



Corporate Asset Sub (Finance) Committee

Date: THURSDAY, 4 APRIL 2019
Time: 1.45 pm
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members: Nicholas Bensted-Smith (Chairman)
Dominic Christian (Deputy Chairman)
Randall Anderson
John Chapman
Marianne Fredericks
Alderman Alison Gowman
Christopher Hayward
Michael Hudson
Deputy Wendy Hyde
Deputy Jamie Ingham Clark
Jeremy Mayhew
Jeremy Simons
Deputy Philip Woodhouse

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Lunch will be served for Members in the Guildhall Club at 1pm

NB: Part of this meeting could be the subject of audio or visual 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 30 January 2019.
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. **CITY SURVEYOR'S PROPOSED BUSINESS PLAN 2019/2024**
Report of the City Surveyor.
For Decision
(Pages 11 - 14)
7. **EV CHARGE POINTS FOR TRANSITION TO A ZERO-EMISSION FLEET**
Report of the City Surveyor.
For Decision
(Pages 15 - 22)
8. **ADDITIONAL REPAIRS AND MAINTENANCE PROGRAMME - QUARTERLY REPORT**
Report of the City Surveyor.
For Decision
(Pages 23 - 28)

9. **CITY SURVEYOR'S BUSINESS PLAN 2018/19 - Q3 OUTCOME**

Report of the City Surveyor.

For Information
(Pages 29 - 34)

10. **CITY SURVEYOR'S DEPARTMENTAL RISK REGISTER 2018/2019 - Q3 OUTCOME**

Report of the City Surveyor.

For Information
(Pages 35 - 38)

11. **CORPORATE FM GENERAL UPDATE**

Report of the City Surveyor.

For Information
(Pages 39 - 42)

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

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

14. **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

15. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the meeting held on 30 January 2019.

For Decision
(Pages 43 - 48)

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

Report of the Town Clerk.

For Information
(Pages 49 - 50)

17. **ASSET MANAGEMENT SERVICE BASED REVIEW**

Report of the City Surveyor.

For Decision
(Pages 51 - 58)

18. **ISLINGTON ARTS FACTORY**
Report of the Director of Community and Children's Services.
- For Decision**
(Pages 59 - 64)
19. **ACCOMMODATION AND WAYS OF WORKING - VACATION OF WALBROOK WHARF**
Report of the City Surveyor.
- For Decision**
(Pages 65 - 78)
20. **OLD FREEMEN'S ASSOCIATION - LEASE FOR CLUBHOUSE**
Report of the Headmaster, City of London Freemen's School.
- This report was considered by the Board of Governors of the City of London Freemen's School on 7 February 2019 when the paper was received with the Board's endorsement and agreed to be submitted to the Sub Committee for agreement of the lease length.
- For Decision**
(Pages 79 - 86)
21. **20/21 ALDERMANBURY - DELEGATED AUTHORITY**
Report of the City Surveyor.
- For Decision**
(Pages 87 - 88)
22. **WAIVER REPORT - SUBSCRIPTION CONTACT TO IHS GLOBAL LTD AS SOLE SUPPLIER**
Report of the City Surveyor and the Director of the Built Environment.
- For Decision**
(Pages 89 - 94)
23. **CITIGEN FUTURE OPTIONS**
Report of the City Surveyor.
- For Information**
(Pages 95 - 100)
24. **CITIGEN NEGOTIATIONS UPDATE**
Verbal update by the City Surveyor.
- For Information**

25. **ACTION BETWEEN MEETINGS**

Report of the Town Clerk.

For Information
(Pages 101 - 104)

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**

Part 3 - Confidential Agenda

28. **CONFIDENTIAL MINUTES**

To agree the confidential minutes of the meeting held on 30 January 2019.

For Decision

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CORPORATE ASSET SUB (FINANCE) COMMITTEE

Wednesday, 30 January 2019

Minutes of the meeting of the Corporate Asset Sub (Finance) Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Wednesday, 30 January 2019 at 1.45 pm

Present

Members:

Nicholas Bensted-Smith (Chairman)
Randall Anderson
John Chapman
Alderman Alison Gowman
Michael Hudson
Deputy Wendy Hyde
Deputy Jamie Ingham Clark
Jeremy Mayhew
Jeremy Simons

Officers:

Alison Bunn	- City Surveyor's Department
James Carter	- Chamberlain's Department
Andrew Crafter	- City Surveyor's Department
Paul Friend	- City Surveyor's Department
John Galvin	- Performance Management Officer
Michael Harrington	- Chamberlain's Department
Ian Hughes	- Department of the Built Environment
Richard Jeffrey	- Comptroller and City Solicitor's Department
Andrew Little	- Chamberlain's Department
Dianne Merrifield	- Chamberlain's Department
Fiona McKeith	- Head of Corporate Development – Assistant Director
Martin Newton	- Town Clerk's Department
Ola Obadara	- Property Projects Director, City Surveyor's Department
Dorian Price	- Guildhall Manager
James Rooke	- Energy Manager
Mansi Sehgal	- City Surveyor's Department
Paul Wilkinson	- City Surveyor
Peter Young	- City Surveyor's Department

1. APOLOGIES

Apologies for absence were received from the Deputy Chairman, Marianne Fredericks, Christopher Hayward and Deputy Philip Woodhouse and for lateness from Deputy Jamie Ingham Clark.

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

The Town Clerk notified the meeting of Deputy Ingham Clark's interest in Item 19 (Guildhall and Walbrook Wharf Gateway Projects Update) insofar as he was a church warden of St. Lawrence Jewry, which is mentioned in that report.

3. **MINUTES**

RESOLVED – That the public minutes and non-public summary of the previous meeting held on 1 November 2018 be approved as an accurate record.

It was noted that the Court had received an update on Mansion House at its December meeting and that a further report would come before the Sub-Committee in June or July (**P01/2019**).

4. **OUTSTANDING ACTIONS**

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

Members were informed that insurance cover for flooding to the Art Gallery basement would depend on the circumstances of any incident, that mitigation measures were in place to decrease water ingress possibilities, and that no problems had occurred since last Spring 2018.

On ratings relief for owners of public conveniences, it was noted that primary legislation was required for this, but that a possible saving of £45,000 would be in scope.

RECEIVED.

5. **WORK PROGRAMME**

The Sub-Committee considered a joint report of the Town Clerk and City Surveyor which provided information of the Work Programme for future meetings.

RECEIVED.

6. **BUSINESS PLAN 2018-23 - QUARTER 2, 2018/19**

Members considered the report of the City Surveyor on the Business Plan 2018-23 (quarter 2, 2018/19).

RECEIVED.

7. **DEPARTMENTAL RISK REGISTER UPDATE**

The City Surveyor reported to Members on the Departmental Risk Register Update.

RECEIVED.

8. **ENERGY PERFORMANCE UPDATE 2018/19, Q2**

The City Surveyor reported on the Energy Performance Update 2018/19, Quarter 2.

A Member raised the issue of performance improvements that could be made and the issue of the pool at City of London Freemen's School that was not covered every night. It was noted that a 'roll on, roll off' cover would greatly assist energy consumption figures.

RESOLVED – That

- a) a new method comparing the performance of the top 30 highest consuming sites be adopted for the next report as set out in table 2 (Performance comparison: 2018/19 Q2 with 2017/18) on page 28 of the agenda pack; and
- b) future reports be on half-hourly data for electricity and gas sites that already are or shortly will be AMR capable.

9. **RIGHTS OF LIGHT CLAIM PROGRESS - BERNARD MORGAN HOUSE**

The Sub-Committee had before them the report of the City Surveyor on progress on the Rights of Light Claim, Bernard Morgan House.

Members were asked to note that the CoL's rights to light compensation will be finalised under the powers within the scheme of delegations to officers.

Discussion turned to the restriction prohibiting the CoL from claiming or acting on behalf of tenants on the loss of light claims and, in response to a question from a Member, the City Surveyor confirmed that tenants had not been informed of this and that the intention was to advise ward members accordingly. The City Surveyor undertook to liaise with the Director of Community and Children's Services on the communication issue. The Chairman asked that this matter be added to the outstanding actions report for resolution by the next meeting (**P02/2019**).

RECEIVED.

10. **PUBLIC CAR PARKS UPDATE**

The Director of the Built Environment provided his update to the Sub-Committee on public car parks.

During brief discussion, it was noted that option 3(b) had been favoured by the Planning and Transportation Committee and the Markets Committee.

RECEIVED.

