

CORPORATE ASSET SUB (FINANCE) COMMITTEE
Tuesday, 15 September 2020

Minutes of the virtual meeting of the Corporate Asset Sub (Finance) Committee held
on Tuesday, 15 September 2020 at 1.15 pm

Present

Members:

Deputy Jamie Ingham Clark (Chairman)
James de Sausmarez (Deputy Chairman)
Randall Anderson
Marianne Fredericks
Alderman Alison Gowman
Jeremy Mayhew
Philip Woodhouse
Sheriff Christopher Hayward
Shravan Joshi

Officers:

Simon Causer	- City Surveyor's Department
Peter Young	- City Surveyor's Department
Christopher Bell	- Chamberlain's Department
Peter Collinson	- City Surveyor's Department
Jonathan Cooper	- City Surveyor's Department
Fiona McKeith	- City Surveyor's Department
Paul Murtagh	- Community and Children's Services Department
Chris Rumbles, Clerk	- Town Clerk's Department
Alison Bunn	- City Surveyor's Department
Paul Friend	- City Surveyor's Department
John Galvin	- City Surveyor's Department
Andrew Little	- Chamberlain's Department
Graeme Low	- City Surveyor's Department
Ola Obadara	- City Surveyor's Department
Amy Poole	- Remembrancer's Office
Jonathan Poyner	- Barbican / GSMD
James Rooke	- City Surveyor's Department
Simi Shah	- Town Clerk's Department
Ellen Wentworth	- Chamberlain's Department
Stuart Wright	- Department of the Built Environment

1. APOLOGIES

Apologies were received from Michael Hudson, Joyce Nash and Dominic Christian.

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

There were no declarations.

3. **MINUTES**

RESOLVED – That the public minutes and non-public summary of the previous meeting held on 22 July 2020 are approved as an accurate record.

4. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

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

Corporate Asset Sub-committee terms of reference – On hold pending Corporate Asset Management Strategy.

Barbican Estate Highwalk – Item later on agenda at this meeting.

Cyclical Works Programme Improvements – Item later on agenda at this meeting.

Resolved, that the Sub-Committee note the report.

5. **WORK PROGRAMME FOR FUTURE MEETINGS**

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

Resolved, that the Sub-Committee note the report.

6. **CLIMATE ACTION STRATEGY**

The Sub-committee received a report of the Town Clerk providing a scoped and costed Climate Action Strategy for the City Corporation, that was to be considered by the Policy & Resources Committee in September and Court of Common Council in October 2020.

A Member referred to the City Corporation's heritage assets and stressed a need for early engagement with external stakeholders. The Chairman acknowledged this point and suggested the Heritage Estates Portfolio item later on the agenda offered a good start as a building block in looking at what needed doing.

The Chairman put on record his thanks to all that had assisted in developing the Climate Action Strategy for the City Corporation.

RECEIVED

7. **BUSINESS PLAN 2020-25 / QUARTER 1 2020/21**

The Sub-committee received a report of the City Surveyor providing details of progress in quarter 1 (April to June) 2020/21 against the 2020-25 Business Plan along with an update on the commercial property market and a financial statement.

The Chairman referred to a Resource Allocation Sub-committee meeting taking place later in the week during which a re-budgeting exercise would be taking place. This was likely to impact on areas of City Surveyor's business planning prioritisation and the City Surveyor confirmed any impacts and changes would be reflected in an update report at the next meeting in November.

RECEIVED

8. **CITY SURVEYOR'S DEPARTMENTAL RISK REGISTER - SEPTEMBER UPDATE**

The Sub-committee received a report of the City Surveyor providing a quarterly update on the management of risks within the City Surveyor's Department.

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9. **2019/20 ANNUAL ENERGY PERFORMANCE REPORT & 2020/21 QUARTER 1 UPDATE**

The Sub-committee received a report of the City Surveyor presenting the 2019/20 annual energy performance for City Corporation operational sites, and an update on 20/21 quarter 1.

