



## Corporate Asset Sub (Finance) Committee

**Date:** FRIDAY, 18 NOVEMBER 2016  
**Time:** 1.45 pm  
**Venue:** COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

**Members:** Nicholas Bensted-Smith (Chairman)  
Deputy Brian Harris (Deputy Chairman)  
Randall Anderson  
Chris Boden  
Deputy Roger Chadwick  
Alderman Alison Gowman  
Gregory Jones QC  
Edward Lord  
Jeremy Mayhew  
Deputy Alastair Moss  
Tom Sleigh  
Deputy John Tomlinson

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Lunch will be served in the Guildhall Club at 1pm  
**NB: Part of this meeting could be the subject of audio or video recording**

John Barradell  
Town Clerk and Chief Executive

# AGENDA

## Part 1 - Public Agenda

1. **APOLOGIES**
2. **DECLARATIONS BY MEMBERS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**  
To agree the public minutes and summary of the meeting held on 23 September 2016.  

**For Decision**  
(Pages 1 - 6)
4. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**  
Report of the Town Clerk.  

**For Information**  
(Pages 7 - 8)
5. **WORK PROGRAMME FOR FUTURE MEETINGS**  
Joint report of the Town Clerk and City Surveyor.  

**For Information**  
(Pages 9 - 10)
6. **HALF YEARLY ENERGY PERFORMANCE REPORT (2016/17)**  
Report of the City Surveyor.  

**For Information**  
(Pages 11 - 16)
7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
9. **EXCLUSION OF THE PUBLIC**  
MOTION - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

## Part 2 - Non-Public Agenda

10. **NON-PUBLIC MINUTES**  
To agree the non-public minutes of the meeting held on 23 September 2016.  

**For Decision**  
(Pages 17 - 22)

11. **OUTSTANDING ACTIONS FROM NON-PUBLIC MINUTES OF PREVIOUS MEETINGS**  
Report of the Town Clerk.  
**For Information**  
(Pages 23 - 24)
12. **SERVICE BASED REVIEW - STRATEGIC ASSET MANAGEMENT**  
Joint report of the Town Clerk, Chamberlain and City Surveyor.  
**For Information**  
(Pages 25 - 26)
13. **BUILDING, REPAIRS AND MAINTENANCE CONTRACT RE-TENDER**  
Report of the City Surveyor.  
**For Information**  
(Pages 27 - 28)
14. **CORPORATE PROPERTY ASSET MANAGEMENT STRATEGY 2012 - 2016 REVIEW**  
Report of the City Surveyor.  
**For Information**  
(Pages 29 - 44)
15. **OPERATIONAL PROPERTY PORTFOLIO - CAPITAL PROJECTS 2016/17**  
Report of the City Surveyor.  
**For Information**  
(To follow)
16. **OPERATIONAL PROPERTY PORTFOLIO - REPAIRS AND MAINTENANCE BOW WAVE UPDATE**  
The Chamberlain to be heard.  
**For Information**
17. **SURPLUS PROPERTIES ON THE WOODREDON AND WARLIES ESTATE TO BE DECLARED SURPLUS TO CITY CORPORATION REQUIREMENTS**  
Report of the City Surveyor.  
**For Decision**  
(Pages 45 - 48)
18. **DEVELOPING THE PUBLIC EVENTS PROGRAMME FOR GUILDHALL YARD AND PROMOTING USE BY CITY WORKERS**  
Report of the Director of Culture, Heritage and Libraries. This report has been approved by the Culture, Heritage and Libraries Committee and the Hospitality Working Party.  
**For Information**  
(Pages 49 - 56)
19. **CITIGEN RE-NEGOTIATION UPDATE**  
Report of the Chamberlain.  
**For Information**  
(Pages 57 - 62)

20. **COMBINED HEAT AND POWER SYSTEM - ANNUAL REPORT 2015/16**  
Report of the City Surveyor.  

**For Information**  
(Pages 63 - 86)
21. **BUSINESS PLAN PROGRESS 2016-19 - QUARTER 2 2016/17**  
Report of the City Surveyor. This report will also be considered by the Property Investment Board.  