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

There were no questions.

12. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
There were no urgent items.
13. **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.
14. **NON-PUBLIC MINUTES**
RESOLVED – That the non-public minutes of the previous meeting held on 1 November 2018 be approved as an accurate record.
15. **NON-PUBLIC OUTSTANDING ACTIONS**
The Sub-Committee noted a report of the Town Clerk which provided information of outstanding non-public actions from previous meetings.
16. **ASSET MANAGEMENT SERVICE BASED REVIEW REPORT**
The Sub-Committee considered the report of the City Surveyor on the Asset Management Service Based Review.
17. **TEMPLE BAR – LETTING**
The City Surveyor reported on a lease proposal relating to Temple Bar and additional accommodation.
18. **MINOR WORKS FRAMEWORKS - STAGE 2 AWARD**
Members had before them the joint report of the Chamberlain and the City Surveyor, on behalf of the Facilities Services Category Board, on the Minor Works Frameworks – Stage 2 Award.
19. **GUILDHALL AND WALBROOK WHARF - GATEWAY PROJECTS UPDATE**
The City Surveyor updated the Committee on the Guildhall and Walbrook Wharf Project.
20. **GUILDHALL MASTERPLAN**
The Sub-Committee considered the report of the City Surveyor on the Guildhall Complex Masterplan.
21. **SMART WORKING AND RELOCATION OF WALBROOK WHARF CITY TEAM**
Members had before them the City Surveyor's report on smart working and relocation of the Walbrook Wharf City Teams.
22. **GLA ROADS - LAND DISPUTE WITH TRANSPORT FOR LONDON**
The Comptroller and City Solicitor and the City Surveyor reported to Members on the GLA Roads land dispute with Transport for London.
23. **COMBINED HEAT AND POWER SYSTEM - ANNUAL REPORT 2017/18**
The City Surveyor submitted his annual report to Members on the Combined Heat and Power System.

24. **CITIGEN CONTRACT - ORAL UPDATE**

The City Surveyor gave an oral update on the Citigen Contract.

25. **REGISTRATION OF THE CITY'S FREEHOLD TITLES**

The Sub-Committee considered the Comptroller and City Solicitor's report on the first registration of the City's freehold titles.

26. **ACTION TAKEN BETWEEN MEETINGS**

The Town Clerk reported on delegated and urgent action taken between meetings.

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

There were no questions.

28. **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.

29. **GUILDHALL PLANT TEAM - NEW WAYS OF WORKING**

Members had before them the City Surveyor's report on new ways of working for the Guildhall Plant Team.

The meeting ended at 3.34 pm

Chairman

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Corporate Asset Sub-Committee - Carry Forward Public Actions

	Date	Item and Action	Officer responsible	To be completed/ progressed to next stage	Progress update
P01/2019	30.01.19	<u>Mansion House External Cleaning and Lighting</u> Court had received an update on Mansion House at its December meeting and a further report would come before the Sub-Committee in June or July.	Jessica Lees	June / July 2019	Update report to CASC June or July 2019.
P02/2019	30.01.19	<u>Bernard Morgan House – Rights of Light Claim</u> The City Surveyor confirmed that tenants had not been informed of the restriction prohibiting the CoL from claiming or acting on behalf of tenants and that the intention was to advise ward members accordingly. The City Surveyor undertook to liaise with the Director of Community and Children's Services on the communication issue. The Chairman asked that this matter be added to the outstanding actions report for resolution by the next meeting.	Fiona McKeith	April 2019	The City Surveyor and Director of Community and Children's Services met with Common Councilman Randall Anderson in February and confirmed that CoL had not formally communicated with tenants with regard to restriction and that Taylor Wimpey's RoL analysis of adjacent properties had not yet concluded.

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Corporate Asset Sub-Committee –Work Programme 2019

Committee Date	04/04/2019	05/06/2019	11/07/2019	25/09/2019	07/11/2019
Sustainable Management of the Corporation's Operational Property Portfolio					
Corporate Property Asset Management Strategy	Asset Management SBR update report		New strategy for 2019-23 report	Asset Management SBR Progress update report	
City Surveyor's Business Plan	Business Plan 2018/19 Q3 outcome report Proposed Business Plan for 2019/2024	Business Plan 2018/19 Q4 outcome report		Business Plan 2019/20 Q1 outcome report	Annual Guildhall Finance 2019/20 update
City Surveyor's Risk Register	Risk Register 2018/19 Q3 report	Risk Register 2018/19 Q4 report		Risk Register update report	
Facilities Management	Corporate FM General update report		FM SBR update report		Corporate FM update
Portfolio management information			Annual report on changes to portfolio Annual report on third parties and income from portfolio		
Operational Property Review (note individual assets will be reported as declared surplus by service committees) and other disposals					
Upkeep, maintenance and furnishing of operational properties not within the remit of another Service Committee.					
		AWP Q4 Progress Report 2018/19 CWP Q4 Progress Report 2018/19		CWP Q2 Progress Report 2019/20	
To monitor major capital projects relating to operational assets					
		Guildhall Projects update			
Recommending the annual programme of repair and maintenance works					
				CWP Bid report 2020/21	
Responsibility for strategies, performance and monitoring initiatives in relation to energy					
	Energy Performance 2018/19 Q3 report	Energy Performance 2018/19 Q4 report	Energy Performance 2019/20 Q1 report	Energy Performance 2019/20 Q2 report	Energy Performance 2019/20 Q3 report

Committee Date	04/04/2019	05/06/2019	11/07/2019	25/09/2019	07/11/2019
Monitoring and advising on bids for Heritage Lottery Funding					
		National Lottery Funding Monitoring report Heritage at Risk Register Annual Report			

Committee:	Date:
Property Investment Board Corporate Asset Sub Committee	20 March 2019 4 April 2019
Subject: Final Departmental High-level Business Plan 2019-24 – City Surveyor's Department (CS086/19)	Public
Report of: Paul Wilkinson, City Surveyor	For Decision
Report author: John Galvin, Business Performance and Improvement	

Summary

This report presents for approval the final high-level Business Plan for the City Surveyor's Department for 2019-24.

Recommendation

Members are asked to approve the City Surveyor's Department's final high-level business plan for 2019-24 (Appendix 1) and provide feedback.

Main Report

Background

1. As part of the new framework for corporate and business planning, departments were asked to produce standardised high-level Business Plans for the first time in 2017/18. Members generally welcomed these high-level plans for being brief, concise, focused and consistent statements of the key ambitions and objectives for every department.
2. For 2018/19, departments were again asked to produce high-level plans in draft, which were presented to Service Committees in November and December 2017 alongside the departmental estimate reports, so that draft ambitions could be discussed at the same time as draft budgets. This represented the first step towards integrating budget-setting and priority-setting.
3. For 2019/20, to secure deeper Member engagement with Business Plans, a series of four informal 'cluster' meetings took place in early February to allow Chairmen and Deputy Chairmen of relevant approving Committees to scrutinise how departments are using their Business Plans to prioritise activities towards corporate goals. These meetings were chaired by the Chair and Deputy Chairman of Resource Allocation Sub Committee.
4. To complement this, and to give all Members a chance to ask questions and put their views to their Chairmen and Deputy Chairmen in advance of these meetings,

a 'Business Plan Surgery' was held on 10 January (immediately before Court of Common Council).

5. Taken together, these sessions replace the submission of draft high-level Business Plans to Committees. Final high-level Business Plans are still subject to Committee approval, as in previous years.
6. Work has also taken place to review the content and format of the supporting detail beneath the high-level Business Plans. This includes: information about inputs (e.g. IT, workforce, budgets, property and assets); improved links to project and risk registers; EEE Health Checks (economy, efficiency and effectiveness), and schedules of measures and key performance indicators for outputs and outcomes. This is a key element in the move towards business planning becoming a joined-up service planning process that links directly to Corporate Plan outcomes.