The City Surveyor talked through current energy performance and the reduction seen as a result of the Covid-19 pandemic, with the City Corporation now back on target for its carbon reduction programme. The City Surveyor added that the current dip on energy demand owing to the Covid-19 pandemic was expected to return to pre-Covid levels at some point in the future. Work on three key workstreams would continue focussing on operational improvement, development of a project pipeline in delivering the next phase and looking to achieve sustainable procurement.

The Chairman remarked on the ongoing issues with the chiller system at the Barbican Centre and asked for an assurance that the situation had now been resolved. The City Surveyor explained that a number of measures were being worked on, with a dedicated officer now in post looking to resolve the outstanding issues. The Chairman noted the ongoing issues with the chillers and stressed that efforts must be maintained in looking to get these resolved.

The Chairman asked that he and the Deputy Chairman be kept informed and up to date on progress. The Chairman proposed the City Surveyor look to remove these figures from the overall energy performance as they were leading to a false reading of how energy was currently being used.

A Member questioned how quickly issues can be resolved once they have been identified and the City Surveyor stressed there was a need to recognise data and provide a dynamic response, which is in part down to having the right management systems in place. Members were being asked to acknowledge the need to replace the current Energy Management software at a cost of £50k.

Resolved, that: -

- the report be received, and the contents noted.
- the Sub-committee acknowledged and approved replacement of the current Energy Management software at a cost of £50k, to be met from the City Surveyor's local risk budget.

10. **THE HERITAGE ESTATE PORTFOLIO - OVERVIEW**

The Sub-committee received a report of the City Surveyor providing an overview of the characteristics and challenges in relation to the City Surveyor's responsibility for asset management of the City Corporation's extensive Heritage Estate of over 780 historic assets.

The Deputy Chairman suggested a more detailed paper would be required offering a RAG status and allowing the Sub-committee to monitor assets between urgent, non-urgent and building maintenance plans into the Cyclical Works Programme.

The City Surveyor explained the report was being presented to provide visibility of the City Corporation's heritage assets. A heritage at risk annual report would follow in due course and present a range of assets and proposals for consideration and prioritisation against agreed heritage portfolio risks including climate change, health and safety and reputational risk.

The Chairman acknowledged the report was helpful in providing a focus on the City Corporation's heritage assets, with this being stage 1 in raising awareness of heritage properties. A strategy would need to follow focussing on dealing with these assets moving forward.

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11. **REVIEW OF THE CYCLICAL WORKS PROGRAMME (CWP)**

The Sub-committee considered a report of the City Surveyor setting out proposals to enhance the Cyclical Works Programme.

The Chairman welcomed the report and the refreshing approach presented in maintaining the City Corporation's operational property estate. The proposed approach offers a much more focussed way of looking at operational assets, with new software coming in for asset management giving a much greater focus and allowing spend to be more effective and in accordance with corporate strategies e.g. Climate Action, which it was hoped would be agreed at Court of Common Council next month.

A Member acknowledged the proposed direction of travel sounded sensible but suggested more detail would be needed to move forward. The Chairman responded confirming bids under this process would come through in one year's time. There was a need to agree the direction of travel at this point, with this approach offering far more target areas for servicing compared to previous methodology.

Resolved, that the Sub-committee: -

- Approve the new approach set out within the report at paragraphs 5 to 15 in preparation for the bid processes for 2022/23.
- Approve the changes to the project scoring criteria set out in Appendix 1.
- Approve the bid of £3.6m for the CWP programme for 2021/22 as set out in Appendix 2.
- Note that a further report will follow in September 2021 which will set out the precise financial implications for CWP Bids for 2022/23.

12. **BARBICAN HIGHWALKS - PLANNED MAINTENANCE OF THE PUBLIC REALM**

The Sub-committee considered a report of the Director of Community and Children's Services proposing the introduction of a planned programme of inspections and maintenance for the public realm areas of the Barbican Highwalk. The Sub-committee noted the proposal had previously been presented following a resolution from Barbican Residential Committee.

