



Property Investment Board

Date: WEDNESDAY, 17 MARCH 2021
Time: 8.30 am
Venue: PUBLIC MEETING (ACCESSIBLE REMOTELY)

Members: Deputy Tom Sleigh (Chair)
Andrien Meyers (Deputy Chairman)
Tijs Broeke
Simon Duckworth
Alderman Prem Goyal
Alderman Alison Gowman
Sheriff Christopher Hayward
Michael Hudson
Deputy Jamie Ingham Clark
Shravan Joshi
Dhruv Patel
Deputy Philip Woodhouse
Stuart Corbyn (Co-opted Member)
Tony Joyce (Co-opted Member)
David Shaw OBE (Co-opted Member)
David Brooks Wilson (Co-opted Member)
Deputy Alastair Moss (Co-opted Member)
Claudine Blamey (Co-opted Member)
Deputy Edward Lord (Co-opted Member)
Karina Dostalova (Co-opted Member)

Enquiries: Richard Holt
Richard.Holt@cityoflondon.gov.uk

Accessing the virtual public meeting

Members of the public can observe the virtual public meeting at the below link:

<https://youtu.be/WAAo-ZN8Do8>

This meeting will be a virtual meeting and therefore will not take place in a physical location following regulations made under Section 78 of the Coronavirus Act 2020. A recording of the public meeting will be available via the above link following the end of the public meeting for up to one municipal year. Please note: Online meeting recordings do not constitute the formal minutes of the meeting; minutes are written and are available on the City of London Corporation's website. Recordings may be edited, at the discretion of the proper officer, to remove any inappropriate material.

John Barradell
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES FOR ABSENCE**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**
To approve the public minutes and non-public summary of the Property Investment Board meeting held on 27th of January 2021.

For Decision
(Pages 1 - 4)

4. **CITY SURVEYOR'S DEPARTMENTAL RISK REGISTER -UPDATE**
Report of the City Surveyor.

To be read in conjunction with a non-public appendix at item 13.

For Information
(Pages 5 - 30)

5. **BUSINESS PLAN 2020-25 QUARTER 3 2020/21**
Report of the City Surveyor.

For Information
(Pages 31 - 42)

6. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
7. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**
8. **EXCLUSION OF THE PUBLIC**
MOTION – That under Section 100A(4) 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 1 of Schedule 12A of the Local Government Act.

For Decision

Part 2 - Non-Public Agenda

9. **NON-PUBLIC MINUTES**
To approve the non-public minutes of the Property Investment Board meeting held on 27th of January 2021.

For Decision
(Pages 43 - 50)

ALL ESTATES

10. **PROCEDURE FOR CONSIDERING TENANT REQUESTS FOR COVID RENT FREE CONCESSIONS**

Joint report of the Chamberlain and City Surveyor.

For Decision
(Pages 51 - 54)

11. **ALL FUNDS - RENTAL ESTIMATES MONITORING REPORT**

Report of the City Surveyor.

For Information
(Pages 55 - 66)

12. **PPG COVID-19 CAPITAL PROJECTS FUND - UPDATE CS 014/21**

Report of the City Surveyor.

For Information
(Pages 67 - 74)

13. **NON-PUBLIC APPENDIX**

Non-public appendix to be read in conjunction with Item 4.

For Information
(Pages 75 - 76)

14. **REPORT OF ACTION TAKEN BETWEEN MEETINGS**

Report of the Town Clerk.

For Information
(Pages 77 - 80)

CITY'S ESTATE

15. **CITY'S ESTATE - LETTING REPORT NEW LETTING -SUBSTATION CHAMBER AT PART GROUND FLOOR, 100 BREWERY ROAD, N7**

Report of the City Surveyor.

For Decision
(Pages 81 - 86)

16. **CITY'S ESTATE: 58 SOUTH MOLTON STREET - SURRENDER AND RE-GRANT**

Report of the City Surveyor.

To follow.

For Decision

CITY FUND ESTATE

17. **CITY FUND - LEASE RENEWAL - UNIT 28 LEADENHALL MARKET - MEXICAN GRILL LIMITED (TRADING AS TORTILLA)**

Report of the City Surveyor.

For Decision
(Pages 87 - 94)

18. **CITY FUND - 15-17 ELDON STREET - ISSUE REPORT**

Report of the City Surveyor.