High-level Business Plan for 2019-24

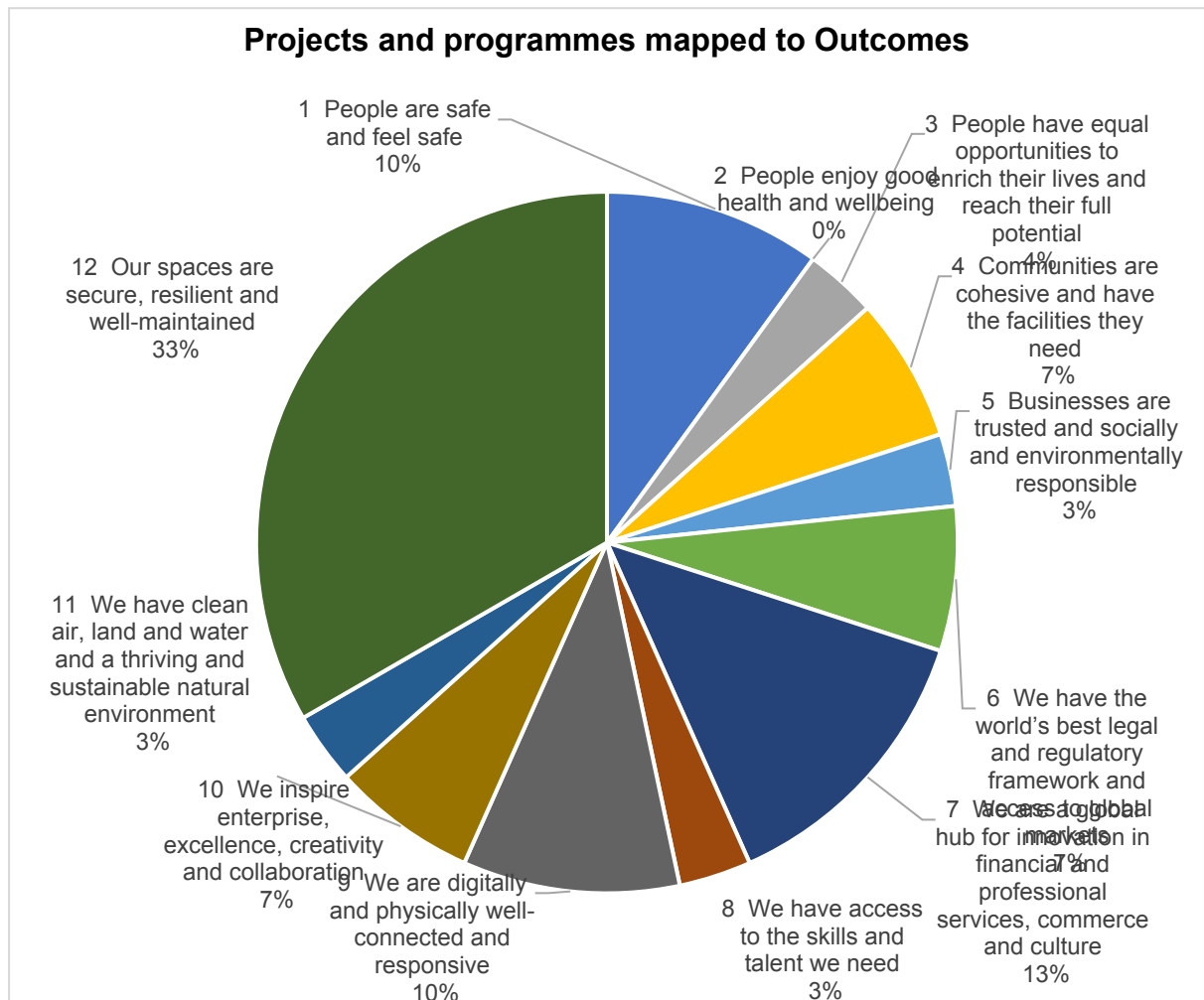
7. This report presents, at Appendix 1, the final high-level Business Plan for 2019-24 for the City Surveyor's Department.
8. The top line business objectives for the coming year are as follows:
 - Strategic Asset Management
 - Property assets and facilities management
 - Fund management and income generation
 - Support and promote the City as a business location.

These objectives are consistent with those from the 2018-23 plan and reflect the breadth of activity undertaken by the City Surveyor's Department. The objectives capture our role as strategic property owners and upon our contribution, through both income generation and promotion, to the wider aspirations of the organisation.

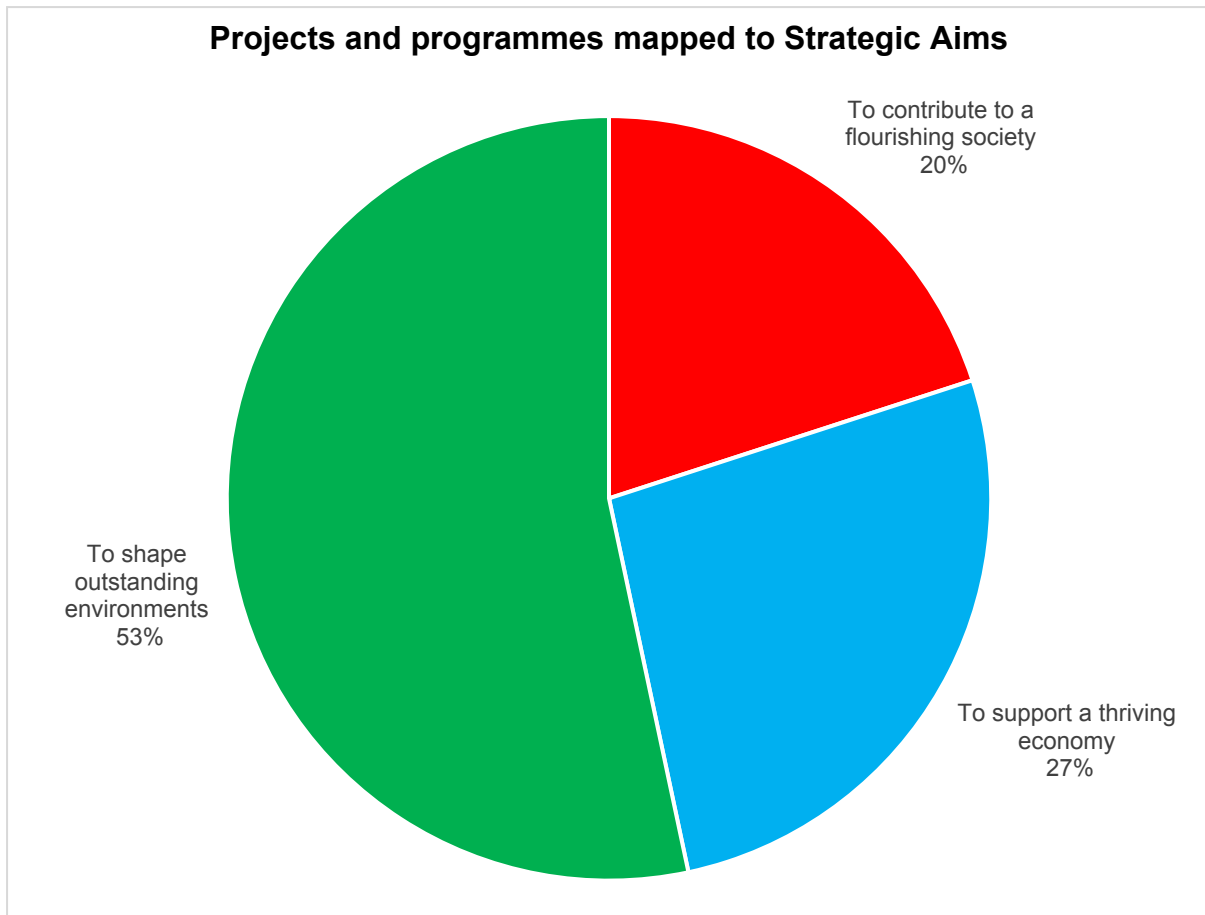
9. Greater change can be seen in the supporting projects and programmes, which help both to deliver these objectives, and the organisation's Corporate Plan. Here, the transformational programmes are clearly becoming a much bigger focus of the department (Combined Courts and New Police HQ, Museum of London relocation, Markets Consolidation Programme and Centre for Music). We have been working closely with our colleagues across the organisation in the development of these programmes, and this has been reflected in our plan.
10. Alongside these transformational programmes, we will continue to develop our expertise and deliver to the high expectations of our customers. The Management Team is very keen to ensure that it continues to develop our most significant asset – our staff. We will be developing an action plan following the staff survey to assist our staff achieve our collective objectives. We have also been working closely with colleagues in Town Clerk's to develop the Project Management Delivery Methodology, which will enhance our expertise and promote service delivery.

Corporate & Strategic Implications

11. The department has considered each of its projects and programmes (items 1 through 35 in Appendix 1) and mapped these against one of the 12 outcomes contained within the Corporate Plan. In this way we are attempting to determine how our efforts were contributing to the wider aspirations of the City Corporation. Whilst this is a reasonably rough-and-ready approach (for instance not all activities have the same weight and impact) it does give a flavour of how the City Surveyor's Department is allocating its efforts.