**For Information**  
(Pages 87 - 98)
22. **CITY SURVEYOR'S DEPARTMENTAL QUARTERLY RISK REGISTER UPDATE**  
Report of the City Surveyor. This report will also be considered by the Property Investment Board.  

**For Information**  
(Pages 99 - 102)
23. **ADDITIONAL REPAIRS AND MAINTENANCE PROGRAMMES - PROGRESS REPORT**  
Report of the City Surveyor.  

**For Decision**  
(Pages 103 - 108)
24. **BARBICAN CENTRE - UPDATE ON CAPITAL WORKS**  
Report of the Managing Director, Barbican Centre.  

**For Information**  
(Pages 109 - 118)
25. **REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES SINCE THE LAST MEETING**  
Report of the Town Clerk.  

**For Information**  
(Pages 119 - 122)
26. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
27. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

## CORPORATE ASSET SUB (FINANCE) COMMITTEE

Friday, 23 September 2016

**Minutes of the meeting of the Corporate Asset Sub (Finance) Committee held at the Guildhall EC2 at 1.45 pm**

### **Present**

#### **Members:**

Nicholas Bensted-Smith (Chairman)	Gregory Jones QC
Deputy Brian Harris (Deputy Chairman)	Edward Lord
Randall Anderson	Jeremy Mayhew
Alderman Alison Gowman	Deputy John Tomlinson

#### **Officers:**

Christopher Braithwaite	-	Town Clerk's Department
Caroline Al-Beyerty	-	Chamberlain's Department
Andrew Little	-	Chamberlain's Department
Paul Nagle	-	Chamberlain's Department
Sarah Wall	-	Chamberlain's Department
Paul Friend	-	City Surveyor's Department
Chris Hartwell	-	City Surveyor's Department
Alison Hurley	-	City Surveyor's Department
Richard Litherland	-	City Surveyor's Department
Pascale Yart	-	City Surveyor's Department
Peter Young	-	City Surveyor's Department
Dorian Price	-	City Surveyor's Department
Barry Ashton	-	Department of Community and Children's Services

### **1. APOLOGIES**

Apologies were received from Christopher Boden, Deputy Roger Chadwick, Deputy Alastair Moss and Tom Sleigh.

The Chairman welcomed Alderman Alison Gowman and Gregory Jones to their first meetings of the Sub-Committee.

The Chairman also noted that the papers for this meeting of the Sub-Committee had been particularly voluminous, including some large appendices. He explained that he had requested that, in future, officers reduce the length of reports and, if necessary, provide a separate agenda pack to include large appendices.

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

Gregory Jones declared a non-pecuniary interest in agenda item 21 (“St Lawrence Jewry Church – Issue Report (Gateway 2)”) by virtue of being a member of the Guild Council of St Lawrence Jewry Church.

3. **MINUTES**

**RESOLVED** – That the public minutes and non-public summary of the previous meeting held on 19 July 2016 are approved as an accurate record.

4. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

The Sub-Committee considered a report of the Town Clerk which provided an update on outstanding actions from previous meetings.

Members were also provided a copy of the Work Programme for future meetings of the Sub-Committee. The Town Clerk advised the Sub-Committee that updated versions of this Programme would be presented to all future meetings.

**RESOLVED** – That the Committee notes the report.

5. **REVIEW OF CORPORATE ASSET STRATEGY 2012-16 AND PROPOSAL FOR A NEW STRATEGY 2017-20**

The Sub-Committee considered a report of the City Surveyor which outlined the current status of the review of the Corporate Asset Management Strategy 2012-16 and provides recommendations for the proposed new Corporate Asset Management Strategy 2017-20.

The City Surveyor explained that there were a small number of typographical errors in the report which referred to the “Corporate Asset Strategy”, rather than the “Corporate Asset Management Strategy”.

The City Surveyor advised Members that the timetable for future reports in relation to the new Strategy was set out within the Work Programme.

**RESOLVED** – That the Sub-Committee

- a) Approves an interim review of the existing Corporate Asset Strategy 2012-16; and
- b) Agrees that the proposed Corporate Asset Strategy 2017-2020 be aligned with the programme for the Asset Management and Facilities Management reviews being undertaken by the Strategic Asset Management Programme Board.