For Decision
(Pages 95 - 124)

BRIDGE HOUSE ESTATES

19. **REFURBISHMENT OF TOWER CHAMBERS, 74 MOORGATE, EC2 - BRIDGE HOUSE ESTATES**

Report of the City Surveyor.

For Decision
(Pages 125 - 138)

20. **BRIDGE HOUSE ESTATES - 30-34 NEW BRIDGE STREET - GATEWAY 5**

Report of the City Surveyor.

For Decision
(Pages 139 - 176)

21. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

22. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

PROPERTY INVESTMENT BOARD

Wednesday, 27 January 2021

Minutes of the meeting of the Property Investment Board held remotely on
Wednesday, 27 January 2021 at 8.30 am

Present

Members:

Deputy Tom Sleight (Chair)
Deputy Andrien Meyers (Deputy Chairman)
Alderman Alison Gowman
Michael Hudson
Deputy Jamie Ingham Clark
Shravan Joshi
Dhruv Patel
Deputy Philip Woodhouse
Alderman Prem Goyal
David Brooks Wilson
Stuart Corbyn
Tony Joyce
David Shaw OBE
Karina Dostalova
Claudine Blamey

Officers:

Richard Holt	- Town Clerk's Department
Gregory Moore	- Town Clerk's Department
John James	- Chamberlain's Department
Alan Bennetts	- Comptroller & City Solicitor's Department
Paul Wilkinson	- City Surveyor
Nicholas Gill	- City Surveyor's Department
Andrew Cross	- City Surveyor's Department
Tom Leathart	- City Surveyor's Department
Neil Robbie	- City Surveyor's Department
Michael Clarke	- City Surveyor's Department
James Murray	- City Surveyor's Department
Shani Annand-Brosnan	- Communications Team

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Tijs Broeke.

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

Alderman Alison Gowman made a declaration as a consultant employed by DLA Piper who were mentioned at Item 11 as a tenant of 160 Aldersgate.

3. **MINUTES**

The Committee considered the public minutes and non-public summary of the Property Investment Board meeting held on the 16th of December 2020. The Chair commented on the Light and Sound Installation at Leadenhall Market.

A Member noted a correction regarding her attendance at the last meeting of the Board.

RESOLVED– That the public minutes and non-public summary of the Property Investment Board meeting held on 16th of December 2020, subject to the correction specified, be approved as an accurate record.

4. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

There were no questions received in the public session.

5. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**

There was no urgent business considered in the public session.

6. **EXCLUSION OF THE PUBLIC**

RESOLVED – That under Section 100A(4) 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 1 of Schedule 12A of the Local Government Act.

Item No.

7-19

Paragraph No.

3

7. **NON-PUBLIC MINUTES**

The Board considered the non-public minutes of the Property Investment Board meeting held on the 16th of December 2020.

RESOLVED– That the non-public minutes of the meeting of the Property Investment Board held on 16th December 2020 be approved as an accurate record.

8. **FIRST REGISTRATION OF THE CITY'S FREEHOLD TITLES - PROGRESS SINCE JANUARY 2020**

The Board received a report of the Comptroller and City Solicitor on the First Registration of City's Freehold Title progress since January 2020.

RESOLVED- That the report be noted.

9. **CITY FUND, CITY'S ESTATE & BRIDGE HOUSE ESTATES - QUARTERLY DELEGATED AUTHORITIES UPDATE - 1ST OCTOBER TO 31ST DECEMBER 2020**

The Board received a report of the City Surveyor on the City Fund, City's Estate & Bridge House Estates Quarterly Delegated Authorities Update 1st October to 31st December 2020.

RESOLVED- That the report be noted.

10. **CLIMATE ACTION UPDATE REPORT**

The Board considered a report of the City Surveyor on the Climate Action Update.

RESOLVED- That the report be approved.

11. **CITY'S ESTATE, CITY FUND & BRIDGE HOUSE ESTATES OUTSTANDING LEASE RENEWALS & RENT REVIEWS - 1ST JULY 2020 TO 31ST DECEMBER 2020**

The Board received a report of the City Surveyor on the City's Estate, City Fund & Bridge House Estates Outstanding Lease Renewals & Rent Reviews 1st July 2020 to 31st December 2020.

RESOLVED- That the report be noted.