The Chairman stressed that any proposal would need presenting to Finance Committee and Resources Allocation Sub-committee for it to be considered in the round, but that it could go forward with no objection from this Sub-committee.

The Chairman proposed that planned maintenance of Barbican Highwalks public realm be included on a risk register, which the Director of Community and Children's Services agreed to.

Resolved, that the Sub-committee:-

- Support a bid for additional funding of £125,000 per annum to be submitted to the Resource Allocation Sub-committee for the introduction of a planned programme of inspections and maintenance for the public realm areas of Barbican Highwalk.

13. **SECURITY UPDATE**

The City Surveyor provided an oral update on a number of areas including:-

- An organisational assessment of preparedness for a terrorist attack, with this showing the City Corporation in a good place and state of readiness. Areas for improvement to be closed down as part of the cross-cutting works, with this resulting in all areas showing green across the board.
- A vulnerability review of security arrangements identifying 94 minor vulnerabilities e.g. insecure windows and cameras facing in the wrong direction, with each area being strengthened as a result.
- Starting up of events and a review of security operational requirements to ensure each area was COVID-Secure, ensuring the protection of all that come to City Corporation sites.

The Chairman acknowledged the minor issues identified by the vulnerability review of security and suggested it would be helpful to understand a timeline for completion. Measures needed putting in place to prevent minor issues from building up.

The update was noted.

14. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
There were no questions.
15. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
There were no urgent items.
16. **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.
17. **NON-PUBLIC MINUTES**
Resolved, that the non-public minutes of the previous meeting held on 22 July 2020 were approved as an accurate record.
18. **OUTSTANDING ACTIONS FROM NON-PUBLIC MINUTES OF PREVIOUS MEETINGS**
The Sub-Committee noted a report of the Town Clerk which provided information of non-public outstanding actions from previous meetings.
19. **REPORT OF NON-PUBLIC ACTION TAKEN BETWEEN MEETINGS**
The Sub-committee received a report of the Town Clerk providing details of recent non-public decisions taken between meetings.
20. **CITY SURVEYOR'S RISK REGISTER: NON-PUBLIC APPENDIX**
The Sub-committee received a non-public appendix relating to the City Surveyor's Risk Register.
21. **BARBICAN HIGHWALKS - PLANNED MAINTENANCE OF THE PUBLIC REALM: NON-PUBLIC APPENDIX**
The Sub-committee received a non-public appendix relating to the Barbican Highwalks.
22. **COMBINED HEAT AND POWER SYSTEM - UPDATE ON CITIGEN COMMERCIAL NEGOTIATIONS**
The Sub-committee received a report of the City Surveyor in relation to commercial negotiations with Citigen.
23. **POWER PURCHASE AGREEMENT FOR OFFSITE RENEWABLE ELECTRICITY - CONTRACT AWARD REPORT**
The Sub-committee received a report of the City Surveyor updating on a contract award relating to offsite renewable electricity.
24. **MAJOR PROJECTS - - BIDS FOR OPERATIONAL PROPERTY 2021/22 BY CITY SURVEYORS**

The Sub-committee considered a report of the City Surveyor presenting operational property major projects bids for 2021/22.

25. **GUILDHALL EVENT SPACES AV REPLACEMENT / UPGRADE**

The Sub-committee considered a Gateway 2 Project Proposal report relating to Guildhall event spaces AV replacement / upgrade.

26. **COMPUTER AIDED FACILITIES MANAGEMENT SYSTEM REPLACEMENT**

The Sub-committee considered a report of the City Surveyor relating to a Computer Aided Facilities Management System Replacement.

27. **CITY OF LONDON OPERATIONAL TENANTS SEPTEMBER QUARTER**

The Sub-committee considered a report of the City Surveyor relating to City of London operational tenants.

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

There were no questions.

29. **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 ended at 3.05pm

Chairman

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