12. As can be seen through the graph above the department contributes across 11 of the 12 Corporate Outcomes. As would be expected, our main contributions come on the property side, where Outcome 12 includes 'maintain our building to high standards'. However, we are also contributing to a wide range of other outcomes, through programmes as diverse as promoting energy efficiency, to supporting internet connectivity.
13. The Corporate Outcomes themselves are grouped into three Strategic Aims, and the below graph describes where the department's contribution is made.



Conclusion

14. This report presents the final high-level Business Plan for 2019-24 for the City Surveyor's Department for Members to approve and provide feedback.

Appendices

- Appendix 1 – Final high-level Business Plan 2019-24

John Galvin

Business Performance and Improvement

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Committees: Corporate Projects Board - for decision Projects Sub - for decision Corporate Asset Sub Committee – for decision		Dates: 28 February 2019 22 March 2019 4 April 2019
Subject: EV charge points for transition to a zero-emission fleet Unique Project Identifier: <i>Confirmed after CPB paper review.</i>	Gateway 2: Project Proposal Light	
Report of: Chamberlain Report Author: Natalie Evans, Responsible Procurement Manager		For Decision
<h1>PUBLIC</h1>		

Recommendations

1. Next steps and Requested decisions	Approval track: 3. Light Next Gateway: Gateway 4a - Inclusion in Capital Programme (Light) Next Steps: More detailed survey work at each site to confirm viability Requested Decisions: Projects Sub and Corporate Asset Sub Committees to: <div><div>1. Approve progression to Gateway 4a</div><div>2. Approve £5000 budget to get to the next gateway (internal staff costs)</div><div>3. Note the total estimated cost of the project £157,500</div></div> Corporate Asset Sub Committee to support the installation of electric vehicle (EV) charging points at key corporate facilities to support and enable departments to implement the new zero emission fleet targets.			
2. Resource requirements to reach next Gateway	Item	Reason	Funds/ Source of Funding	Cost (£)

	Additional surveys and project design	Establish viability of recommended charge points	City Surveyor's BAU activities	£5000
	Total	11 charge points	15 man days	£5000
3. Governance arrangements	<p>This is a cross departmental initiative being coordinated by City Procurement up until Gateway 4a due to the fact that there is no natural owner and due to the Commercial Director being recently assigned Chairmanship of the Transport Coordination Group (TCG). Project lead during this time will be Natalie Evans (CHB), Senior Responsible Officer will be Chris Bell.</p> <p>From Gateway 4a onwards City Surveyor's will lead the project operationally with support from City Procurement on any necessary aspects. Project leads will be therefore jointly Harry Lakin (CSD) and Natalie Evans (CHB), with Senior Responsible Officers jointly Chris Bell (CHB) and Chris Hartwell (CSD).</p>			

Project Summary

4. Context	<ol style="list-style-type: none"> 1. Around half of emissions of oxides of nitrogen (NOx), which contribute to illegal levels of nitrogen dioxide (NO2), and particulate matter (PM) come from transport. These pollutants are collectively estimated to cause around 9,400 equivalent deaths every year in Greater London and impose an economic cost between £1.4bn - £3.7bn a year. 2. The City of London Corporation (City Corporation) is required by statute to measure air pollution and develop and implement an improvement plan if health-based air quality limits are not met. Despite the implementation of a wide range of action by the City Corporation to improve air quality, the health-based limits for nitrogen dioxide are still not met everywhere in the Square Mile. 3. In response to this issue and to the requirements of ULEZ, the City Corporation has recently enacted a policy on a transition towards a zero-emission fleet, which will see 34 corporation vehicles and 44 Police vehicles removed, replaced or retrofitted. A maximum of 14 vehicles will be new/retrofitted electric models during this first replacement phase, hence the need for additional electric vehicle charging infrastructure.
5. Brief description of project	<ol style="list-style-type: none"> 4. This project will involve the installation of 11 electric vehicle (EV) charge points at four locations. This infrastructure is

	<p>needed to facilitate the transition of the City Corporation's fleet to zero emission vehicles, as set out in the policy paper approved by Policy & Resources Committee on 21/02/19.</p> <p>5. This EV infrastructure will be used to charge the anticipated 14 electric vehicle models that will be sourced across six departments in the coming months.</p> <p>6. Significant efforts have been made to consolidate the locations of the charge points to minimise costs, whilst working within the parameters of operational efficiency and also to ensure that existing charge points are used to the fullest extent possible. This still leaves departments with the need for an additional 11 charge points at four locations; the Barbican Centre (1), City Garden's Depot (1), Guildhall Complex - Member's Car Park (8) and the Cemetery & Crematorium (1).</p>
6. Consequences if project not approved	<p>7. The Corporation's ambitious 'Transition to a Zero emission Fleet' policy will attract media attention.</p> <p>8. These charge points are essential to facilitate the implementation of the above policy. It will therefore be a significant reputational risk if they are not installed as the policy implementation will be frustrated and specific actions under the Responsible Business Strategy and the new Air Quality Strategy (going to Port Health & Environmental Services Committee 05/03/19) will not be achieved.</p> <p>9. The City's poor air quality, which is a red risk on the Corporate Risk Register. If we fail to facilitate the new policy on transitioning to a zero emission fleet, the City may be perceived as not playing its part to minimise its own NOx and PM emissions and will lose credibility when trying to encourage Square Mile Businesses to do so</p>
7. SMART Project Objectives	<p>To facilitate meeting the policy objective of transitioning the City Corporation's fleet to zero emission by designing and installing 11 additional electric vehicle charge points at four key locations to facilitate the operations of 14 new electric vehicles intended for purchase or lease by City Garden's, Barbican Library, DCCS Housing, GSMD, Mansion House, Central Criminal Court, Town Clerks (VIPs).</p> <p>City Surveyor's Electrical engineers are undertaking much of the design work internally and are using £16k already assigned from the transformation fund to commission necessary preliminary surveys by end of March 2019. The final completion date in terms of installed, functioning charge points is estimated by September 2019.</p>
8. Key Benefits	<p>1. 11 functioning charge points used to successfully charge 14 additional electric vehicles will facilitate the</p>

	<p>implementation of the Transition to Zero Emission Fleet Policy and the City's compliance with the Mayor of London's Ultra Low Emission Zone (ULEZ).</p> <ol style="list-style-type: none"> 2. The Sustainability benefits of this project are positive in terms of helping to facilitate reductions in local air pollutants (NOx and PM) effecting respiratory ailments and CO₂ emissions contributing to climate change. 3. Reputational benefits are significant; the City Corporation needs to be seen to be leading the way in terms of 'greening' our fleet in order to be in a position to encourage Square Mile Businesses and supply chain partners to do the same.
9. Project category	7a. Asset enhancement/improvement (capital)
10. Project priority	B. Advisable
11. Notable exclusions	<ol style="list-style-type: none"> 1. Infrastructure for Police vehicles is not included in this project – this is being included as part of Police Accommodation 2. Infrastructure for vehicle replacement outside of the Square Mile, with the exception of Cemetery & Crematorium, is not dealt with as part of this project as these sites fall outside the remit of ULEZ 2019

Options Appraisal

12. Overview of options	<p>An options appraisal per se will not take place for this project.</p> <p>The 'Transition to a zero-emission fleet' Policy presented various options when it went to Summit Group in terms of the speed and level of ambition of fleet replacement for clean technologies. This infrastructure is merely to facilitate the option selected by Chief Officers and endorsed by Policy and resources.</p> <p>In terms of assessing various options for EV charging technology, please see box 18 on investment appraisal.</p>
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Project Planning