6. **ACCOMMODATION AND WAYS OF WORKING**

The Sub-Committee considered a report of the Town Clerk which informed Members of the Accommodation and Ways of Working project, which aimed to modernise working practices, optimise the use of buildings and facilities to provide focus for improvements to our business processes, skills and assets, and enhance the Wellbeing of our staff.

A Member commented that this report had also been considered by the Establishment Committee and at that meeting Members had commented that it would be vital that the organisational culture and the IT systems were appropriate if the changes to working practices which were proposed in the report were to be achieved. The Member also explained that the Establishment Committee had commented that it would be important that Senior Officers were also willing to adopt new working practices, including, if appropriate, removing their private office provision.

A Member asked for clarification regarding the potential for letting Walbrook Wharf once the new practices were in place. The Member also asked whether such property transactions which could be realised following the implementation of the new practices would realise sufficient income to cover the financial implications of adopting the new practices. The City Surveyor explained that contracts were in place for the use of Walbrook Wharf by third parties until 2019 and 2025, so it was anticipated that a final decision on the long-term future of that property would be determined nearer to 2025. He explained that the agreed option and full financial cost of the New Ways of Working Project was not yet known and, given the long-term nature of the project and the uncertainty regarding potential property transactions, it was currently difficult to confirm whether such income would cover the costs of the project.

**RESOLVED** – That the Sub-Committee notes the Accommodation and New Ways of Working Programme and the implications for improving the efficiency and effectiveness of the Corporation’s operational property.

7. **THE MANSION HOUSE CONSERVATION MANAGEMENT PLAN**

The Sub-Committee considered a report of the City Surveyor which provided Members with information of the policies which were included within the Mansion House Conservation Management Plan.

**RESOLVED** – That the Sub-Committee endorses the implementation of the Mansion House Conservation Management Plan’s policies.

8. **ENERGY EFFICIENCY FUND (EEF) - UPDATE**

The Sub-Committee considered a report of the City Surveyor which provided Members with an update regarding progress in establishing the Energy Efficiency Fund and with current activity by the Corporate Energy Team to support and promote use of the Fund. The report also proposed that the Fund be renamed to Energy Interest-Free Loan Scheme.

Members commented that the Scheme had launched fairly recently, so the amount of applications received in the short period since the Scheme had been launched was quite encouraging.

The Chamberlain explained that energy costs were typically paid from a Department’s local risk budget, so any savings realised by projects funded

through the Scheme would result in savings which could be retained by the Department once the loan has been repaid.

**RESOLVED** – That the Sub-Committee:

- a) Notes the report, and the actions being taken to increase take-up of the Energy Efficiency Fund.
- b) Approves the renaming of the fund from ‘Energy Efficiency Fund’ to ‘Energy Efficiency Interest-Free Loan Scheme’.

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

A Member commented that it was not uncommon that public lifts in the City were out of order and asked whether it would be possible to provide live information regarding any outages on the Corporation’s website.

The City Surveyor explained that outages of public lifts was an issue which was considered on a regular basis by the Planning and Transportation Committee and a Member, also a Member of that Committee, suggested that it may be worthwhile for that Committee to create a small Public Lifts Working Party to consider matters on this subject.

The City Surveyor explained that it was not currently clear whether real-time or near real-time information could be provided regarding outages, but undertook to provide an update to the Sub-Committee’s next meeting.

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

There were no urgent items.

11. **EXCLUSION OF THE PUBLIC**

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

<b>Item No.</b>	<b>Paragraphs in Schedule 12A</b>
12-25	3

12. **NON-PUBLIC MINUTES**

The non-public minutes of the previous meeting held on 19 July 2016 were approved as an accurate record.

13. **OUTSTANDING ACTIONS FROM NON-PUBLIC MINUTES OF PREVIOUS MEETINGS**

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

14. **OPERATIONAL PROPERTY PORTFOLIO - ANNUAL REPORT 2016**

The Sub-Committee noted a report of the City Surveyor which provided Members a view of the range and complexity of the City of London



Corporation's Operational Property Portfolio and advised of changes that had taken place within the last 12 months.

15. **CYCLICAL WORKS PROGRAMME - PROPOSAL FOR 2017/18**  
The Sub-Committee considered and approved a joint report of the City Surveyor and Chamberlain which set out a draft programme of work for 2017/18 in priority order for cyclical repairs and maintenance of the operational property portfolio (circa 600 properties) including the Barbican Centre and Guildhall School.
16. **ADDITIONAL REPAIRS AND MAINTENANCE PROGRAMMES – PROGRESS REPORT**  
The Sub-Committee noted a report of the City Surveyor which provided an overview of the progress and expenditure on the three current Additional Works Programmes as at 30 August 2016.
17. **SECURITY CROSS-CUTTING AGGREGATE REPORT GATEWAY 1/2 - GUILDHALL AND BARBICAN CENTRE**  
The Sub-Committee noted a report of the City Surveyor which provided information regarding a range of security enhancement projects which were proposed for the Guildhall and Barbican Centre. The report also advised the Sub-Committee of proposals which would shortly be brought forward for similar projects for Mansion House and the Central Criminal Court.
18. **POLICE ACCOMMODATION STRATEGY: OVERVIEW & PROGRAMME UPDATE REPORT**  
The Sub-Committee noted a joint report of City Surveyor, Chamberlain and Commissioner of the City of London Police which provided a general update on the interlinked programmes within the Police Accommodation Strategy, advised of further resources which were required to continue workstreams and advised of the latest heads of terms for a proposed joint development Collaboration Agreement.
19. **BUSINESS PLAN PROGRESS 2016-19 - QUARTER 1 2016/17**  
The Sub-Committee noted a report of the City Surveyor which provided details of progress in Quarter 1 2016/17 against the 2016-19 City Surveyor's Departmental Business Plan, an update on the commercial property market, and a financial statement. Additionally the report also provided a brief description of some of the major on-going project activities.
20. **CITY SURVEYOR'S DEPARTMENTAL QUARTERLY RISK REGISTER UPDATE**  
The Sub-Committee noted a report of the City Surveyor which provided a quarterly update on the management of high level risks within The City Surveyor's Department.
21. **ST LAWRENCE JEWRY CHURCH - ISSUE REPORT (GATEWAY 2)**  
The Sub-Committee noted a report of the City Surveyor which provided an update in relation to the project for repairs of St Lawrence Jewry Guild Church.

22. **BRANDON MEWS - DEMISE OF ADJOINING CAR SPACES**

The Sub-Committee considered and approved a report of the Director of Community and Children's Services which sought approval for the demise to long lessees in Brandon Mews of car bays which adjoin their flats.

23. **THE CITY CENTRE - CONTRACT WAIVER**

The Sub-Committee considered and approved a report of the City Surveyor which sought approval for a waiver of the City Corporation's Procurement Regulations to award a 3 year contract from 1 April 2017 for the provision of facilities management services for The City Centre.

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

There were no questions.

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

There were no items of urgent business.

**The meeting closed at 3.25 pm**

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Chairman

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## Corporate Asset Sub-Committee – Outstanding Actions

Item	Date	Item and Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
1.	23 Sept 2016, Agenda Item 9	<u>Public Lift Outages</u> A Member requested information as to whether it would be possible to provide real time information on the Corporation's Website regarding outages of public lifts.	City Surveyor	November 2016	The City Surveyor has the suggestion with the lift contractor. The contractor does not currently have the technology to provide this at present, but they are developing a system to provide this in the future. As yet there is no defined timescale. Once further information is available the Sub-Committee will be updated accordingly.
2.	19 July 2016, Agenda Item 5	<u>Housing and Planning Act</u> The Sub-Committee to be provided with details of the annual reports which it will receive to fulfil the duties of the Housing and Planning Act.	City Surveyor	May 2017	The implications of the Housing and Planning Act on the Operational Property Portfolio are not currently clear. A report will be submitted to the Committee in May 2017, when it is expected that details will be available.
3.	11 March 2016, Agenda Item 4	<u>Heritage at Risk Register – Annual Report</u> Future annual reports to provide further information regarding the changes in the status of Heritage at Risk assets during the course of the last year.	City Surveyor	March 2017	Next annual report is due in May 2017.

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## Corporate Asset Sub-Committee - Work Programme 2016 and 2017

Meeting:	18/11/16	10/2/17	22/5/2017	13/7/17	3/10/17
<b>Sustainable Management of the Corporation's Operational Property Portfolio</b>					
Agreeing the Corporate Asset Management Strategy	Update on 2012/16 achievements		New strategy for 2017-2020		
Reviewing and overseeing Asset Management Practices	CS Business Plan and risk register Progress - Q2	CS Business Plan Progress and risk register - Q3  Strategic Asset Management Progress Report  Report on Major Gateway 0 Property Asset Maintenance Projects	CS Business Plan Progress and risk register - Q4 end of year	New CS Business Plan for 2017/18.  Strategic Asset Management Progress Report	CS Business Plan Progress and risk register - Q1
Reviewing and overseeing Facilities Management practices	Review of Facilities Management and Asset Management - Service Based Review progress report	Review and update on Corporate FM activities  Building Repairs and Maintenance Contract – contract & facility management proposals			
Maintaining Property Database and Asset Register				Operational Property Portfolio Report 2017.	
Monitoring effective use of property	Developing the Public Events Programme for Guildhall Yard and promoting use by City workers  Surplus Properties on the Woodredon and Warlies Estate	Operational Property Review – progress report  Guildhall Complex – Financial Restraints  Business Planning Process for 2016/17 and Standing Order 55  Accommodation and Ways of Working Project Update	Update on implications of new Housing and Planning Act and efficiency of the operational portfolio		

Meeting:	18/11/16	10/2/17	22/5/2017	13/7/17	3/10/17
Oversight of management of operational leases		Update on operational leases ( lease in and out) and third party occupations			
<b>Upkeep, maintenance and furnishing of operational properties not within the remit of another Service Committee.</b>					
	AWP Progress Report Barbican Centre Capital Cap Progress Report GSMD Capital Cap Progress Report Operational Property Bow Wave	AWP Progress Report Barbican Centre Capital Cap Progress Report GSMD Capital Cap Progress Report HARR Annual Report Provision of lavatories and cloakroom facilities for Members and Guildhall Guests – GW3 report	AWP Progress Report Barbican Centre Capital Cap Progress Report GSMD Capital Cap Progress Report	AWP Progress Report CWP Progress Report	AWP Progress Report. Barbican Centre Capital Cap Progress Report GSMD Capital Cap Progress Report
<b>To monitor major capital projects relating to operational assets</b>					
	Operational Property Capital Projects – update report		Operational Property Capital Projects – update report		
<b>Recommending the annual programme of repair and maintenance works</b>					
					Cyclical Works Programme Bid for 2018/19
<b>Responsibility for strategies, performance and monitoring initiatives in relation to energy.</b>					
	Energy Performance Update for 2016/17 – Q1 and Q2 Citigen 2015/16 Annual Report Citigen Contract Renewal – Progress Update	Draft City Energy Strategy proposal		Energy Efficiency Fund update report	
<b>Monitoring and advising on bids for Heritage Lottery Funding</b>					
			Summary of Lottery Fund Bids annual report		

# Agenda Item 6

<b>Committee:</b> Corporate Asset Sub-Committee	<b>Date:</b> 18 November 2016
<b>Subject:</b> Half Yearly Energy Performance Report (2016/17)	<b>Public</b>
<b>Report of:</b> City Surveyor	<b>For Information</b>
<b>Report author:</b> Mansi Sehgal, Corporate Energy Manager	

## Summary

This report provides half yearly performance update on energy reduction targets set out in the Carbon Descent Plan 2015 (CDP-15). The performance update covers the six month period from April to September 2016.

The latest analysis shows an overall energy consumption increase of 0.1% compared to the same period in 2015-16. Even though there were reductions in places like Markets and Open Spaces there were areas where the demand was higher (due to an increased demand of the facilities) which resulted in an overall marginal increase in consumption.