12. **CITY'S ESTATE, BRIDGE HOUSE ESTATES AND CITY FUND: VACANT ACCOMMODATION UPDATE AS AT 1ST DECEMBER 2020**

The Board received a report of the City Surveyor on the City's Estate, Bridge House Estates and City Fund: Vacant Accommodation Update as at 1st December 2020.

RESOLVED- That the report be noted.

13. **CITY FUND, CITY'S ESTATE & BRIDGE HOUSE ESTATES - REVENUE WORKS PROGRAMME - 20/21 PROGRESS REPORT**

The Board received a report of City Surveyor on the City Fund, City's Estate & Bridge House Estates Revenue Works Programme 20/21 Progress Report.

RESOLVED- That the report be noted.

14. **CITY'S ESTATE - 98-124 BREWERY ROAD, N7 - GATEWAY 5 ISSUES REPORT**

The Board considered a report of the City Surveyor on the Gateway 5 Issues report on the 98-124 Brewery Road City Estate.

RESOLVED- That the report be approved.

15. **CITY FUND PROPERTY INVESTMENT PORTFOLIO - ANNUAL UPDATE & STRATEGY REPORT**

The Board considered a report of the City Surveyor on the City Fund Property Investment Portfolio Annual Update & Strategy Report.

RESOLVED- That the report be approved.

16. **STRATEGIC PROPERTY ESTATE (CITY FUND & CITY'S ESTATE) - ANNUAL UPDATE & STRATEGY FOR 2021**

The Board considered a report of the City Surveyor on the Strategic Property Estate (City Fund & City's Estate) Annual Update & Strategy for 2021.

RESOLVED- That the report be approved.

17. **BRIDGE HOUSE ESTATES – 206-224A TOWER BRIDGE ROAD, SE1 – FREEHOLD DISPOSAL**

The Board considered a report of the City Surveyor on a Freehold Disposal report 206-224a Tower Bridge Road, in the Bridge House Estates.

RESOLVED- That the report be approved.

18. **BRIDGE HOUSE ESTATES (CHARITY NO. 1035628) SOUTHWARK BRIDGE ROAD/NEWINGTON CAUSEWAY (MINISTRY OF SOUND SITE) - PLANNING APPLICATION FOR MIXED USE SCHEME AS PART OF JOINT VENTURE**

The Board considered a report of the City Surveyor on the Planning Application for Mixed Use Scheme as part of Joint Venture Southwark Bridge Road/Newington Causeway (Ministry of Sound Site) within the Bridge House Estates.

RESOLVED- That the report be approved.

19. **BRIDGE HOUSE ESTATES – CANDLEWICK HOUSE, 116-126 CANNON STREET, LONDON, EC4 - GATEWAY 5 ISSUES REPORT**

The Board considered a report of the City Surveyor on Candlewick House, 116-126 Cannon Street in the Bridge House Estates.

RESOLVED- That the report be approved.

20. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

There were no questions.

21. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were three items of urgent business considered in the non-public session.

The meeting ended at 10.28 am

Chair

Contact Officer: Richard Holt
Richard.Holt@cityoflondon.gov.uk

Committee(s)	Dated:
Property Investment Board – For information Corporate Asset Sub (Finance) Committee – For information	17 March 2021 28 April 2021
Subject: City Surveyor's Departmental Risk Register – Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	5
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: City Surveyor (CS 072/21)	For Information
Report authors: 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.

The City Surveyor department currently has four amber risks on its Departmental Risk Register (Appendix 1). The department is also managing three additional risks – two red, and one amber – in response to Covid-19 (Appendix 2).

The City Surveyor Department manages the repairs and maintenance risks associated with the City Bridges (Appendix 3), which currently notes three red risks.

Finally, the department is managing one additional risk which is non-public (Appendix 4).

The red risks currently being managed by the department in response to Covid-19 are:

- CVD19 SG PROP 01 – Impact on investment portfolio
Current risk score 16 (Red)
- CVD19 SG PROP 02 – Property projects
Current risk score 16 (Red)

The red risks pertaining to the City Bridges are the following:

- 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 Department to effectively monitor and manage risks arising from our operations.

Main Report

1. The Risk Management Strategy 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 registers on a quarterly basis.
2. This report separates the overall departmental risk register (Appendix 1), the departmental responsibilities in relation to Covid-19 (Appendix 2), and the repairs and maintenance items in relation to the City Bridges (Appendix 3). There is a further departmental risk which has been included separately due to being non-public (Appendix 4).
3. Risks are reviewed regularly by the department's Senior Management Team (SMT) in line with the organisation's Risk Management Framework (RMF). Risks are assessed on a likelihood-impact basis, and the resultant score is associated with a traffic light colour.

