of the Grotto and assess the operational and financial viability of different potential uses for the Grotto – (which can only take place once the future use of Wanstead Park as a whole, and the Grotto's role in it, is more clearly defined than it is in the Parkland Plan for the park).

The Grotto is held in trust by the CoL but given its important relationship with the lake, the restoration of the façade should be coordinated with the Ponds Project.

<b>SITE NAME:</b>	<b><i>Bunhill Fields, Finsbury Square EC2</i></b>
<b>DESIGNATION:</b>	<b><i>Conservation Area, 95 LBs, RPG grade I</i></b>
<b>CONDITION:</b>	<b><i>Fair</i></b>
<b>VULNERABILITY:</b>	<b><i>Medium</i></b>
<b>NEW ENTRY:</b>	<b><i>No</i></b>
<b>TREND:</b>	<b><i>Deteriorating</i></b>

Note: This information was extracted from HARR 2022.

### City Surveyor observations:

#### Ownership/Responsibility:

Bunhill Fields Conservation Area has multiple owners, including the CoL.

This Conservation Area was added to the HARR because of inappropriate developments in the wider area beyond Bunhill Fields Burial Ground, making removal from the HARR beyond the CoL's control. However,

officers are continuing to assist Islington Council addressing the Heritage At Risk status, by making formal objections to large scale developments within the Conservation Area.

Bunhill Fields Burial Ground, owned by the CoL, itself is not an entry in the HARR. To ensure that the Burial Ground will not be added back to future editions of the HARR, a cyclical programme of conservation works is in place and a Conservation Management Plan (CMP) was implemented in 2020 to help determine a successful and sustainable future for this site.

<b>SITE NAME:</b>	<b><i>Ashtead Park, Ashtead</i></b>
<b>DESIGNATION:</b>	<i>Registered Park and Garden grade II, 20 LBs, part in SM, part in CA</i>
<b>CONDITION:</b>	<i>Generally satisfactory but with significant localised problems</i>
<b>VULNERABILITY:</b>	<i>Medium</i>
<b>TREND:</b>	<i>Improving</i>
<b>NEW ENTRY:</b>	<i>No</i>
<b>OWNER TYPE:</b>	<i>Mixed, multiple owners</i>
<b>LIST ENTRY NUMBER:</b>	<i>1001490</i>

*A C17 park, developed with successive owners throughout the C18 and C19 the well wooded open parkland estate was broken up and sold in the 1920s with the historic landscape split into two principal ownerships, the house, gardens and southern park a school, and the northern park with ponds managed as open access land now a nature reserve. The school has improved its management of the landscape amongst proposals for further facilities following a Conservation Management Plan since 2010. A joint heritage-led approach should support the park's historic character and balance its cultural services.*

Note: This information was extracted from HARR 2022.

#### **City Surveyor observations:**

##### Ownership/Responsibility:

Ashtead Park has multiple owners. The CoL owns the southern part, with the northern part being owned by Mole Valley District Council and managed by the Surrey Wildlife Trust.

Historic England notes that the main vulnerabilities of the park are associated with development and fragmentation of the site, resulting in the northern and southern parts becoming distinct.

Officers are currently working with HE to understand required actions to remove the asset from the HARR.