An increase of 0.1% until now means the Corporation is unlikely to meet its annual reduction target of 2.25% for 2016/17. To mitigate this current performance gap a number of work streams have been put in place including:

- The Strategic Energy Review (SER) Board focussing on implementing the 14 AECOM recommendations;
- Launch of the Energy Efficiency Loan Scheme in July 2016 (aims to invest £2.5m over five years) encouraging departments to come forward with energy efficient projects; and
- Targeting available resources to provide assistance to those departments where there is no material reduction, or an increase.
- Most importantly the Corporate Energy Team has started working towards developing a corporate wide Energy Strategy which will cover various themes including benchmarking City's targets with peers, ways to improve on our current monitoring and targeting strategy, streamlining energy compliance delivery, gap analysis of resources necessary to achieve corporate objectives and ways to lower City's energy costs in general and improve upon energy efficiencies. In addition the Energy Strategy further aims to align the Energy initiatives with other on-going corporate initiatives such as the Strategic Asset Management review.

## Recommendation

It is recommended that Members note the report.

## Main Report

### Performance Monitoring

Current Performance

1. The table below shows that the weather corrected energy consumption for April to September 2016 is 0.1% higher than 2015-16.

**Table 1: Half yearly performance comparison (2016/17 with 2015/16)**

Departments	16/17 Q2	Diff. kWh	Diff. %
Markets <sup>1</sup>	29,668,687	-312,934	-1.0%
Guildhall	22,211,683	-36,407	-0.2%
Barbican Centre	16,487,817	231,089	1.4%
Courts	8,009,911	215,975	2.8%
Police	5,899,028	103,143	1.8%
Open Spaces	5,649,926	-118,100	-2.0%
GSMD	7,346,258	68,640	0.9%
CoL Freeman's	3,870,897	-45,399	-1.2%
Culture, Heritage & Libraries	3,754,469	-8,841	-0.2%
Built Environment	7,244,167	-84,153	-1.1%
CoL Boys	3,021,508	159,307	5.6%
Walbrook Wharf	1,791,431	-26,165	-1.4%
Mansion House	2,040,490	55,788	2.8%
CoL Girls	2,113,869	-50,321	-2.3%
<b>Grand Total</b>	<b>119,110,140</b>	<b>151,622</b>	<b>0.1%</b>

#### Commentary

2. Two energy related KPIs are set out in the City Surveyor's Business Plan (2015-19):-

#### KPI 6 (a) - To pursue corporate wide energy reduction

An overall energy consumption increase of 0.1% for April to September 2016 compared to 2015/16. Even though there were reductions in places like markets (following a resolution of chilled water distribution inefficiencies from last year) and Open Spaces (less demand in Crematorium this season) there were areas where the demand was higher (due to an increased demand of facilities) which resulted in an overall marginal increase in consumption.

#### KPI 6 (b) – To pursue energy reduction in Guildhall and Walbrook Wharf

3. Performance has improved with average energy consumption 0.3% lower compared to the same period last year.
4. Walbrook Wharf is 1.4% lower as a result of continued good housekeeping at the site plus some adjustments made on the Building Energy Management System (BEMS). Guildhall has reduced by 0.2% overall a result of lower electricity consumption for the West Wing related to control improvements installed on the chilled water distribution pumps earlier this year.
5. For other departments' commentary please refer to Appendix 1.

<sup>1</sup> Data for Markets have been split between the City of London and tenants use. Please refer to Appendix 1 for more information.



## **Development of the Energy Strategy**

6. The Energy team is also progressing towards developing an Energy Strategy for the Corporation. The work is in very early stages and at present a benchmarking exercise is being carried out in which some of the key questions such as existing energy targets, aspirations behind setting these targets and emerging themes within the energy industry are being explored.
7. This exercise is being conducted with a view to ascertain the best practices and current trends existing in both the private and public sector which will inform the overall Energy Strategy in the near future. So far companies like British Land, Land Securities and Better Building Partnership, Broadgate Estates, GVA, British Properties Federation, LB Islington, London School of Economics and City University have been contacted.

## **Conclusion**

8. An increase of 0.1% until now means the Corporation is unlikely to meet its annual reduction target of 2.25% for 2016/17.
9. To mitigate this current performance gap the Corporate Energy Team has started working towards developing a corporate wide Energy strategy which aims to not only explore best practices available in the industry but also intend to link this work with other key initiatives currently underway in the Corporation.
10. In addition a number of existing work streams are being pursued:
  - The Strategic Energy Review (SER) Board focussing on implementing the 14 AECOM recommendations; and
  - The launch of the Energy Efficiency Loan Scheme in July 2016 (worth £2.5m over five years) encouraging departments to implement with energy efficient projects would also contribute towards the current targets. To support, the corporate energy team at present is liaising and carrying out site visits and assisting departments in identifying areas/ projects to develop that would have high impact overall.