Current Position

4. The City Surveyor departmental risk register currently contains four amber risks. The details of each of these are included in Appendix 1.
5. The City Surveyor continues to monitor its risks associated with Covid-19 reporting to the thematic governance group. The department has three risks being monitored by the group (Appendix 2). Risks relating to Covid-19 are regularly reported through to the Audit and Risk Management Committee.
6. 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 3.
7. Members should note that the department is presenting its risks through to the Informal Risk Challenge (IRC) session of Audit and Risk Management Committee on 24 March.

Changes since last review

8. Members will be aware that the City of London has recently approved the Climate Action Strategy (CAS). The organisation's earlier Carbon Descent Plan (CDP) has been integrated into this strategy.

The City Surveyor's Department has previously held a risk relating to the capability and capacity of the department in achieving the CDP. This risk is in the process of being re-cast to account for the updated objectives under the CAS. Meetings have been held in late February with colleagues from Chamberlain's, Town Clerks, and the Built Environment to ensure that our draft risk interacts with other departmental risks appropriate, and they jointly support the mitigation of the draft Corporate Risk, CR30 – Climate Action.

This work is on-going and unfortunately it was not possible to present an updated risk through to Members in March and April.

9. The department continues to manage the thematic Covid-19 risks (Appendix 2) and discussions are held frequently with the risk owners to ensure that our information remains current. The Prime Minister has recently announced a tentative roadmap back towards a 'normal'. Should this proceed as currently scheduled, we may expect the risk scoring associated with these risks to reduce.

Whilst this news is positive there will be some lag until items such as business occupation, or the lifting of social distancing requirements on project sites, is impacted. As such our risk scoring for these items remains aligned to your last update in December and January (CS 419/20).

10. The department also manages the risks associated with repairs and maintenance on the City Bridges (Appendix 3). We continue to track progress of the Thames Tideway Tunnel, and once settlement has concluded we anticipate that this risk will diminish.

Heatmap

11. Through the performance dashboard tool, Power BI, it is possible to create heatmaps of the department's risks. This is a graphical summary of the current public departmental risks (right). This relates to the information presented in Appendix 1 (departmental), Appendix 2 (Covid-19) and Appendix 3 (City Bridge) risks. A comparison with the those presented at the last report (December) is included as the table on the left. Note that this is not tracking individual risks over time, rather it is a snapshot comparison of our overall risk profile.
12. There remains considerable uncertainty with respect to the impact of Covid-19, and we cannot currently adjust our risk scoring on these items.

	Minor	Serious	Major	Extreme
Likely			4	
Possible		1	1	
Unlikely			3	1
Rare				

Table 1: December 2020 Risk Heatmap

	Minor	Serious	Major	Extreme
Likely			4	
Possible		1	1	
Unlikely			3	1
Rare				

Table 2: February 2021 Risk Heatmap

Conclusion

13. 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 and the organisation's RMF.

Appendices

- Appendix 1 – Departmental risk register
- Appendix 2 – Covid-19 thematic risk register
- Appendix 3 – City Bridge top risks
- Appendix 4 – Non-public risk

Background Papers

- The City Surveyor – The City Surveyor's Departmental Risk Register –Update (CS 419/20)

John Galvin

Faith Bowman

Business Performance and Improvement


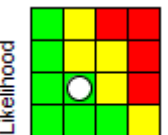

E: john.galvin@cityoflondon.gov.uk

SUR Departmental risks - detailed report EXCLUDING COMPLETED ACTIONS for committee