13. Delivery Period and Key dates	<p>Overall project: 9 months, completion would ideally be as soon as operationally possible due to the fact that ULEZ comes into force on 8th April 2019, but completion is more likely to be by September 2019</p> <p>Key dates: The order in which the infrastructure will be installed will depend on the delivery dates of the respective vehicles by each department and on to what extent they are inconvenienced operationally by using temporary charge points. More precise dates at each site will therefore be determined in the coming</p>
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	<p>weeks when each department has secured a loan for vehicle purchase (where relevant) and has an estimated delivery date.</p> <p>Other works dates to coordinate: none</p>
14. Risk implications	<ol style="list-style-type: none"> 1. There is a low risk that initial surveys are incorrect and that more significant power upgrades are needed, this will pose both a time and cost increase. 2. There is a low risk that the time will slip due to any further necessary liaisons with UKPN but the project team are satisfied that enough time has been included to account for a realistic turnaround time. 3. Both of these risks would imply that departments will have to implement contingency measures for longer i.e. charging their vehicles elsewhere, which would result in operational inefficiencies <p>Overall project risk: Low</p>
15. Stakeholders and consultees	<ol style="list-style-type: none"> 1. City Surveyors have already been consulted and are part of project delivery. 2. Preliminary consultations have already happened with each department with a fleet requirement and as well as cursory consultations with Committee Services, Guildhall Facilities Services etc. 3. Others that will need to be consulted if this project is approved include: <ul style="list-style-type: none"> - Highways (DBE) – internal - UK Power Networks (UKPN) - external - Barbican residents to ask permission for a few vehicles to be charged at their (underutilised?) Car parks until the new ones are installed - Chief Commoner to confirm the additional charge points in the member's car park along with some impact on parking spaces on the first level due to use by Mansion House and potentially Town Clerk's fleet. 4. An Equality Impact Assessment will not be undertaken for the project; the charge points are not intended to be made available to the public, only to those operating the Corporate fleet and Members in the Guildhall members car park. It should be noted however that it has been recognised that poor air quality has a disproportionate impact on more vulnerable members of society, especially those with existing respiratory ailments. This project will help facilitate the Corporation's fleet in reducing local air pollutants.

Resource Implications

16. Total estimated cost	Likely cost range: £145,000- £170,000
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17. Funding strategy	Choose 1: No funding confirmed	Choose 1: Internal - Funded wholly by City's own resource
	Funds/Sources of Funding	Cost (£)
	Internal staff costs – City Surveyors, 15 man days	£5000
	There is no existing financial provision for these works. Therefore a bid for resources from the 2018/19 City Fund and City's Cash provisions for new schemes will need to be made to the Resource Allocation Sub and Policy and Resources Committees. Allocation of resources will be subject to a process of prioritisation and will be considered in the context of other competing bids.	£152,500
	Total	£157,500
18. Investment appraisal	<div>1. The exact charge points that will be used have not yet been decided on specifically, due to the fact that the exact vehicles to be purchased by the departments have not yet been finalised (the policy and finance papers relating to the scheme are being approved at the time of writing). However, it is foreseen that 10 charge points will be fast (22kW) and one will be a trickle charger (3kW)</div> <div>2. City Surveyors in partnership with City Procurement will ensure options for each charge point in question will be investigated and the best value option in terms of cost and operational output will be selected.</div>	
19. Procurement strategy/Route to Market	<div>1. It is envisaged that this will be a direct award through our existing minor works M&E (mechanical and electrical) provider, namely Sykes & Son, as the predicted cost is below the £250k threshold</div>	
20. Legal implications	None	
21. Corporate property implications	<div>1. The impacts to Corporate property include the use of additional power from the electricity supply. This is being surveyed by City Surveyors prior to installation to ensure that enough is available and that all associated risks are effectively mitigated.</div> <div>2. The charge points will also effectively become an asset and they are being installed on to City Corporation built assets. Each charge point comes with a 5 year warrantee meaning the manufacturers will be responsible for any necessary maintenance and repairs. After this point, it is envisaged that the charge points will need to be upgraded</div>	

	due to rapid changes in technology types of both vehicles and the infrastructure itself. It is therefore foreseen that City Surveyors will not need to take responsibility for the units, at least not for a very long period of time.
22. Traffic implications	1. None of the charging points are being installed on street or on the public highway, however there may be some very minor traffic implications during the installation phase in the service road underneath the Barbican centre, and the use of the Member's car park at the Guildhall may also have some partial restrictions during this short phase.
23. Sustainability and energy implications	<ol style="list-style-type: none"> 1. The Sustainability benefits of this project are positive in terms of helping to facilitate reductions in local air pollutants (NO_x and PM) effecting respiratory ailments and CO₂ emissions contributing to climate change 2. In terms of energy, there will be a marginal increase in electricity use at the four sites. This will be offset by the decrease in fuel use, in terms of environmental impacts, and is of negligible significance bearing in mind the City Corporation buys 100% renewable electricity. In terms of monitoring the electricity used in relation to carbon descent plan targets, data will be collected through a data and communications package that comes with all electric vehicle charge points.
24. IS implications	None
25. Equality Impact Assessment	An equality impact assessment will not be undertaken
26. Data Protection Impact Assessment	The risk to personal data is less than high or non-applicable and a data protection impact assessment will not be undertaken

Appendices

Appendix 1	Project Briefing
Appendix 2	
Appendix 3	

Contact

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Committee:	Date:
Corporate Asset Sub Committee	4 April 2019
Subject: Additional Repairs & Maintenance Programme – Quarterly Progress Report	Public
Report of The City Surveyor Report ref CS 052/19	For Decision

Summary

At the end of the third quarter of the 2018/19 financial year, the progress and expenditure of the three-year 2016/17 Additional Repairs & Maintenance Programme is mostly on track, to complete this financial year with approval requested to complete some projects in 2019/20.

Recommendation

- a) Members are asked to note the contents of this report and the progress on the 2016/17 AWP programme at 31/12/2018.
- b) Members are asked to approve the provision of the 2016/17 AWP budget into 2019/20 for the projects, totalling £221,550, listed below.
 - £95,000 for a security project at the Mansion House (ref. C017AW019L)
 - £25,000 for a boundary wall project at Keats House (ref. R157AW001L)
 - £48,000 for conservation works to churchyard railings and boundary walls (ref. R167AW002L & R167AW003L)
 - £23,400 for conservation works to the City Wall (ref. R087AW014L)
 - £20,150 for works to the Policy Chairman's accommodation (ref. C157AW002L)
 - £10,000 for works at St Botolph Street bridge (ref. R087AW001L)
- c) Members are asked to agree that the Cyclical Works Programme Peer Review Group identifies projects from the Cyclical Works Programme 2019/20 reserve list to utilise the balance on the 2016/17 AWP fund after the existing projects are completed.

Main Report

Background

1. The Additional Repairs & Maintenance Programmes (AWP) have been derived from the forward maintenance plans for centrally managed corporate property. Each annual AWP programme has a three-year delivery window.

This report covers the final year of the 2016/17 programme at the end of the third quarter of the 2018/19 financial year. The report is based on the spend and progress position as at 31/12/2018.

2. This is the last year of the AWP. It was replaced in 2017/18 by the Cyclical Works Programme (CWP). Progress on the CWP is reported separately on a half-yearly basis.

Current Position

3. The spend and progress position is set out on the tables below.
4. A breakdown based on fund and area of service is set out in the appendix.

TABLE 1: TOTAL PROGRAMME PROGRESS TO DATE AT 31/12/2018						
FUND / SERVICE	Total Budget	Total Actual Spent	Further committed	Total Cost	Balance Un committed	Total Progress
CITY CASH	2,905	1,891	664	2,555	350	88 %
CITY FUND	1,574	1,253	111	1,363	211	87 %
GUILDHALL *	843	752	51	802	41	95 %
TOTAL	5,322	3,895	825	4,721	601	89 %

All figures in £000's. Figures may not add up due to rounding

* £203,784 was transferred to Capital from AWP

TABLE 2: SPEND AGAINST 2018/18 TARGETS AT 31/12/2018				
FUND / SERVICE	Total Budget	Budget 2018/19	Actual Spent 2018/19	Spend Against Target
CITY CASH	2,905	1,629	644	40 %
CITY FUND	1,574	565	223	39 %
GUILDHALL	843	141	51	36 %
TOTAL	5,322	2,335	918	39 %

All figures in £000's. Figures may not add up due to rounding.

2016/17 PROGRAMME

5. The 2016/17 programme consists of 269 projects with a total value of £5.322m. The current position is that 89% of the target actual spend for the entire programme has been achieved or committed so that the programme is broadly on track, with actual spend having progressed to 39% of the target for the year with a further 35% committed.
6. Since the Quarter 2 report actual spend has increased by £519,000 (10% of total budget), committed spend by £249,000 (5% of total budget) and total spend by £749,000 (14% of total budget). There is a high level of confidence that the committed expenditure will be converted to actual expenditure by the end of the financial year.
7. The status of the 2016/17 AWP programme is set out below.