## **Appendices**

- Appendix 1 – Departmental performance commentary

### **Mansi Sehgal**

Corporate Energy Manager

City Surveyor's Department

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## Departmental commentary based on weather corrected data

Departments	16/17	Diff. kWh	Diff. %	Comments received from Departments
Markets (see below for the split)	29,668,687	-312,934	-1.0%	Electricity and gas have both risen slightly, but Citigen energy has reduced mainly due to a 13% reduction in chilled water for Smithfield related to the resolution of system issues (air trapped in the system).
Guildhall	22,211,683	-36,407	-0.2%	Electricity has reduced for the West Wing, related to improved pump controls installed earlier this year. There was a reduction in Citigen heat to GYE, related to improved control management. However hot water consumption for other areas increased and this is related to the demands from functions.
Barbican Centre	16,487,817	231,089	1.4%	Hot water usage increased due to increased demand from functions/events.
Courts	8,009,911	215,975	2.8%	Energy consumption is higher mainly due to electricity consumption for the Central Criminal Court (CCC) south wing which is related to the installation of additional small power loads. Further investigations are being made with the Site Manager.
Police	5,899,028	103,143	1.8%	Electricity remains the same, but gas has increased significantly at Bishopsgate Police Station since April-16 due to fixing of heating system problems which previously lowered usage.
Open Spaces	5,649,926	-118,100	-2.0%	Electricity has increased while gas has decreased. Electricity increased significantly for the Crematorium because of night charging of battery powered equipment at the workshops as confirmed by their site manager. Gas consumption was significantly lower due to reduced demand from the Cremators.
GLD	7,346,258	68,640	0.9%	Electricity has increased slightly, but gas has decreased. A very minor change hence has not been investigated further.
CoL Freeman's	3,870,897	-45,399	-1.2%	Both electricity and gas have decreased. The Energy team is further investigating into it; at the time of preparing this report, no information was received.
Culture, Heritage & Libraries	3,754,469	-8,841	-0.2%	Electricity has increased, gas has decreased. Significant electricity increase continues at LMA due to poor plant control for annexe
Built Environment	7,244,167	-84,153	-1.1%	Electricity has decreased, with significant reductions at Tower Hill, Baynard Hse, London Wall and Upper Thames St. partly due to the replacement of lighting with higher efficiency LEDs.
CoL Boys	3,021,508	159,307	5.6%	Electricity and gas (for hot water) both increased. The Energy team is further investigating into it; at the time of preparing this report, no information was received.
Walbrook Wharf	1,791,431	-26,165	-1.4%	Electricity has reduced significantly, while gas has increased slightly. Electricity has been significantly lower since May for the industrial area and is likely related to more robust monitoring by indoor cleaners and security. Staff and contractors have been asked to also ensure they are switching off where necessary PC's. Further adjustments have also been made to the ventilation system control settings. Space heating has increased for the offices.
Mansion House	2,040,490	55,788	2.8%	Gas has increased significantly, mainly related to increase hot water during May because of increase in number of functions. Further investigations underway.
CoL Girls	2,113,869	-50,321	-2.3%	Electricity decreased but gas increased. Electricity has generally been lower since Dec-15, mainly due to better housekeeping/control of heating. Gas increased due to more functions in the catering department (i.e. cooking) and using slightly more hot water due to catering and also staff showing more due to Cycling/Running.
<b>Grand Total</b>	<b>119,110,140</b>	<b>151,622</b>	<b>0.1%</b>	The overall energy consumption has slightly increased by 0.1% which is 2.24% off annual target.

### Split of consumption between CoL and Tenants for Markets

	16/17 kWh	Diff. kWh	Diff. %
M&CP CoL	7,322,421	265,421	3.8%
M&CP Tenants	20,873,787	-602,136	-2.8%
M&CP TBC	1,472,479	23,782	1.6%
<b>Total</b>	<b>29,668,687</b>	<b>-312,934</b>	<b>-1.0%</b>

TBC = To Be Confirmed (currently the split of some energy between tenant/landlord is still under investigation)

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