Report Author: Faith Bowman
Generated on: 16 February 2021



Rows are sorted by Risk Score

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
R S M T 0 0 2 P o o r b u d g e t t o m e e t u s e r a n d a s s e t d e m a n d a t G u i l d h a l l	<p>Cause: . Insufficient budget and accessibility due to the increase/intensification of use at Guildhall Complex. . Insufficient funding being made available for Major Works, Cyclical Works and Day to Day Maintenance Budget to manage the repair demands on the Guildhall Complex.</p> <p>Event: Insufficient asset funding and lack of accessibility to complete all works due to increase/intensification of use at Guildhall Complex</p> <p>Impact: The standard of the Guildhall Complex will start to deteriorate, resulting in; poorer working environments leading to increased dissatisfaction and lower employee productivity and potential increase in breakdowns and reactive costs as the basic infrastructure of the Complex becomes beyond economic repair.</p>	 <p>Likelihood</p> <p>Impact</p>	12	<p>This risk captures the longer-term risks associated with funding for the Guildhall. Risks relating to the current Coronavirus situation (CVD19 SG PROP 05) are covered in a separate appendix.</p> <p>The principal mitigation actions are related to forecasting and monitoring the allocation of financial and human resources.</p> <p>It has been identified that elements of the West Wing mechanical and electrical systems, and plan equipment, are at an increased risk of failure. Additional inspections have been instituted</p> <p>Some parts of the general infrastructure of the Guildhall Complex are becoming beyond</p>	 <p>Likelihood</p> <p>Impact</p>	4	31-Mar-2022	

				<p>economic life, resulting in main Mechanical/Electrical Plant and Fabric failing across the Complex.</p> <p>The Guildhall Masterplan considers a complete refurbishment of some parts of the general infrastructure and has been proposed as part of the Fundamental Review.</p> <p>Due to increasing likelihood of breakdowns of life-expired elements of mechanical and electrical or plant and equipment, increased inspection regime has been instituted for the West Wing. The increase in air circulation (Covid-19 response) is also placing greater pressure on certain M&E items.</p> <p>15 Feb 2021</p>				Constant
--	--	--	--	--	--	--	--	----------

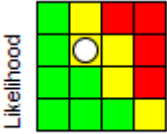
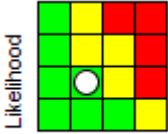
Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 002e	Fundamental Review of the Guildhall Complex	A wholesale review of the North Wing and West Wing was presented as an option to Members for consideration as part of the Fundamental Review. The initial fees were approved by Members and this will be progressed to Gateway 2 stage.	Paul Wilkinson; Peter Young	15-Feb-2021	31-Mar-2022
SUR SMT 002f	Cross departmental working	<p>Single point of contact for Profit and Loss to be created within the Remembrancer's Department. This activity has been agreed by CASC and a more detailed report, noting the key figures, will be presented to Members later in the year.</p> <p>The possibility of a sinking fund for the site has been explored and agreed by CASC. CSD will provide a facilities event-related operating business plan with the Remembrancer's Department, detailing the funding, management and operating arrangements including the funding sources. This action has been delayed due to current events (Covid-19) and this will be revisited shortly, taking account of any changes as proposed by the Target Operating Model (TOM).</p>	Remembrancer; Peter Collinson	15-Feb-2021	30-Sep-2021

SUR SMT 002g	Maintenance management	<p>The department continues to work with Skanska, our Building Repairs and Maintenance Contractor, to review and improve the correct Planned Preventative Maintenance (PPM) regime.</p> <p>The Corporate Property Asset Management Strategy (CPAMS) 2020-25 was presented and approved by CAsC and Finance. The condition standard for properties (good / fair) remains consistent</p>	Peter Collinson	15-Feb-2021	30-Jun-2021
SUR SMT 002h	Prioritisation review	The department reviewed the prioritisation of major projects in light of covid-19 and the financial circumstances. This also considered the Guildhall Masterplan and how this may impact projects. This review has been approved by CAsC, and the bids are being presented to Resource Allocation Sub-Committee for funding.	Peter Collinson; Peter Young	15-Feb-2021	31-Jul-2021
SUR SMT 002j	Budget adjustment	The department is identifying how to maintain services across the complex in light of lower budget allocations for 2021-22. The team is working through options with the view that a report will be presented to CAsC in April. This will identify areas where savings can be made.	Peter Collinson; Peter Young	15-Feb-2021	30-Apr-2021

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 010c	Funding source and route for capital programme	Agreed delivery model and costs Phase 1 and 2 submitted for funding as part of the annual capital bid programme. (Phase 1 provisionally approved). Further funding opportunities discussions have been undertaken with colleagues in the Chamberlain's Department, particularly in regards to Salix funding.	Peter Collinson	06-Nov-2020	31-Mar-2022
SUR SMT 010d	Better utilisation of the building management system (BMS)	Improved use of the BMS system to result in better energy use at the Guildhall Complex. The BMS expert has been secured for an additional 12 months. They will be working on a detailed BMS strategy, including for the Guildhall complex.	Peter Collinson	06-Nov-2020	31-Mar-2022
SUR SMT 010e	Project identification	The upcoming challenge will be to identify deliverable projects under the CAS – particularly where this relates to occupied properties. Initial scoping work is underway.	Peter Collinson	06-Nov-2020	31-Mar-2022

6

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 014b	Additional funding report may be required	The CWP bid list for 2022/23 has been supported. This list is broken down into three functional areas to aid tracking and transparency.	Alison Bunn	15-Feb-2021	31-May-2021
SUR SMT 014g	Next generation CAFM system	The department is looking to procure a 'next generation' CAFM (Computer Aided Facilities Management) system. This will enhance the department's capacity to plan forward maintenance on asset condition and result in a more accurate determination of outstanding and upcoming repairs and maintenance. This procurement activity is currently on track.	Peter Collinson	15-Feb-2021	31-Oct-2021
SUR SMT 014h	Ring fenced budgets	CSD is communicating with ring fenced property departments to identify appropriate building maintenance spend (forward maintenance). Building occupiers allocate funds for the maintenance of the built assets. Whilst the City Surveyor's Department recommends work to be undertaken, it is the occupying department who has final control over activity. There is an upcoming internal audit in this area. Ideally this will recommend more transparency on decisions and impacts, and how these are communicated corporately. The City Surveyor's Department will implement the audit recommendations.	Peter Young	15-Feb-2021	31-Jul-2021
SUR SMT 014i	Special Structures 'includes both building and non-building assets'.	An inventory of special structures is being developed, following which time surveys will be undertaken. A gap analysis will be undertaken to consider the current v desired condition. A funding bid may be required, depending on the results of the above analysis.	Peter Collinson; Peter Young	15-Feb-2021	31-Mar-2022

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
SUR SMT 016 Health and Wellbeing of Staff 16-Jun-2020 Paul Wilkinson	Cause: Extended period of working away from colleagues due to Covid-19 exacerbating stress levels, or individuals home working conditions are not optimal. Event: Health and wellbeing of staff deteriorates Impact: Negative impact on staff morale, higher levels of absenteeism and turnover, impact on productivity	 Likelihood Impact	6	This risk considers the health and wellbeing of departmental staff. This is exacerbated under the current second lockdown as a result of COVID-19 and the effect of home schooling etc. Uncertainty pertaining to the TOM, and restrictions on recruitment are also placing strains on some employees. This is being mitigated through engagement and communication. The management team is being pro-active in its engagement with staff, and working closely with corporate colleagues (HR) to mitigate impacts. Practically this includes guidance on remote-managing/motivating. 15 Feb 2021	 Likelihood Impact	4		Constant

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 016a	Communications	All directors are having regular meetings with key staff and encouraging regular interaction at all levels throughout the department. The City Surveyor is holding bi-weekly meetings with all departmental staff through Teams. Electronic staff newsletter is being distributed quarterly. Each of these activities is focussed around ensuring that there is a common sense of purpose, issues can be identified early, and appropriate signposting can be made to ensure that at risk	Matt Porpiglia; Peter Collinson; Nicholas	15-Feb-2021	31-Mar-2022

		staff are able to access appropriate services.	Gill; Ola Obadara; Peter Young		
SUR SMT 016b	Flexible working	<p>Flexibility with returning to the office is being considered. This will enable those who feel their work is best undertaken at the office to work from this location to do so, together with the option for greater flexibility for remote working for those who work optimally away from their desks. Ultimately this will provide a variety of work environments for employees.</p> <p>To reach this situation, infrastructure constraints will need to be overcome. This includes DSE and internet connectivity issues which continue to impact a minority of staff.</p> <p>There is anxiety from some staff about returning to the office in the short-term.</p> <p>The government's second lockdown has impacted employee's mental health, and efforts are being made to ensure that managers are aware of this, and pro-actively encouraging staff to take time away from their home office environment.</p>	Paul Wilkinson	15-Feb-2021	31-Mar-2022