**Key to the entries as extracted from HARR 2022:**

<p><b>LISTING</b></p> <p>The principal listing type includes:</p> <ul style="list-style-type: none"> <li>• Listed Building (LB) grade I, II* or II</li> <li>• Listed Place of Worship grade I, II* or II</li> <li>• Scheduled Monument (SM)</li> <li>• Registered Park and Garden (RPG) grade I, II* or II</li> <li>• Registered Battlefield (RB)</li> <li>• Protected Wreck Site (PWS)</li> <li>• Conservation Area (CA)</li> </ul> <p><b>CONDITION</b></p> <p>For buildings condition is graded as: 'very bad', 'poor', 'fair' and 'good'. For sites that cover areas (scheduled monuments – archaeology assessments, parks and gardens, battlefields and wreck sites) one overall condition category is recorded. The category may relate only to the part of the site or monument that is at risk and not the whole site:</p> <ul style="list-style-type: none"> <li>• extensive significant problems</li> <li>• generally unsatisfactory with major localised problems</li> <li>• generally satisfactory but with significant localised problems</li> <li>• generally satisfactory but with minor localised problems</li> <li>• optimal</li> <li>• unknown (noted for a number of scheduled monuments that are below ground and where their condition cannot be established)</li> </ul> <p>For conservation areas, condition is categorised as: 'very bad', 'poor', 'fair' and 'optimal'.</p> <p><b>OCCUPANCY/USE</b></p> <p>For buildings (excluding places of worship) that can be occupied or have a use, the main vulnerability is vacancy or underuse. Occupancy (or use) is noted as follows:</p> <ul style="list-style-type: none"> <li>• vacant (or not in use)</li> <li>• part occupied (part in use)</li> <li>• occupied (in use)</li> <li>• unknown</li> <li>• not applicable (for structural scheduled monuments)</li> </ul> <p><b>VULNERABILITY</b></p> <p>Principal vulnerability is noted for archaeology assessments and may relate only to the part of the site that is at risk, and include:</p> <ul style="list-style-type: none"> <li>• animal burrowing</li> <li>• arable ploughing</li> <li>• coastal erosion</li> <li>• collapse</li> <li>• deterioration – in need of management</li> <li>• scrub/tree growth</li> <li>• visitor erosion</li> </ul> <p>For parks and gardens, battlefields, wreck sites and conservation areas, vulnerability is noted as 'high', 'medium' or 'low'.</p>	<p><b>PRIORITY CATEGORY</b></p> <p>Priority for action is assessed on a scale of A to F, where 'A' is the highest priority for a site which is deteriorating rapidly with no solution to secure its future, and 'F' is the lowest priority. For buildings and structures and places of worship the following priority categories are used as an indication of trend and as a means of prioritising action:</p> <ol style="list-style-type: none"> <li>Immediate risk of further rapid deterioration or loss of fabric; no solution agreed</li> <li>Immediate risk of further rapid deterioration or loss of fabric; solution agreed but not yet implemented</li> <li>Slow decay; no solution agreed</li> <li>Slow decay; solution agreed but not yet implemented</li> <li>Under repair or in fair to good repair, but no user identified; or under threat of vacancy with no obvious new user (applicable only to buildings capable of beneficial use)</li> <li>Repair scheme in progress and (where applicable) end use or user identified; or functionally redundant buildings with new use agreed but not yet implemented</li> </ol> <p>Previous year priority categories are given in brackets, otherwise 'New entry' is noted. 'New entry – re-assessed' indicates an existing site on the Register that has been re-assessed using a different risk assessment methodology and is included on this year's Register under the new assessment type.</p> <p><b>TREND</b></p> <p>Trend for archaeology entries, parks and gardens, battlefields and wreck sites may relate only to the part of the site that is at risk and is categorised as:</p> <ul style="list-style-type: none"> <li>• declining</li> <li>• stable</li> <li>• improving</li> <li>• unknown</li> </ul> <p>For conservation areas trend is categorised as:</p> <ul style="list-style-type: none"> <li>• deteriorating</li> <li>• deteriorating significantly</li> <li>• no significant change</li> <li>• improving</li> <li>• improving significantly</li> <li>• unknown</li> </ul> <p><b>OWNERSHIP</b></p> <p>A principal ownership category is given for each entry, and if sites are in divided ownership, a 'multiple' ownership category is noted.</p> <p><b>ABBREVIATIONS</b></p> <p>CA Conservation Area HE Historic England HLF Heritage Lottery Fund LB Listed Building LPA Local Planning Authority NP National Park PWS Protected Wreck Site RB Registered Battlefield RPG Registered Park and Garden SM Scheduled Monument UA Unitary Authority WHS World Heritage Site</p>
---	--

This page is intentionally left blank

### **List of enforcement powers available to Local Authorities**

**Urgent Works Notice** – a power that enables a local authority to directly carry out any works which appear to them to be urgently necessary for the preservation of a listed building in their area.

**Repairs Notice** – a power that allows a local authority to specify to the owner works it considers reasonably necessary for the preservation of a listed building. If the repairs are not carried out, the power can lead to compulsory purchase of the building.

**Section 215 Notice** – a relatively straightforward power to require the owner or occupier to carry out works to improve the external condition of a building or land if its neglect is adversely affecting the surrounding area.

**Compulsory Purchase Order** – when all other measures fail, the local authority's last resort is to compulsorily acquire a listed building in order either to repair it itself or more usually to sell it on to be restored by a building's preservation trust or other new owner.

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank



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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank