



Resource Allocation Sub (Policy and Resources) Committee

Date: THURSDAY, 5 OCTOBER 2023
Time: 9.00 am
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

INFORMATION PACK

Members: Deputy Christopher Hayward (Chairman)
Deputy Henry Colthurst (Deputy Chairman)
Deputy Randall Anderson
Deputy Keith Bottomley
Tijs Broeke
Jason Groves
Caroline Haines
Deputy Shravan Joshi
Catherine McGuinness
Alderman Professor Michael Mainelli
Deputy Andrien Meyers
Deputy Alastair Moss
Alderman Sir William Russell
Ruby Sayed
Tom Sleigh
Deputy Sir Michael Snyder
Deputy James Thomson

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Ian Thomas CBE
Town Clerk and Chief Executive

AGENDA

5. ***CITY SURVEYOR'S BUSINESS PLAN 2023-28 QUARTER 1 2023/24 UPDATE**
Report of the City Surveyor.

For Information
(Pages 3 - 10)

6. ***THE CITY SURVEYOR'S CORPORATE AND DEPARTMENTAL RISK REGISTER**
Report of the City Surveyor.

For Information
(Pages 11 - 36)

7. ***22/23 ENERGY & DECARBONISATION PERFORMANCE Q3 UPDATE FOR THE OPERATIONAL PORTFOLIO**
Report of the City Surveyor.

For Information
(Pages 37 - 48)

Committee(s)	Dated:
Resource Allocation Sub (Policy and Resources) Committee – For information	05 October 2023
Subject: City Surveyor’s Business Plan 2023-28 Quarter 1 2023/24 Update	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	4, 7, 11, 12
Does this proposal require extra revenue and/or capital spending? N/A	N
If so, how much? N/A	N/A
What is the source of Funding? N/A	N/A
Has this Funding Source been agreed with the Chamberlain’s Department? N/A	N/A
Report of: The City Surveyor CS 278/23	For Information
Report author: John Galvin / Faith Bowman City Surveyor’s Department	

Summary

This report provides Members of Resource Allocation Sub (Policy and Resources) Committee (RASC) details of progress in quarter 1 (April to June) 2023/24 against the City Surveyor’s 2023-28 Business Plan.

Performance relating to activities overseen by RASC was positive. Of the seven measures, four were ahead of target (green) and one marginally behind (amber). One measure is reported bi-annually, and the final measure will be reported from quarter 2 to allow the ‘bedding in’ of the new Integrated Facilities Management (IFM) contracts.

Against a local risk budget of £30.8m, the City Surveyor is currently forecasting an estimated overspend of £825,000 (2.7%). This figure includes Bridge House Estates (BHE). Excluding BHE services, the City Surveyor £674,000 overspend (2.4%) against a budget of £27.722m.

The department is working to mitigate this forecast overspend.

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 regular update report on the progress made against the department’s 2023-28 Business Plan. Departmental performance is reported quarterly to RASC and once every six months to Investment Committee.

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).
3. A separate monitoring report on the risks within the department is also circulated for this meeting.

Financial Statement

4. Appendix A reveals that the City Surveyor was forecasting a £674,000 overspend (2.4%) against a budget of £27.722m for his City Fund and City's Cash services. If Bridge House Estates services are considered, then the forecast overspend deteriorates to £825,000 overspend (2.7%) against the overall budget of £30.833m.
5. The overspend on City's Cash and City Fund services principally comprises a negative variance on departmental employee budgets due to vacancy factor not being achieved. Further there is an increase in energy costs, particularly at the Guildhall (these uplifts were covered centrally in 2022/23), and the residual savings target for 2023/24. The City Surveyor is planning to meet the residual savings by recovering some costs for staff working on the City's major programmes such as Markets Colocation Programme, and he is examining his other budgets with a view to making further savings to bring his overall budget into balance by year-end.
6. The Bridge Hose Estates overspend comprises additional energy costs and a shortfall on anticipated dilapidations income. This is, in part, offset by savings on employees, security and water rates. Budgets are being reviewed to see if savings can be made to achieve a breakeven position by year-end.

Quarter 1 2022/23 update

7. 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 1.

Status ¹	Green	Amber	Red	TBC	N/A
Resources Allocation Sub Committee	4	1			2
Overall (including non-RASC measures)	5	1			6

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

8. Of the twelve departmental KPIs monitored, five were assessed as being on target (green), and one was marginally behind target (amber). Five further measures are reported either bi-annually or at the end of the reporting year. One final measure, on contractor performance (KPI. 4) will be reported from quarter 2, allowing mobilisation of the new contract before management comes into effect.
9. Of the seven measures reported to this Committee, four were ahead of target, two not yet available (one is bi-annual and KPI. 4 as noted above). There was one measure behind target for the period.
10. The amber KPI is as follows:

- A. KPI. 6 – Capital Projects – Project Risk Status (RASC and Investment Committee)
Target – Less than 20%
Performance – 50%

Over 60% of the department's current projects were commenced in 2020 or before. This means that their delivery has been impacted by COVID-19 through extended periods of reduced site capacity/productivity, and from high levels of construction price inflation. This has resulted in a greater number of projects falling outside of time and/or price expectations. Whilst performance on current projects is positive, the volume of older projects will continue to provide a drag on performance overall.

Conclusion

The first quarter of 2023/24 was positive in terms of performance, with only one measure marginally behind target for the period.

Appendices

- Appendix A Budget Monitoring Statement
- Appendix B Key Performance Indicator Table

Background Papers

- The City Surveyor The City Surveyor's Business Plan 2023-28 (CS 372/22)

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Budget Monitoring Statement

Quarter 1 2023/24

Appendix A

Page 1 of 1

2023-24 (Period 3 to 2nd July 2023)

LOCAL RISK BUDGET Period 3 to 2nd July 2023	Latest Approved Budget £000	Quarter 1 Profile £000	Quarter 1 Total Expenditure £000	(Under) / Over Spend for Period £000	Quarter 1 Projected Outturn £000	(Under) / Over Spend for 2023-24 £000	Note
City Fund							
City Fund Estate & Leadenhall	(2,025)	159	(825)	(984)	(2,025)	0	1
Walbrook Wharf	(951)	(276)	(229)	47	(1,001)	(50)	
Mayor's & City of London Court	(21)	(5)	(19)	(14)	(15)	6	
Central Criminal Court	(369)	(369)	111	480	(391)	(22)	2
Lower Thames St Roman Bath	(7)	(2)	(2)	0	(7)	0	
R&M & MI Work for other departments	(1,280)	(400)	(193)	207	(1,193)	87	
Corporate FM cleaning & security	(92)	(92)	(38)	54	(150)	(58)	
	(4,745)	(985)	(1,195)	(210)	(4,782)	(37)	
City's Cash							
City's Estate	(2,844)	77	(7)	(84)	(2,844)	0	3
Departmental	(9,531)	(2,365)	(2,769)	(404)	(9,934)	(403)	4
Mayorality & Shrievalty	(95)	(17)	(29)	(12)	(57)	38	
R&M & MI Work for other departments	(1,872)	(468)	(393)	75	(1,997)	(125)	
Corporate FM cleaning & security	(622)	(155)	(162)	(7)	(642)	(20)	
	(14,964)	(2,928)	(3,360)	(432)	(15,474)	(510)	
Guildhall Administration							
Guildhall Complex	(8,013)	(2,026)	(1,732)	294	(8,140)	(127)	5
	(8,013)	(2,026)	(1,732)	294	(8,140)	(127)	
Total City Surveyor Local Risk excl BHE	(27,722)	(5,939)	(6,287)	(348)	(28,396)	(674)	
Bridge House Estates							
Bridge House Estates	(2,844)	(431)	(511)	(80)	(2,944)	(100)	6
Tower Bridge Corporate FM cleaning	(267)	(267)	(80)	187	(318)	(51)	
	(3,111)	(698)	(591)	107	(3,262)	(151)	
Total City Surveyor Local Risk incl BHE	(30,833)	(6,637)	(6,878)	(241)	(31,658)	(825)	

1. City Fund Estate overspend at quarter 1 due to cyclical works at Leadenhall completing ahead of profile, and service charge income below budget – mainly due to four large leases ending at Leadenhall Market. It is anticipated that this will be brought into balance by year-end.
2. Central Criminal Court underspend due to energy and cleaning expenditure being behind profile at quarter 1.
3. City's Estate was overspent at quarter 1 because of a shortfall in service charge income. This was partially offset by an underspend on professional fees, and unbudgeted dilapidation income received.
4. The Departmental overspend for the period comprises of employee budgets not been met due to vacancy factors, and residual unidentified savings for 2023/24.
5. Guildhall forecasts a year-end overspend due to a large increase in energy costs. The underspend at quarter 1 predominately relates to a variance in repairs and maintenance budgets. It is anticipated that spend will catch up by year-end.
6. Overspend on energy and shortfall in dilapidation income, partially offset by savings on employees, water and security.

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Agenda Item 6

Committee(s)	Dated:
Resource Allocation Sub (Policy and Resources Committee – For information	05 October 2023
Subject: The City Surveyor’s Corporate and Departmental Risk Register	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	4, 7, 11, 12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: The City Surveyor (CS 279/23)	For Information
Report author: John Galvin / Faith Bowman City Surveyor’s Department	

Summary

This report has been produced to provide Members of the Resource Allocation Sub (Policy and Resources) Committee (RASC) with a quarterly update on the management of risks within the City Surveyor’s Department.

The City Surveyor’s Departmental Risk Register is reported to two Committees – your committee for operational property and Investment Committee for the investment property assets. The way that the risks map to the two Committees are included as Appendix A. Only risks relevant to this Committee are included within the detailed risk register (Appendix B). The full departmental risk register is available on request.

The City Surveyor is the owner for one corporate risk. Maintenance and renewal of Corporate Operational Assets (excluding housing assets), CR 37, is currently rated as a red risk with a risk score of 16.

There are a further nine risks on its Departmental Risk Register relevant to this Committee. Three of these departmental risks are recorded as red. The red risks currently being managed are:

- SUR SMT 005 – Construction Price Inflation
Current risk score 16 (Red)
- SUR SMT 006 – Construction Consultancy Management
Current risk score 16 (Red)
- SUR SMT 009 – Recruitment and retention of property professionals
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 2021 (RMP&S) requires each Chief Officer to report regularly to Committee the key risks faced in their department. The City Surveyor's Department (CSD) reports quarterly to both Investment Committee (IC) and Resource Allocation Sub (Policy and Resources) Committee (RASC).
2. Aligned with the new reporting arrangements 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.
3. The risks relevant to this Committee are included as Appendix B to this report.
4. 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.
5. Should any changes occur between formal meetings a process exists such that risks can be captured, assessed, and mitigating activities considered. This ensures that the risk management process remains 'live'.

Current Position

6. The key points to note for this period are captured below:

- a. CR 37

Maintenance and Renewal of Corporate Physical Operational Assets
(excluding housing assets)
Current Risk Score 16 (Red)

The key mitigation for the risk relates to the provision of sufficient funding. A comprehensive analysis of our forward maintenance requirements has been provided to the Chamberlain such that this can be better accounted for in our medium-term financial plan and strategy. Upon advice we have considered where the works would be considered capital (rather than revenue). Ideally this process will result in greater certainty over future funding provision. The current insufficient funding

allocation has been debated at both your awayday this summer and at Operational Property and Projects Subcommittee.

The risk was also reviewed in detail by the organisation's Chief Officer Risk Management Group (CORMG) in August.

Unless further funding is identified, this risk will remain and may increase.

- b. SUR SMT 005
Construction Price inflation
Current Risk Score 16 (Red)

Whilst the rate of increase in construction costs has abated, it is still above historic norms. Projects continue to suffer from costs above those that were initially projected, and for this reason the scoring associated with this risk has been maintained at 16.

- c. SUR SMT 009
Recruitment and Retention of Property Professionals
Current Risk Score 16 (Red)

Competition for qualified property professionals remains strong, particularly in asset and project management. The department is engaging closely with corporate colleagues where this item is also flagged as a Corporate Risk.

- d. SUR SMT 012
Adjudication and Disputes
Current Risk Score 8 (Amber)

This risk has recently been highlighted and is included on the department's risk register for the first time. This risk is arising from inspection and specification work which, as it was undertaken over COVID-19, may have been done remotely, or with fewer site visits. This is leading to an increased level of issues at hand-over, and legal discussions to resolve.

Conclusion

7. 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, including the corporate risk regarding operational property maintenance and funding.
8. The current funding allocation to the maintenance and upkeep of the City's operational property portfolio is an ongoing consideration for Members as part of its overall medium-term financial plan.

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 – July 2023 Update (CS183/23)

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Risks by Committee

1. The City Surveyor’s Department (CSD) is currently managing one risk at the Corporate level (CR 37) and a further ten at the departmental level.
2. Outlined in the table below is how these risks relate to the two reporting Committees, Resources Allocation Sub (Policy and Resources) Committee (RASC) and Investment Committee (IC).
3. Of the eleven total risks, ten relate to RASC and seven to Investment Committee.
4. 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.

Code	Title	RASC	IC	Score
CR 37	Maintenance and renewal of Corporate Operational Assets (excluding housing assets)	X		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 012	Adjudication & Disputes	X	X	8
SUR SMT 008	Special Structures	X		6

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SUR Departmental risks - detailed report EXCLUDING COMPLETED ACTIONS for COMMITTEE

Report Author: Faith Bowman

Generated on: 31 August 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
P 37 Maintenance and Renewal of Corporate Physical Operational Assets (excluding housing assets)	<p>Cause: Poor property condition combined with insufficient budget allocation to maintain assets in line with strategy/ commitments/expectations.</p> <p>Event: Misalignment between funding available and that required by the asset (as defined by the relevant Asset Management Strategy).</p> <p>Impact: Built estate becomes not fit for purpose / functions / occupancy. 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</p>	<p>Lielihood</p> <p>Impact</p>	16	<p>The main driver of this risk is the adequacy of funding to manage and mitigate asset risks.</p> <p>This risk is corporate wide, so extending to sites where asset accountability sits with the relevant Premises Controller in occupation.</p> <p>This risk includes the Barbican and the Guildhall School of Music and Drama (GSMD). At these sites there is a requirement to ensure an appropriate experience for audiences, performers, students and staff, to sustain their business models.</p> <p>The risk was discussed in depth at the organisation’s Chief Officer Risk Management Group meeting on 14 August. It was agreed that having a single risk in relation to maintenance</p>	<p>Lielihood</p> <p>Impact</p>	8	31-Mar-2024	

04-Nov-2019 Paul Wilkinson				and renewal' was correct for the organisation (as opposed to multiple related risks), and the scoring was also considered. Whilst funding remains the overriding mitigation, the City Surveyor is working to ensure that accountability and responsibilities for maintenance is understood across the organisation. Where gaps in expertise or capacity exist, the City Surveyor is looking to develop solutions with the Premises Controllers in line with his role as the Head of Profession. 18 Aug 2023					Reduce	Constant
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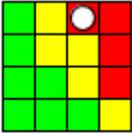
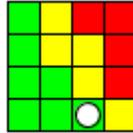
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR37a	Cyclical Works Programme (CWP)	<p>The Cyclical Works Programme (CWP) is the principal way that the backlog of asset maintenance is delivered to Corporate properties (excluding ring-fenced assets).</p> <p>A paper was presented to Operational Property and Projects Sub Committee (OPPS) in April 2023, and subsequently to Resource Allocation Sub Committee (RASC) in June. This identified a funding requirement of circa £133m. This funding would address the repair backlog over a three-year period (including currently outstanding works plus those due over this time horizon).</p> <p>Colleagues in Chamberlain's Department are exploring funding options for this quantum of works, and the City Surveyor is supporting this work by providing data/intelligence on the works required.</p>	Peter Collinson; Sonia Virdee; Paul Wilkinson	18-Aug-2023	31-Mar-2024
CR37b	Ring fenced properties and budgets (CoLP estate, New Spitalfields, Billingsgate and the three private schools	The City Surveyor's Department (CSD) is communicating with ring fenced departments to identify appropriate building maintenance requirements and spend (forward maintenance). These departmental occupiers allocate their own funds for the maintenance of the built assets. Whilst CSD recommends work to be undertaken, it is the occupying department who holds the	Paul Wilkinson; Peter Young	18-Aug-2023	31-Mar-2024

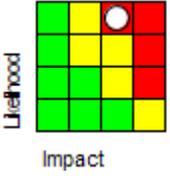
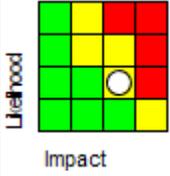
		<p>budget responsibility and thus decides with final control over maintenance activity.</p> <p>This element is being mitigated through the delivery of the recommendations arising from the recent Internal Audit. Whilst there has been progress in some areas, the actions have not been implemented comprehensively across the Corporation. A follow-up review of the Audit Recommendations has been scheduled for autumn 2023 and the department will be supporting this activity.</p> <p>CSD continues to review risks held by departments across the organisation to ensure that this overarching corporate risk correctly captures the pressures felt by our various departments.</p>			
CR37f	Annual Major Capital Bids	<p>The City Surveyor's Department is progressing several capital projects, and these are 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 for Markets. Some departments submit their own direct bids based upon advice from the City Surveyor. If more H&S works are required, this limits the scope for further improvement projects.</p> <p>There will be no capital bids for 2023/24 – however there will be a small emergency funding pot should any immediate H&S issue arise.</p> <p>The 2024/25 bids are being developed and will be submitted in line with the 06 September deadline.</p>	Peter Young	18-Aug-2023	31-Mar-2024
CR37g	Operational Property Review	<p>The City Corporation has recently commenced an Operational Property Review (OPR) to consider the future property requirements to deliver the organisations services. This will align with the Resource Priority Refresh programme.</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	18-Aug-2023	31-Mar-2024
CR37h	Renewal Programmes	<p>The Barbican Centre renewal project is a £50-£150m project which will repair the building to it can function long into the future, opening up under-utilised space, improving accessibility, whilst delivering against its sustainability aspirations. Public survey and workshops were completed in December 2022 with further public consultations scheduled for 2023 in advance of an initial business case being submitted to the City Corporation.</p> <p>The Guildhall School of Music and Drama (GSMD) are working closely with corporate colleagues to develop and further the Barbican Renewal Team. Further, it is working with the Department of Community and Children's Service in respect of waterproofing works, and the City Surveyor on Fire Safety. GSMD have also engaged space consultants who are</p>	Claire Spencer; Jonathan Vaughan; Peter Young	18-Aug-2023	31-Mar-2024

		<p>undertaking a wide-ranging review of the site. This is with the view that current and future needs are detailed, and future funding bids align with this requirement.</p> <p>The Guildhall Renewal programme has recently been presented to Members. However, this programme is at an early stage, so will not offer immediate mitigations to this risk.</p>			
CR37i	Integrated Facilities Management (IFM)	The new Integrated Facilities Management (IFM) contract commenced in April 2023, and this has added resilience to maintenance and repair functions. This benefit is particularly apparent at the Barbican Centre and the Guildhall School of Music and Drama.	Peter Collinson	18-Aug-2023	31-Mar-2024

		not desired, it offers far better market coverage and reflects the prevailing external conditions. This will be kept under review.			
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	18-Aug-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	18-Aug-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	18-Aug-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 Construction Consultancy Management 14-Oct-2021 Ola Obadara	Cause: Poor performance by consultants Event: Abortive work, delays, or non-performance. Impact: Additional costs, project delays		16	This relates to abortive design / development. The department continues to suffer the impacts of this risk, with action being taken against consultants when their performance does not meet expectations. 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.		4	31-Mar-2024	
		Likelihood Impact	Likelihood Impact		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	18-Aug-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. Where performance has been poor action has been taken against consultants – these cases increase end-to-end timescales.	Ola Obadara	18-Aug-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	18-Aug-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	18-Aug-2023	30-Sep-2023
SUR SMT 006e	Review of appointment documents	The City Surveyor's Department is seeking funding to undertake a review of some of the appointment documentation. This will be with the view that action could be taken where required, and any lessons can be applied to future appointment.	Ola Obadara	24-Aug-2023	31-Mar-2024

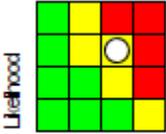
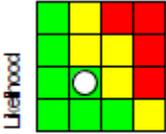
Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
<p>SUR SMT 009 Recruitment and retention of property professional</p>	<p>Cause: Uncompetitive pay and benefits structures within some professional grades; poor quality work environments; lack of professional progression over recruitment freeze and restructuring period; increased employee focus on work-life balance Event: Increasingly difficult to recruit suitably skilled staff at the correct level for the grade being recruited for. Increasingly difficulty to keep staff who get better reward packages from other organisation (both commercial and public sector) Impact: Increased vacancies, objectives unachieved or delivered late (including project delivery and income generation), reduced customer satisfaction, less real estate activity, reduced employee wellbeing, demotivation of staff. Increased costs born by the organisation through recruitment campaigns and training etc, or to the department through filling vacancies through comparatively expensive temporary contracts.</p>		<p>16</p>	<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. This is reflected within the 8 themes identified and communicated by Corporate HR.</p> <p>The City’s pay and reward review has recently commenced (January 2023) and the external consultancy Korn Ferry will be assisting in this analysis.</p> <p>The department has also fed back into the Target Operating Model (TOM) report, being authored by Town Clerk’s Department. The TOM programme has been seen by many staff as challenging, and ideally lessons can be learned for future change programmes, both in CSD and outside. 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</p>		<p>8</p>	<p>31-Mar-2023</p>	

21-Jan-2022			<p>staff who may otherwise leave for greater reward packages at competitor organisations. This assessment is supported by CIPFA analysis which highlights that 50% of local authorities have moved to remote working, and 68% of employees go into the office for meetings or for 1-2 days.</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>24 Aug 2023</p>				Reduce	Constant
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 009a	Advertising	The department and the HR Business Partner has produced a recruitment best practice document, which includes ensuring that vacant posts are advertised in areas which will generate interest from suitably qualified candidates, including those currently under-represented within our workforce.	Paul Wilkinson	02-Jun-2023	31-Mar-2024
SUR SMT 009b	Best Practice	<p>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.</p> <p>CSD is supporting the work of Corporate HR in moving towards all on-line appraisal documentation. This will enable greater tracking of compliance.</p>	Paul Wilkinson	02-Jun-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	02-Jun-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 "Recruitment and Retention"	Paul Wilkinson	24-Aug-2023	31-Mar-2024

		(CR39). CR39 is subject to a "deep dive" from Audit and Risk Management Committee, and the City Surveyor's Department will review any outcomes from this consideration.			
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	02-Jun-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. It should be noted that the earlier reward scheme (where those on top-of-grading salaries could achieve performance related pay) was withdrawn prior to the review conclusions, and this has made our local offer less competitive than our peers.	Paul Wilkinson	24-Aug-2023	31-Mar-2024

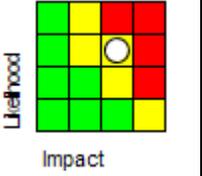
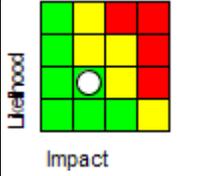
Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
SUR SMT 002 Insufficient budget to meet user and asset demand at Guildhall 10-Feb-2015 Peter Young	Cause: Insufficient funding available for Major Works, Cyclical Works and Reactive Maintenance to manage the repair demands on the Guildhall Complex. Event: Insufficient asset funding. Impact: The standard of the Guildhall Complex will deteriorate, resulting in; poorer working environments leading to increased dissatisfaction and lower employee productivity and potential increase in breakdowns and reactive costs as the basic infrastructure of the Complex becomes beyond economic repair.	 Likelihood Impact	12	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, where a sum was agreed to outline a viable scheme. 18 Aug 2023	 Likelihood Impact	4	31-Mar-2024	 Constant
							Reduce	

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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. This agreed a further sum to develop a viable scheme. A follow up Gateway 2 report will be presented to Members in the autumn.	Paul Wilkinson; Peter Young	02-Jun-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. The business plans of both the Remembrance and the City Surveyor have highlighted the delivery of this activity as a priority for 2023-24. The mechanics of the Trading Account was presented to Finance Committee such that Members could have a comprehensive understanding of the agreed approach.	Remembrancer; John James; Peter Young	24-Aug-2023	31-Oct-2023
SUR SMT 002g	Maintenance Management	The department continues to work with CBRE, our Building Repairs and Maintenance Contractor, to review and improve the correct Planned Preventative Maintenance (PPM) regime.	Peter Collinson	18-Aug-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 010 Insurance - Investment and Corporate Estates Page 29 May-2022	Cause: Revaluation of the City Corporation's estates (Investment and Corporate) does not happen in a timescale compliant with insurance policy requirements or the terms of leases. Event: The City fails to meet the provision under its insurance policies that revaluations are undertaken by a RICS surveyor at least every five years (Investment and Corporate). The City is in breach of its legal obligations as a landlord under the terms of its leases to ensure that the full re-instatement value is insured. Impact: The insurance policy does not respond in full (Investment and Corporate). Potential legal action from commercial occupiers in the event of an incident for which there is not appropriate cover.	 Likelihood Impact	12	This risk identifies the need of re-valuation of the City of London Estates – (Investment and Corporate) to ensure that the City reaches its legal obligations under its insurance policies. The last on-site valuations of the Investment Property Group estate and Corporate buildings (other than special sites) was undertaken in 2015. Funding has recently been identified and a budget is now in place. Instructions are being made to our contractors such that they can proceed with delivery. Once this is in train the risk score should start to reduce towards target. 24 August 2023	 Likelihood Impact	1	31-Mar-2024	
							Reduce	

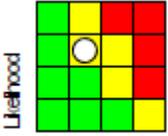
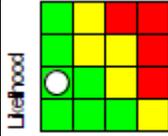
Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 010a	Register of data	A property schedule exists and this has been updated with the survey carried out on Special Sites (by RLF).	Robert Murphy	18-Aug-2023	31-Dec - 2023
SUR SMT 010b	Funding	Where leases allow, the 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.	John James; Robert Murphy	18-Aug-2023	31-Mar-2024
SUR SMT 010c	Delivery	The delivery of this activity will be done by an external party, and the tender is scheduled to be published June/July period. The department is currently working with Procurement to ensure the optimal route to market.	Robert Murphy	18-Aug-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 011 Contractor Failure 13-Feb-2023 Ola Obadara	Cause: Market conditions Event: Failure of either a main contractor, or a substantial sub contractor Impact: Delayed delivery of projects, or the delivery of projects at a higher cost		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. 18 August 2023		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	18-Aug-2023	31-Mar-2024
SUR SMT 011b	Review Process	The department is instituting six-monthly reviews of contractor suitability. Historically this only happened at contract commencement. This will better prepare the organisation should the contractor (or significant sub-contractor) begin to experience difficulty.	Ola Obadara	18-Aug-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). Since market spikes have subsided from the 2022/23 highs, subsequent risk of supplier failure has also fallen.	Peter Collinson; Graeme Low	24-Aug-2023	31-Mar-2024
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 012a	Project Review & Claims Consultants	The department is reviewing projects alongside the contracts to understand our position. Further, we have engaged external Claims Consultants to ensure that the City's position is protected, and risks managed.	Ola Obadara	31-Aug-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 008 Special Structures 20-Oct-2021 Peter Young	Cause: Lack of central register for special structures and/or ambiguity over accountability, responsibility for budget provision Event: Incomplete, or not up-to-date register of special structures and planned maintenance regime Impact: Potential failure of special structure and/or forced closure of asset / space	 Likelihood Impact	6	Special structures relate to those structural elements with an asset which supports other (often public) elements, so captures basements, sub-road spaces, supporting structures etc. There is no current central register of these structures within the portfolio, and therefore no current prescribed or routine inspection regime in place to ensure that these structures remain in a suitable condition. 18 Aug 2023	 Likelihood Impact	2	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 survey programme is now in progress. The initial desktop survey will develop a list of structures which require more detailed assessment, and structural inspections are programmed to follow. The survey process is also developing survey programme for Special Structures (some assets will require more frequent assessment). This information will be captured on the Computer Aided Facilities Management (CAFM) software.	Peter Collinson	18-Aug-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.	Robert Murphy	18-Aug-2023	31-Mar-2024
SUR SMT 008d	Special Structures – other assets	Corporate Property Director and Operations Group Director to engage with other departments	Peter	18-Aug-	31-Mar-

		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.	Collinson; Peter Young	2023	2024
SUR SMT 008e	Special Structures – works	Should the inspection process (action SUR SMT 008a) identify assets which require additional works to bridge 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 Young	18-Aug- 2023	31-Mar- 2024

Agenda Item 7

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

Summary

This report presents the 2023/24 Quarter 1 energy performance for City of London Corporation (COLC) operational sites. There has been an 19% reduction in energy usage since the 2018/19 baseline year and we remain on track to achieve our Net Zero Carbon targets by 2027. The first phase of our capital programme has been approved and we are now developing the projects towards installation in 2023.

Recommendation(s)

- Note, that for the rolling year, Q1 23/24 weather corrected energy consumption has reduced by 14% compared to the baseline year 2018/19.
- Note the generation of energy from the PPA has exceeded the energy consumption across the City of London Corporation sites.
- Note the Public Sector Decarbonisation Scheme (PSDS) funded work is complete and the savings are now being monitored and verified.

Main report

Background

1. The 22/23 Q3 Energy performance report was submitted to OPPSC meeting on 3rd July 2023. This noted the rolling 12-month energy performance reduced by 17% on the weather corrected values for the Climate Action Baseline year of 2018/19.
2. The Climate Action Strategy (CAS) year 3 plans have been approved by Policy and Resources Committee. They include the NZ1 plan which is specifically focused on reducing the carbon emissions within the City Corporation's own estate through a range of tasks including: capital works projects, building control improvements, and monitoring and targeting activities.

CAS target alignment

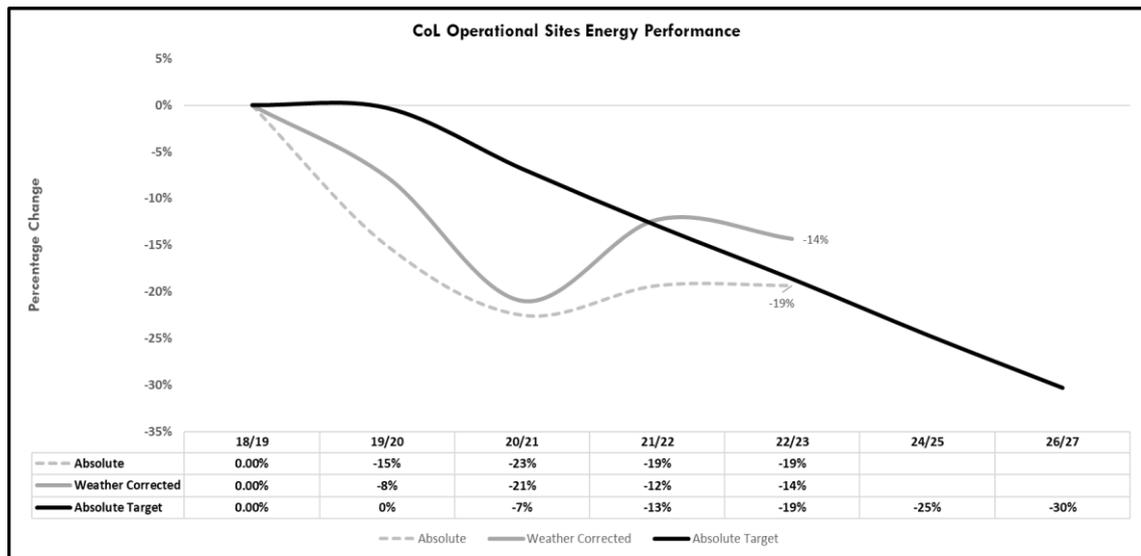
3. The CAS buildings baseline includes operational property portfolio, landlord supplies to housing estates and investment properties.
4. To achieve Net Zero CO₂ target by 2027 for our scope 1 and 2 operational emissions, residual emissions are planned to be mitigated via land-based carbon sequestration from our green spaces. These targets are translated into energy and CO_{2e}, see Chart 1 and Chart 2 below.

Current position

5. Over the last 12 months the thirty highest consuming sites have seen a reduction in energy consumption of 1.9MWh when compared to the preceding 12 months (Appendix Table 1). The COLC continues to support investment in energy and carbon saving projects through the 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 our scope 1 and 2 emissions.

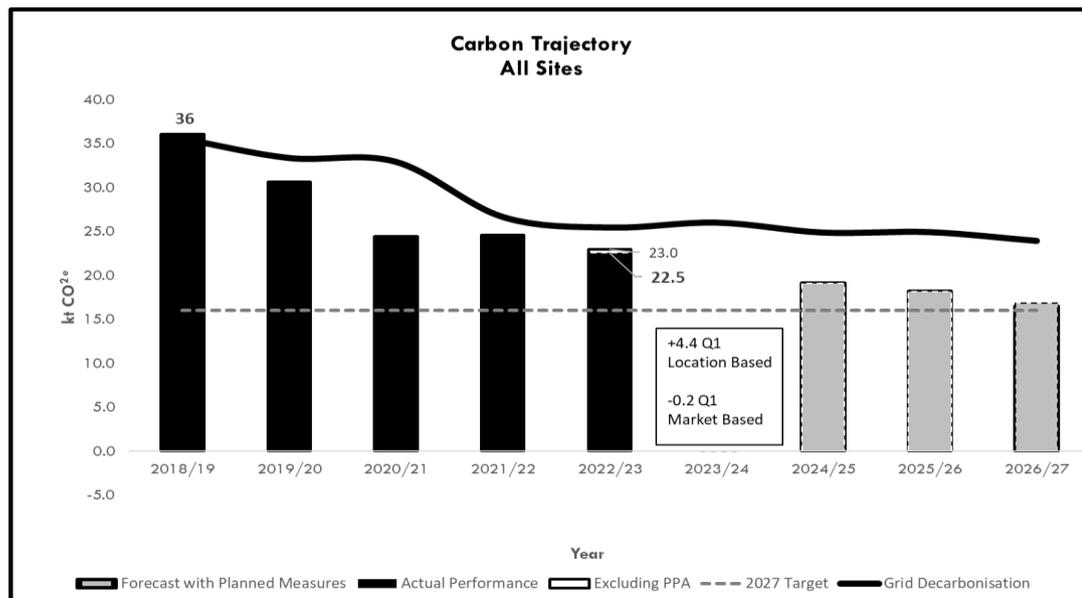
Performance update

Chart 1. Performance against CAS target: Absolute & weather corrected kWh consumption.



6. **Long term:** Chart 1 shows continued progress towards the interim target. Compared to the 2018/2019 baseline, the performance up to Q1 2023/2024 indicates:
 - a. A 19% reduction in absolute energy consumption.
 - b. A 14% reduction when corrected for the weather.

Chart 2. Carbon Trajectory progress towards the 2027 carbon target for the COLC portfolio:



- a. A saving of 13,051 tonnes of CO₂e or a 36% reduction from 2018/2019, based on the last full financial year figures (2022/23). Note this figure includes the impact of the PPA.

- b. Over Q1 23/24 the PPA has generated more energy than the COLC has consumed which explains the -0.2 figure for market based carbon emissions. The 4.4 kt of CO₂e is calculated on a location basis, which uses the carbon factor of the local grid and excludes the generation from the PPA.
- 7. The savings since 2018/19 demonstrate a positive trajectory for the CAS 2027 Net Zero Carbon target. Completion of the energy and carbon saving projects under NZ1 will support continued reduction of emissions. The PPA has contributed to reduced carbon emissions, as demonstrated by the white bar with the black outline. Carbon emissions for the Q1 23/24 would have been 4.4 kt CO₂e without the PPA.
- 8. The Operational property carbon performance, without landlord emissions for Housing and IPG portfolios shows a reduction of 8.19 KtCO₂e or 37% since 2018/19. The portfolio is on track to support the COLC targets for 2026/27 (Appendix – Item 6)

Chart 3. Overall performance Q4 Top 5 sites – weather corrected.

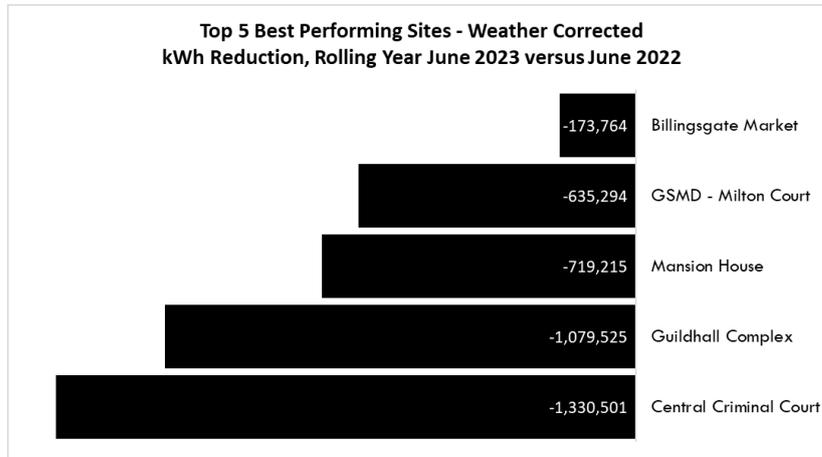
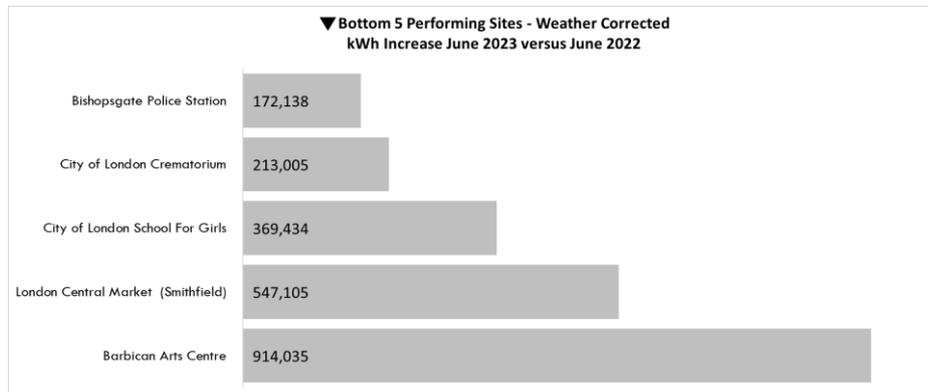


Chart 4: Overall performance Q4 bottom 5 sites – weather corrected.



- 9. Chart 3 shows the top performing sites with the highest energy reductions over the past 12 months to 30th June 2023, when compared to the previous 12 months. Chart 4 shows the worst performing sites with the highest increases in energy use over the same period.
- 10. The top performing sites have continued to show a reduction due to improved controls and implementation of energy saving measures.
- 11. The bottom sites have seen increases in heating demand and occupancy levels and increased refurbishment activities. The Energy and Sustainability Team continue to collaborate with these sites to optimise their performance. Further information can be found in the Table 2 of the Appendix.

Progress on energy projects

12. **PSDS Project:** In 2021 the COLC were awarded £9.5M under the Public Sector Decarbonisation Scheme (PSDS) to deliver energy efficiency works across five sites, anticipated to save annually c.900 tCO₂e (based on 2027 carbon factors) and c.£600k in energy costs (based on 2021 energy prices). These works are now completed and our initial post-project verification indicates annual savings of c.800 tCO₂e and c.£840k in avoided energy costs (based on current short-term projected prices). Where anticipated energy/carbon savings have not been achieved we are investigating. Final verification of the savings is expected at Gateway 6 in Q4.
13. **CAS Capital Programme:** NZ1 of CAS includes for the development and delivery of a capital works programme to invest in carbon saving projects across the scope 1 and 2 emissions within our buildings. In December 2022 Policy and Resources Committee approved a Gateway 2 paper setting out a programme of projects across our operational portfolio. The total capital cost is estimated at £5,338,615 (excluding risk) and is targeting savings of 520 tCO₂/annum and energy cost saving of £550,000 per annum. The first projects have been approved at Gateway 5 and works onsite are proceeding and aim for completion by November 2023. Other projects are in design and development stages with further Gateway approvals over the coming months.
14. **BEMS:** Improved control of our energy usage through Building Energy Management System (BEMS) within buildings has played a key role in improving operational energy efficiency, supported through the deployment of a new Building Analytics Platform at the Guildhall and LMA with a further roll-out of the software to CCC and Mansion House is due to go live in Sept '23. The transition of the BEMS to a new platform has continued with projects due for completion at LMA, Walbrook Wharf, Tower Bridge and Guildhall East Wing and Smithfield West Market by end of September 2023. These projects are enablers for further energy efficiency projects at these sites.

Corporate and strategic implications

15. **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 CO₂e 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.
16. **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.

Conclusion

17. The energy performance within Q1 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. We have absorbed the impact of the reoccupation of our building stock. Our new targets are challenging but the current data indicates achievable, requiring action in all areas of the City 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

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Appendix

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

Weather Corrected Data: Performance comparison by top 30 sites: Q1 2023/24

Row Labels		Sum of kWh Difference 23 vs 22	Sum of Jun-19	Sum of Jun-22	Sum of Jun-23
Central Criminal Court	-	1,330,501	7,530,367	6,675,276	5,344,775
Guildhall Complex	-	1,079,525	17,596,559	13,584,141	12,504,616
Mansion House	-	719,215	2,200,311	2,382,125	1,662,909
GSMD - Milton Court	-	635,294	3,594,296	4,402,853	3,767,559
Billingsgate Market	-	173,764	3,612,570	3,427,365	3,253,600
Open Spaces Golders Hill & Extension	-	171,631	338,403	435,363	263,732
New Spitalfields Market (Landlords)	-	115,661	6,795,740	5,899,856	5,784,194
London Metropolitan Archives	-	98,745	1,325,213	1,238,306	1,139,561
Streetlighting	-	97,201	3,576,514	1,961,862	1,864,661
GSMD - Sundial Court	-	96,616	1,826,106	1,581,121	1,484,505
Open Spaces Epping Forest	-	93,184	639,818	707,049	613,865
Tower Hill Coach & Car Park	-	49,410	549,416	565,034	515,623
Open Spaces East Heath & Kenwood	-	29,550	115,917	172,010	142,460
GSMD	-	23,781	2,221,345	1,999,197	1,975,415
Animal Reception Centre	-	10,213	741,977	743,230	733,017
Open Spaces Hampstead Heath Leisure	-	6,731	661,370	658,313	651,581
London Wall Car Park	-	2,564	218,843	211,784	214,348
Mayor's Court	-	10,097	312,999	252,688	262,785
Baynard House Car Park	-	11,503	165,009	157,963	169,466
Open Spaces Parliament Hill	-	15,521	266,635	285,190	300,711
City of London School	-	44,075	3,229,358	3,264,897	3,308,972
City of London Freeman's School	-	72,456	4,489,478	4,545,958	4,618,414
Walbrook Wharf Cleansing Depot	-	130,896	1,639,210	2,159,765	2,290,662
New Street (21)	-	137,070	1,699,797	2,622,333	2,759,403
Tower Bridge	-	151,011	2,299,578	2,154,957	2,305,969
Bishopsgate Police Station	-	172,138	3,388,311	3,243,497	3,415,635
City of London Crematorium	-	213,005	2,926,347	2,105,143	2,318,148
City of London School For Girls	-	369,434	2,231,356	1,627,245	1,996,679
London Central Market (Smithfield)	-	547,105	17,013,149	10,834,719	11,381,825
Barbican Arts Centre	-	914,035	12,359,577	15,743,272	16,657,307
Grand Total	-	1,940,112	105,565,569	95,642,510	93,702,398