This page is intentionally left blank

Copy of SUR COVID-19 - detailed report EXCLUDING COMPLETED ACTIONS

Report Author: Faith Bowman
Generated on: 16 February 2021



Rows are sorted by Risk Score

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
COVID19 SG PROP 01 Impact on investment portfolio (SUR)	<p>Cause: The spread of COVID 19 has continued to escalate affecting business and trade.</p> <ul style="list-style-type: none"> . Lack of trade . Lower investment transactions . Lower lettings transactions . Longer development and refurbishment timelines . Longer and less accurate valuations <p>Event: The spread of COVID 19 impacts on the City Surveyors business, namely collection of rental income</p> <p>Effects: Through the spread of COVID 19 tenants are not able to pay their rental payments leading to rent arrears or forfeit leases on managed/FR&I tenants, confidence in the City of London Corporation and the City of London is damaged</p>	<p>Likelihood</p> <p>Impact</p>	16	<p>A proposal was agreed at PIB and RASC in November in connection with turnover rents focussing on 'at risk' tenants. This is for a one-year period with a five-year period for Leadenhall Market tenants.</p> <p>The moratorium on enforcement action has been extended to 31 March. Thereby making rent collection difficult.</p> <p>Note that there was a £4.3m cap for 'at risk' tenants for the June quarter. This was agreed by RASC. The Chamberlain and RASC have noted that this should be drawn down first before moving to the £4.624m identified for the September quarter. For Bridge House Estates properties, decisions are made in the best interests of the charity.</p>	<p>Likelihood</p> <p>Impact</p>	8	30-Sep-2021	

01-Apr-2020 Nicholas Gill				16 Feb 2021				Constant
------------------------------	--	--	--	-------------	--	--	--	----------

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CVD19 SG PROP 01b	Monthly Payments	Move to monthly rent collections (March to September Quarters) for all directly managed and FR&I tenants (this does not apply to ground rents) where requested.	Nicholas Gill	16-Feb-2021	31-Mar-2021
CVD19 SG PROP 01h	Members Paper	Paper agreed at PIB and other relevant Committees dealing with rent concessions for December quarter onwards. Monitoring our peer group to consider the appropriate course of action for the March quarter.	Nicholas Gill	16-Feb-2021	30-Apr-2021
CVD19 SG PROP 01i	Rent Arrears	Being reviewed on a regular basis, and updates are being provided to Members. The government have extended the landlord restraint on legal action against tenants for non-payment of rent until 31/03/2021. As a result arrears are likely to increase.	Nicholas Gill	16-Feb-2021	31-Mar-2021
CVD19 SG PROP 01j	Monitor Impact	IPG to Monitor the impact on; <ul style="list-style-type: none"> . Lack of trade . Capacity of our tenants' ability to pay their rent . Investment transactions . Letting transactions . Refurbishments and Developments 	Nicholas Gill	16-Feb-2021	31-Mar-2021
CVD19 SG PROP 01k	Snapshot reporting	With the assistance of Chamberlain's Department, a regular snapshot of rental collection (deferrals and rent frees) is being produced and monitored.	Nicholas Gill; John James	16-Feb-2021	31-Mar-2021

[illegible]

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CV19 SG PROP 02h	Contractor may request additional fees, additional statutory authority fees	Reduced prelims valued to the contractor if there is reduced resource on site; ask parties to demonstrate what additional costs are for, and which contractual clause it relates to; negotiate additional fees upfront ahead of agreeing start on site. Contractors have recently experienced	Ola Obadara	16-Feb-2021	30-Jun-2021

		issues obtaining insurance and these costs may be passed along to the CoL. Whilst initial results seem to be positive for the City, this will continue to be monitored.			
CV19 SG PROP 02i	Material and components	It is the contractor's responsibility for managing materials on site. There has been a potential issue with regards to the availability of materials and components when projects are on-site – particularly related to long lead items and those from abroad. Property Project Group is monitoring for impact, although this appears to be easing currently.	Ola Obadara	16-Feb- 2021	31-Mar- 2021

[illegible]

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CVD19 SG PROP 03a	Contractual risks	The responsibility for delays, disruption and commercial risks are typically spelled out in construction contracts and appropriately allocated to the party in the best position to mitigate such risks. Delays caused by COVID-19 impacts may be covered under a force majeure or similar clause of the contract. Contractors will argue that COVID-19 related delays were wholly unforeseeable and outside of the contractor's control, and therefore the contractor should not be held responsible. Under these circumstances, many contracts entitle the contractor to a time extension of the project completion date, and some contracts also allow for	Ola Obadara	16-Feb-2021	30-Jun-2021

		the contractor's recovery of increased performance costs. For new contracts, these will account for Covid-19 and these 'contractual risks' will be built into the price and timeframes – although it should be noted that Covid-19 remains a fluid challenge, and future changes to SOPs may result in increased risk.			
CVD19 SG PROP 03b	Health and Safety.	Guidance from Government and Construction Leadership Council (CLC) is regularly monitored with the Principal Designer, updated RAMS have been received from the contractor. Guidance to continue being reviewed. Ensure contractor is following CDM duties and providing plenty of welfare. Reviewing method statements to ensure alignment and compliance with PHE/HSE guidance.	Ola Obadara	16-Feb- 2021	30-Jun- 2021