TABLE 3: PROJECT STATUS

Complete	In Progress	Not Started	Total
218	39	14	269
81%	14%	5%	

8. There are three non-started projects with budgets over £5,000 with their situation reported below.
- Bunhill Fields Burial Ground, Conservation Management Plan £20,000 C127AW005L. Your Committee agreed to extend the funding for this project into 2019/20, at the May 2018 meeting, to enable this to be used as matched funding for a Heritage Lottery Funding bid. Unfortunately, the HLF application was not successful. The Conservation Management Plan will now commence in April 2019 and complete by February 2020.
 - London Central Markets, main market underground car park, concrete remedial works £10,000 C037AW009L. This project is at an advanced planning stage and is expected to be completed by year end
 - Hampstead Heath, staff yard complex, lighting and emergency lighting replacement, budget £7,000 (ref C177AW005L). This project is at an advanced planning stage and is expected to be completed by year end.
9. There are six projects that will complete after the financial year end; these are reported below. Extension of funding is requested for these projects.
- Mansion House, CCTV replacement, budget £95,000 (ref C017AW019L). This project is part of a corporate-wide over-arching security project. The works planned for the Mansion House are currently out to tender and are expected to commence in April 2019. Approval for the extension of the funding for this project until 2019/20 is requested.
 - Keats House, works to the boundary wall (R157AW001L). Works planned to remove a redundant oil storage tank bunker, which detracts from the historic setting, have been delayed by the need for listed building consent. The project has a value of £25,000 and is expected to start by June 2019 and complete by November 2019.
 - City Open Spaces, conservation works are planned to boundary walls and railings in churchyards within the City of London's responsibility at St Bride's Fleet Street. There are two constituent projects (R167AW002L & R167AW003L) with a remaining balance of £48,000. These had been delayed by the need for Faculty approval from the Diocese of London, which has now been obtained. The works are necessary due to the poor condition of the railings alongside St Bride's Avenue. If the extension of funding is approved works will start on site in July 2019 and be expected to complete in September 2019. The delay is due to the need for a road closure order to erect scaffolding.
 - Conservation works to the City Wall (R087AW014L). The AWP project budget of £23,400 is planned to be carried out in conjunction with approved projects in the CWP programme, the total work value is £75,000.

The start date for the work was delayed by extended consultation with City of London planners and Historic England. The works are essential to prevent the asset being entered into the Heritage at Risk Register. The start date is March 2019, with completion expected by October 2019.

- Works to the Policy Chairman's accommodation (ref. C157AW015L), agreed by the Members Privileges Sub Committee, at an estimated cost of £20,150, are planned to be undertaken over the summer 2019 recess.
- Works at St Botolph Street bridge (ref. R087AW001L), with an estimated cost of £10,000 have been delayed by extended consultation with London Underground Limited (LUL). It is now not likely that approval will be forthcoming until after April. The realistic target dates for this work is to start by May 2019 and complete by June 2019.

Financial Implications

10. Should Members agree to the carry-forward budget provision for the projects listed in paragraph 9 there will still be a balance left in the programme where projects have been cancelled or completed under budget. This currently stands at £113,407; i.e. the totals of the balance pots for the three funds from the tables in the appendix. Members are asked to agree that the Cyclical Works Programme Peer Review Group identifies projects from the Cyclical Works Programme 2019/20 reserve list to utilise any unspent balance on the fund after the existing projects are completed. The proposed projects will be reported in the Q2 CWP Progress Report to your committee.

Corporate & Strategic Implications

11. The Additional Repairs & Maintenance Programme sets out to deliver three of the key objectives in the Corporate Property Asset Management Strategy.
 - SO.1 – Operational assets remain in a good. Safe and statutory complaint condition
 - SO.2 – Operational assets are fit for purpose and meet service delivery needs
 - SO.3 – Capital and supplementary revenue programmes are affordable, sustainable and prudent and that limited available resources are directed to highest corporate priorities.

Conclusion

12. The progress and expenditure of the three-year 2016/17 Additional Repairs & Maintenance Programme at the end of the third quarter of the 2018/19 financial year is mostly on track to complete this financial year, with approval requested to complete some projects in 2019/20.

Appendices

- 2016/17 Additional Repairs & Maintenance Programme

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APPENDIX

2016/17 Additional Repairs & Maintenance Programme

CITY CASH 2016/17 All figures in £	Budget	Spent	Committed	Total	Left to Spend
Mayor & Shrievalty, The Monument	15,288	15,082	0	15,082	206
Mansion House	543,279	406,636	33,191	439,827	103,452
Magistrates Court	321,919	212,136	108,324	320,460	1,459
London Central Markets	729,688	389,114	308,219	697,333	32,355
Epping Forest & The Commons	335,646	198,787	97,849	296,636	39,010
West Ham Park & Bunhill Fields	196,300	144,599	31,282	175,881	20,419
Hampstead Heath, Highgate Wood & Queen's Park	652,685	514,236	82,827	597,063	55,622
Keats House	41,000	10,276	2,000	12,276	28,724
Balance pot	68,995	-	-	0	68,995
TOTAL	2,904,800	1,890,866	663,692	2,554,558	350,242

CITY FUND 2016/17 All figures in £	Budget	Spent	Committed	Total	Left to Spend
Central Criminal Court, Mayor's Court, Roman Bath House	439,311	393,865	26,373	420,238	19,073
Culture Heritage & Libraries, City Info Centre	97,765	93,119	0	93,119	4,646
Planning & Transportation	458,576	318,023	59,777	377,800	80,776
Port Health	469,169	428,830	21,495	450,325	18,844
Other Open Spaces	70,000	18,689	3,297	21,986	48,014
Balance pot	39,429	-	-	0	39,429
TOTAL	1,574,250	1,252,526	110,942	1,363,468	210,782

GUILDHALL 2016/17 All figures in £	Budget	Spent	Committed	Total	Left to Spend
Guildhall Complex	838,233	751,726	50,772	802,498	35,735
Balance pot	4,983	-	-	0	4,983
TOTAL	843,216	751,726	50,772	802,498	40,718

Committee(s): Property Investment Board (PIB) – For Information Corporate Asset Sub (Finance) Committee (CASC) – For Information	Date(s): 20 March 2019 4 April 2019
Subject: Business Progress Report 2018-23 - Quarter 3 2018/19	Public
Report of: The City Surveyor (CS069/19)	For Information
Report author: John Galvin / Faith Bowman Business Performance and Improvement	

Summary

This report provides details of progress in quarter three (October – December) 2018/19 against the 2018-23 Business Plan, an update on the commercial property market, and a financial statement.

Of the 21 Key Performance Indicators (KPIs) that are being monitored, ten were assessed as green, on target, and four indicators were assessed as amber, marginally behind target. Six indicators are not reported at quarter three as they are either assessed annually, or every six months. Energy consumption (KPI. 5) figures are routinely reported a quarter in arrears and the quarter two result was ahead of target.

The amber cases are as follows:

- KPI. 2 Delivery of strategic asset plans – Corporate Property Group (PIB & CASC)
Target: 100% by end 2018/19
Phase two is currently under development. Progress has been delayed by the other casework priorities and staff vacancies.
- KPI. 3 Service Based Review (SBR) savings (PIB & CASC)
Target: £884,000 for 2018/19
Anticipated shortfall due to Central Criminal Court maintenance restructure savings for 2018/19 (£9,000) and the changed delivery model for Guildhall Security (£150k). Savings of £76,000 for the Central Criminal Court maintenance restructure for 2017/18 have also yet to be achieved.
- KPI.6 Space utilisation (CASC)
Target: Net Internal Area (NIA) per FTE - 7m² by end 2018/19
The average space per FTE is down to 7.8m², but to achieve the target, staff moves from Walbrook Wharf need to be concluded. This may be delayed to 2019/20 due to additional complexity.
- KPI. 7 Property contract performance compliance (CASC)
Target 90% achieved 83%
Challenges remain with the Security, Lift and Escalator, and Catering Contracts which have resulted in failed KPIs for each one. Each contract has an action plan in place to remedy the KPI failures.

Recommendation

Members are asked to note the content of this report.

Main Report

Background

1. In line with the City Corporation's performance management system, this is a quarterly report on the progress made over quarter three (October to December) compared to the 2018-23 Business Plan.

Current Position

2. This report provides the latest budget information which is set out in Appendix A and performance indicator table in Appendix B. Furthermore, charts that your committee are particularly interested in are included in Appendix C.
3. A separate monitoring report on the risks within our department is also presented at this meeting.