2. Bottom 5 performing sites

Bottom 5 Performing Sites Weather Corrected	Jun-22	Jun-23	Difference kWh 23 vs 22	Potential Rationale
Barbican Arts Centre	15,743,272	16,657,307	914,035	The data indicates a high proportion of estimation and is based on best available information. There was also a period of covid bounceback, however the Energy Team is actively engaging to support the site with projects.
London Central Market (Smithfield)	10,834,719	11,381,825	547,105	BEMS maintenance/upgrade issues means a period of higher energy consumption when plant went in hand. The Energy Team will continue to provide support and guidance.
City of London School for Girls	1,627,245	1,996,679	369,434	BEMS Control issues are thought to be the main driver of the increase. The Energy Team is continuing to support the site with reduction opportunities and a site visit is currently being investigated.
City of London Crematorium	2,105,143	2,318,148	213,005	BEMS controls are thought to be the main reason for the increase. A pump strategy is being reviewed and the Energy Team will provide support
Bishopsgate Police Station	3,243,497	3,415,635	172,138	Energy Team site visit discovered boilers running in hand. BEMS Engineer adjusted flow rate and will continue to support the site monitor BEMS controls

3.CO_{2e} 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 _{2e}	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 _{2e}	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
Total net zero emissions	ktCO_{2e}	Scope 1 & 2	20.2	17.7	14.2	8.19	6.54	3.18	1.83	0.76	-2.79	-10.5	-13.1	-14.6
Net (negative removed)	ktCO _{2e}	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 _{2e}	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 _{2e}	Scope 1 & 2									21.5	To be reduced by 2026/7		

4. 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.

5. Tenant consumption

Location	April - June 2023 Q1	% Increase since 22/23 (Red indicates decrease)
Billingsgate Market	313,020	14% ▼
Billingsgate Market	299,973	132% ▲
London Central Market (Smithfield)	1,638,629	5% ▼
New Spitalfields Market (Landlords)	1,321,258	7% ▲
Walbrook Wharf	28,001	17% ▲

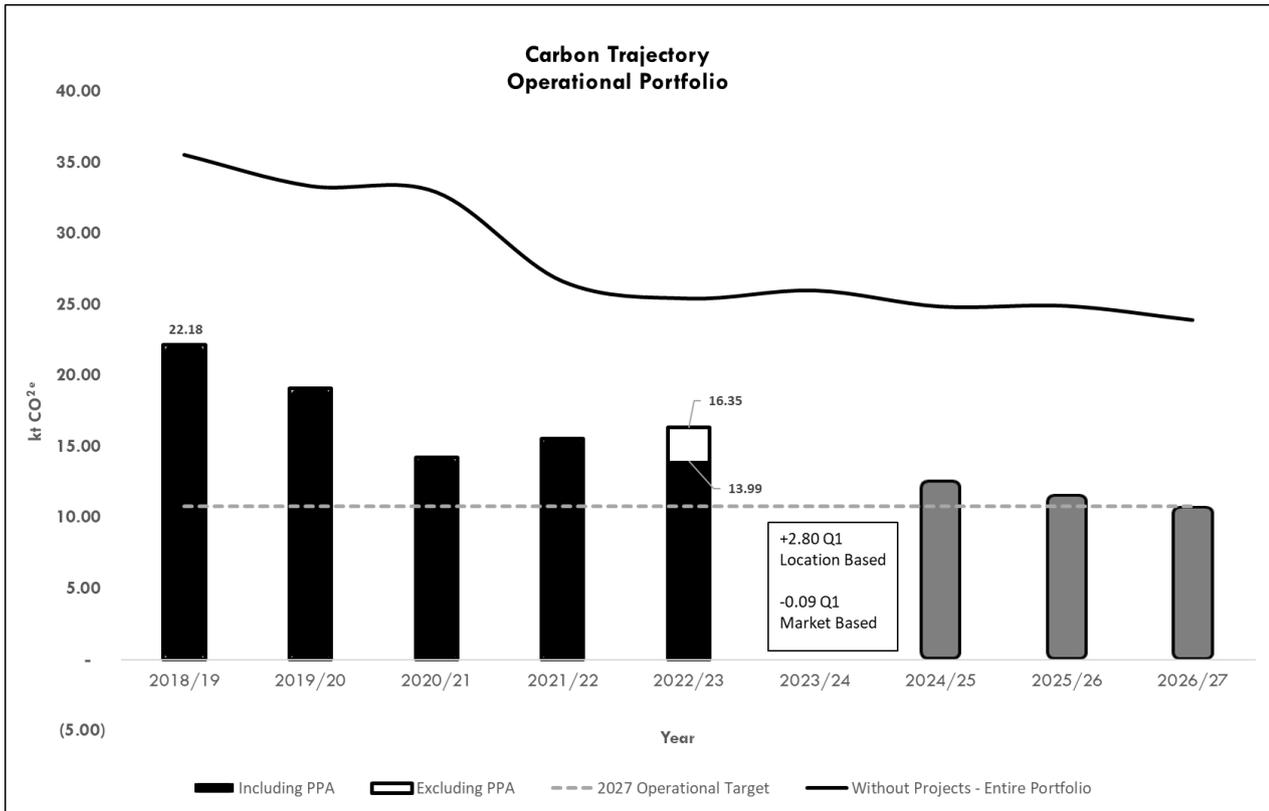
6. Operational properties only

Please note that the chart below represents 23/24 Q1 carbon values only and does not include a rolling year. For the first time, the PPA has generated more electricity than the City has utilised in Q1, resulting in a negative -0.09 kt CO₂e for the operational portfolio (known as Market based emissions). However, if we exclude the contribution from the PPA (in other words, “Location based emissions”) the carbon emissions for Q1 23/24 equate to 2.80 kt CO₂e.

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.



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