Market Commentary

4. Despite the expected global slowdown and the ongoing Brexit uncertainty dominating the headlines, the UK economy has returned moderate growth after some mid-point volatility last year. The labour market continues to be the source of positive news as job growth is sustained and earnings rise, whilst inflation is falling, which is supporting consumers and economic resilience. December surpassed expectation with 658,728 sq ft being transacted across 45 deals. This resulted in October – December 2018 take-up reaching 2.4m sq ft, which was the largest single quarter of take-up since July – September 2014. This shows a willingness by London businesses to commit their futures to the capital despite the current political and economic uncertainty.
5. Pre-letting activity remained a prominent feature of the market – 60 pre-lets were recorded over calendar 2018, marginally up on 58 the year prior. The Media-Tech sector remains the dominant driver of demand across Central London accounting for 19%. The Serviced Office sector follows accounting for 13%. The Banking and Finance sector recorded a 13% share. Strong levels of take-up have meant the vacancy rate has fallen to 5.0% over October – December 2018. This is down from the 5.7% seen in the quarter prior, and 6.2% 12 months ago, and will be the driving force of rental growth in 2019.
6. The largest development to complete during the quarter was 2 Southbank Place, SE1 (283,500 sq ft), which was pre-let in its entirety to WeWork. At the end of December, there was 13.7m sq ft of space under construction across Central London, of which 52% had already been pre-let or was under offer at the end of the quarter.
7. Prime rents increased in the City by £1.00psf to £69.50psf and in the Docklands by £0.50psf to £48.50psf, increasing the gap between prime and secondary rents.

Rental values also increased in the City Fringe markets of Clerkenwell / Farringdon (by £2.50psf to £75.00psf) and Shoreditch / Old Street (by £1.50psf to £70.00psf). Rental values were unchanged in all other Central London markets and submarket.

Financial Statement

8. The 2018/19 quarter three figures reveal that against a latest budget of £31.2m, the City Surveyor is forecasting a year-end overspend on local risk of £993,000 (3.2%). This is a reduction of £754,000 from the anticipated overspend of £1,747,000 at the end of the second quarter.
9. This improvement is in part due to the net budget allocation of £515,000 for the Building Repairs and Maintenance asset verification, and £150,000 for security savings that can no longer be made due to the change in the security business model. Savings in other areas have been made, but to date this has been offset by increased reactive repairs spend.
10. The principal area of overspend is the additional expenditure on employee costs, energy, and on repairs and maintenance at the Guildhall complex. The extra staffing costs relate mainly to additional security staff, whilst the energy costs reflect the 30% increase in energy prices from October. The extra repairs and maintenance spend is due to a higher level of essential reactive maintenance and works being undertaken than had been anticipated in the budget.
11. The departmental budget is also overspent, principally due to a shortfall in professional fee income as a result of fewer major deals this year, and contributing to the adverse position. The forecast assumes that known deals, such as 22 Bishopsgate, will complete before 31st March 2019 but there remains the possibility that some may slip into 2019/20. This could exacerbate this year's overspend.
12. The Surveyor is continuing to bear down on costs, and efforts are being made to minimise the overspend at year-end.
13. On a more positive note, rental income, shown under central risk, is up on the year with the latest rental forecast anticipating £130.3m. This compares with an original budget of £122.4m.

Overall Progress

Status ¹	Green	Amber	Red	TBC	N/A
Corporate Asset Sub Committee	7	4	0	1	5
Property Investment Board	9	2	0	0	6
Overall ²	10	4	0	1	6

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

² Some KPIs relate to both PIB and CASC. Therefore, row indicating KPIs overall is not a total of the PIB and CASC rows.

14. Of the 21 Key Performance Indicators (KPIs) that are being monitored, ten were assessed as green, on target, and four indicators were assessed as amber, marginally behind target. Six indicators are not assessed at quarter three, either being annual or six-monthly measures. Energy consumption (KPI. 5) figures are routinely reported a quarter in arrears, the quarter two result was ahead of target.

15. The amber cases are as follows:

- KPI. 2 Delivery of strategic asset plans – Corporate Property Group (PIB & CASC)
Target: 100% by end 2018/19

The objective is to analyse Corporate Asset Strategies to make sure that they are up-to-date and fit-for-purpose, with a report to CASC on phase two by March 2019.

Phase one has been completed. Phase two is still being developed. Progress has been delayed by the other casework priorities and staff vacancies. The support of major transformation programmes has been the key focus within the department at present.

- KPI. 3 Service Based Review (SBR) savings (PIB & CASC)
Target: £884,000 for 2018/19

This comprised of:

- £400,000 BRM contract
- £40,000 deletion maintenance post at Walbrook Wharf
- £9,000 Central Criminal Court maintenance restructure
- £235,000 Barbican/GSMD FM restructure
- £200,000 Guildhall security

The majority of the above savings have been successfully delivered and budgets have been adjusted accordingly.

There is £85,000 outstanding relating to the Central Criminal Court (CCC) maintenance restructure (£9,000 for 2018/19 and £76,000 for 2017/18). The City Surveyor's Department is supporting the CCC to meet this target.

The £200,000 Guildhall security target has not been met in its entirety (£150,000 outstanding). Following the budget setting process, the delivery model was changed – outsourcing to better resourced in-house provision with less overtime – and the full quantum of savings could not be made. Finance Committee agreed to provide an additional £150,000 to the department to account for this change in approach.

- KPI.6 Space Utilisation (CASC)
Target: Net Internal Area (NIA) per FTE - 7m² by end 2018/19

The average per FTE is down to 7.8m², but Walbrook Wharf moves are still to be concluded. These are necessary to meet the 7m²/FTE target figure. The moves are expected to conclude in 2019/20 due to the complexity involved.

- KPI. 7 Property contract performance compliance (CASC)
Target 90% achieved 83%

Challenges remain with the Security, Lift and Escalator, and Catering Contracts which have resulted in failed KPIs for each one. Each contract has an action plan in place to remedy the KPI failures.

We are also in the process of re-tendering two of the contracts which could have some influence on the incumbent contractors' present performance.

- The lift and escalator contract has an approved bidder, selected after tender, and we are currently going through the City's governance process. The contract will start on the 1st July 2019 with mobilisation beginning on the 1 May 2019. The current provider has submitted a compliant tender and is part of the process.
- Tenders for the security contract are currently being evaluated with the result expected to go through the governance process in May 2019, with the contract starting in September 2019 after a period of mobilisation. The current provider did not pass the initial stage of assessment hence they are already aware that they will not be winning the new contract. This makes this contract more challenging to manage, however the action plan in place will assist with ensuring they provide the correct service until handover begins.

Conclusion

16. This report provides an update at quarter three against the department's Business Plan KPIs. Performance is positive overall, with action in place to manage those items falling behind target.

Appendices

- Appendix A – Budget Monitoring Statement
- Appendix B – Key Performance Indicator Table
- Appendix C – Headline Performance Charts

Background Papers

The City Surveyor – Business Plan Progress Report Quarter One (CS 368/18)

The City Surveyor – Business Plan Progress Report Quarter Two (CS 478/18)

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Committee(s): Property Investment Board – For information Corporate Asset Sub (Finance) Committee – For information	Date(s): 20 March 2019 04 April 2019
Subject: City Surveyor's Departmental Risk Register Update	Public
Report of: The City Surveyor (CS 104/19)	For Information
Report author: Faith Bowman / John Galvin City Surveyor's Department	

Summary

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

Currently the department has zero red risks, four amber risks and one green risk on its Departmental Risk Register (Appendix 1). Since the last report to this Committee, the key changes to the departmental risks are as follows:

- SUR SMT 009 – Tender Returns
Current risk score 4 (Green) – Current mitigation actions relating to this risk have now been completed. This risk has now been de-escalated from the Departmental Risk Register and is now being monitored on the Property Projects Group's Risk Register.
- SUR SMT 004 – Inability to deliver savings required by Service Based Review
Current risk score 2 (Green) – This risk has been reduced and budgets have been adjusted to account for service-based review savings. This risk will be de-escalated at the end of the financial year.

The City Surveyor's Department also manages the repairs and maintenance risks associated with the City Bridges. This register (Appendix 2) notes the three red risks, which are:

- SUR CB 003 – City Bridges: Substantial Vessel Strike
Current risk score 16 (Red)
- SUR CB 006 – City Bridges: Wanton Damage / Terrorism
Current risk score 16 (Red)
- SUR CB 007 – City Bridges: Tunnelling for the Thames Tideway Tunnel
Current risk score 16 (Red)

Recommendation(s)

Members are asked to:

- Note the 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 Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department. The Property Investment Board (PIB) and Corporate Asset Sub (Finance) Committee (CAsC) has determined that they will receive the City Surveyor's risk register on a quarterly basis.
2. For these regular update reports, we have separated the overall Departmental Risk Register and the key risks relating to the City Bridges, the latter being of interest to CAsC.

Current Position

3. The City Surveyor's risks are managed through a hierarchy of three levels. These are Corporate Risks, Departmental Risks, and Group Risks. Currently the department does not have any risks on the Corporate Risk Register.
4. Group Risks relate to those risks managed by the divisions within the City Surveyor's Department (Corporate Property Group, Investment Property Group etc). Risks managed at the Group level are not reported through to Committee.
5. All risks within the department are reviewed regularly. This includes consideration of emerging risks and any change in risk scores. Key changes to the Departmental level risks have been noted below.
6. The City Surveyor's Departmental Risk Register currently contains zero red risks, four amber risks and one green risk. The details of each of these are included in Appendix 1.
7. The department also manages the repairs and maintenance risks associated with the City Bridges, of which there are currently three red risks. The details for these risks are included in Appendix 2. The three red risks relating to the City Bridges are as follows:
 - SUR CB 003 – City Bridges: Substantial Vessel Strike
Current risk score 16 (Red)
 - SUR CB 006 – City Bridges: Wanton Damage / Terrorism
Current risk score 16 (Red)
 - SUR CB 007 – City Bridges: Tunnelling for the Thames Tideway Tunnel
Current risk score 16 (Red)

Changes since last review

8. The key changes since the last review was presented to Committee:
 - A. SUR SMT 009 – Tender Returns (Green 4) – Mitigations relating to this risk are now complete. The actions included the creation of a main contractor

framework, and through this department's work with the Chamberlain's Department, this is now complete. The risk has been de-escalated from the departmental Risk Register and will be monitored at the Group (Property Projects Group) level. The risk will continue to be assessed for any changes.

- B. SUR SMT 004 – Inability to deliver savings required by Service Based Review (Green 2) – Budgets for 2019/20 have been adjusted to account for service-based review savings. Funding is also now in place through the Transformation Fund in order to resource the next stage of the Asset Management Review. The risk will be de-escalated at the end of the financial year.
- C. City Bridge Risks – The City Bridge Trust and Bridge House Estates are undertaking a governance review through an officer Task and Finish Group. This will also consider the appropriate location for risk ownership. In the interim this department continues to work with the Department of the Built Environment to improve our management of these risks, including discussions relating to the creation of a Service Agreement to better codify roles and responsibilities. Whilst these discussions have been positive, the risk scores have not changed at this time.

Conclusion

- 9. Members are asked to note the recent changes to the Departmental Risk Register. The department continues to ensure that it manages its risks in line with best practice as described within the City Corporation's Risk Management Framework.

Appendices

- Appendix 1 – City Surveyor's Departmental Risk Register
- Appendix 2 – City Bridge top risks

Background Papers

- The City Surveyor – December and January Update (CS 479/18)

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Committee(s): Corporate Asset Sub Committee	Date(s): 4 April 2019
Subject: Corporate Facilities Management – Update Report	Public
Report of: City Surveyor CS: 108/19	For Information
Report author: Alison Bunn – Head of Facilities Management	

Summary

The following report gives an update on the key workstream being undertaken by the Corporate Facilities Management (FM) team since the last update in September 2018.

Recommendation

Members are asked to note the report.

Main Report

Current Workstreams

1. The Lift and Escalator contract re-tender exercise has been concluded, approval is currently going through the City's governance processes with contract award expected on 26 March 2019. The contract will commence on 1 July 2019 and allows for a three-month mobilisation period. The current contractor is part of this tender process.
2. With reference to the above, the current Lift and Escalator Contractor, Apex Lifts, have recently failed a number of their contractual key performance indicators (KPI's). As a result, an action plan has been put in place to improve their performance. In addition, site attendance by the City's lift engineer is being undertaken to support the improvement plan. Their performance will continue to be monitored closely.
3. The Security contract re-tender exercise is being concluded and contract award is expected on 8 May 2019. The contract will commence on 1 September 2019 and allows for a three-month mobilisation period. The current contractor is not part of this process.
4. Once the new contractor is in place a review of the in-house Guildhall Security team can be undertaken to identify which model represents best value for money.
5. With reference to the above, work continues with our current security contractor, Ultimate, to ensure that there is no decrease of service standards in the final

months of the contract. At present their performance is stable and is being closely monitored. Fortnightly demobilisation/exit strategy meetings will start towards the end of March 2019 to ensure that there is a consistent handover to the new contractor. The Operations Group Director has formally written to the Managing Director of Ultimate Security (Noonan's) expressing the City's expectations.

6. Work continues to evaluate the extension of the current cleaning contract for a further three years until 2022. Discussions are being undertaken with the various service departments to ensure they are happy with the level of service provided by the contractor before a final submission is given for approval to the Facilities Management category board in March 2019.
7. Recruitment of a Computer Aided Facilities Management (CAFM) System Administrator has taken place and the role will be filled internally by a member of the property service desk. This role is pivotal in aligning the system and ensuring it is kept current with the correct up to date information.
8. Soft Market testing of other CAFM systems is being undertaken to ensure that our system is the best in the market and will allow a two-year contract extension to be considered by the Facilities Management category board in due course.
9. Recruitment is in the final stages for the Guildhall Complex Buildings and Hospitality Manager who is responsible for delivering the FM services at the Guildhall Complex. 2nd stage interviews are due to take place on 4 March 2019.
10. Recruitment to the final Assistant Property Facilities Manager (APFM) role for the Guildhall is underway with interviews taking place on 6 March 2019. Once appointed this role will mean the Guildhall FM team is fully staffed.
11. The Health & Safety Property team continue to update policies and procedures with Fire Safety, Asbestos and Water Hygiene all currently reviewed and published.
12. Recruitment has commenced for a Health and Safety Officer to review and audit all of the Fire Risk Assessment's for the City. This role was approved by Resource Allocation Sub Committee in November 2018.
13. The TUPE transfer of staff who were based at 1-5 London Wall Buildings was undertaken when the building was sold in December 2018.
14. The addition of the Barking Power Station site into the FM team took place in December 2018. Three on site staff have been retained and employed by the City to continue to manage the site on a day to day basis. An action plan of current FM service contracts has been developed and services are currently being transferred to the corporate contractor if applicable.
15. The first meeting of the local FM and Security Network took place on 29 January 2019, with FM and Security Representatives from the majority of local businesses attending. All involved agreed that it was a good idea to allow better

communication and sharing best practice. The meetings have been set for quarterly and will be hosted at the Guildhall.

16. A mini tender exercise has been undertaken for the provision of the annual FM survey to award a four-year contract. Surveys will take place in the following order: IPG, CPG, IPG and CPG. The first survey will start preparation in April 2019.
17. The first phase of consolidated deliveries to the Guildhall has been in place since November 2018. Initially three suppliers (Office Depot, Greenham's and XI) have been sending all deliveries through the CEVA consolidation centre in Acton. It is early days, but indications are that this is reducing traffic to the Guildhall and will now be extended to cover other deliveries that come to the Complex such as couriers, personal deliveries and in time perishables.
18. Skanska have started to undertake projects from the CWP programme currently valued at £1 million. The range of projects included covers locations such as Open Spaces, Magistrates Court and the Car Parks. Delivery of the projects has started and will be completed in November 2019. It is indicated due to the initial success of the works that another £400,000 worth of projects will be awarded to Skanska in April 2019.
19. Fast Track entry system for Staff and Contractors has been implemented in the North and West Wing entrances at the Guildhall Complex. The new process allows entry to the building without bag scanning upon production of a valid ID card. This has been well received by staff.

Corporate & Strategic Implications

20. Facilities Management at the City supports the following objective in the City Surveyors Business Plan:

Property assets and facilities management: We will ensure buildings are fit for purpose, sustainable, safe and secure, providing access for all, meeting service needs and community expectations and delivering value for money through enhancing our efficiencies; this includes asset management plans, facilities management including hard (planned and reactive maintenance) and soft services (cleaning, security, etc...), cyclical projects and minor improvements and delivery of major capital projects for refurbishments and new builds.

Conclusion

21. This report shows the main workstreams that the FM are working on within the last 6 months, in addition to the day to day business as usual.

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