Report Author: Faith Bowman
Generated on: 16 February 2021



Page 25

[illegible]

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR CB 003a	Navigation controls	Navigation is controlled by the Port of London Authority and navigation lights fixed to bridges. Paul Monaghan is an on-going member of the River Crossings Liaison Group. Paul Monaghan updates CSD at the quarterly meetings as to any actions, activities, or change in the risk status of this item.	Nicholas Gill; Peter Young	16-Feb-2021	31-Mar-2022

3

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR CB 006a	Counter Terrorism	<p>TFL and DBE, the City Police and the MET Police continue to engage with respect to the threat assessments for the bridges. TFL will be taking the lead in terms of the response. When TFL assess the overall risk, they applied a higher risk impact than the City currently assesses. However, this relates to the overall risk, rather than the element for which the City of London Corporation, and the City Surveyor's Department, is responsible.</p> <p>Temporary mitigation by the Metropolitan Police remains in place, but this is not full Hostile Vehicle Mitigation.</p>	Nicholas Gill; Paul Monaghan; Peter Young	16-Feb-2021	31-Mar-2022
SUR CB 006b	Policing	The City of London Police receive funding from Bridge House Estates to provide policing to the City Bridges.	Nicholas Gill; Paul Monaghan; Peter Young	16-Feb-2021	31-Mar-2022

5

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR CB 007d	Tideway Tunnelling	<p>The City's Engineer, Paul Monaghan is working with the Comptroller and City Solicitor through the Development Consent Order and negotiated protection for the river crossings and, in the case of Tower Bridge, reduced face loss. He and the engineering team are working with the planning lead, Ted Rayment, to ensure that these requirements are being met. Regular weekly, monthly and quarterly meetings take place with the respective parts of TTT. For support they have the existing commission with an external engineering consultant appointed for the inspection of river crossings.</p> <p>Note that liaison between the City of London Corporation at the TTT are continuing throughout this period of Covid-19.</p>	Nicholas Gill; Peter Young	16-Feb-2021	31-Mar-2022
SUR CB 007e	Monitoring & Works	Monitoring is on-going on the bridge sites to ensure that risks are managed. Monitoring at Tower Bridge has been in place for circa three years. Millennium Bridge may need its tensioning adjusted to account for any movement.	Nicholas Gill; Paul Monaghan; Peter Young	16-Feb-2021	31-Mar-2022

Committee(s)	Dated:
Property Investment Board Corporate Asset Sub Committee	17 March 2021 28 April 2021
Subject: Business Plan 2020-25 Quarter 3 2020/21	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	4, 7, 12
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: The City Surveyor (CS 041/21)	For Information
Report author: John Galvin / Faith Bowman Business Performance and Improvement	

Summary

This report provides Members of Property Investment Board (PIB) and Corporate Asset Sub (Finance) Committee (CAsC) details of progress in quarter 3 (October to December) 2020/21 against the 2020-25 Business Plan. It also provides an update on the commercial property market and a financial statement.

The department continues to focus on tenant retention across both the investment and corporate estates. The department is also closely tracking productivity on our project sites. Social distancing limits our capacity to deliver projects efficiently, so this is an important metric for the next six months.

The department continues to provide performance information on all 17 Key Performance Indicators (KPIs) that were agreed as part of the Business Plan in December 2019. Due to the unpredictability of the Coronavirus situation, we are not ascribing a Red-Amber-Green (RAG) status to three of our KPIs which focus on the investment property estate.

For quarter 3, four performance indicators were ahead of target (Green) and five measures were marginally behind target (Amber). In addition to the three KPIs where we are not reporting RAG status, one additional is typically reported a quarter in arrears. Two further indicators are reported bi-annually, and two annually.

The amber indicators were the following:

- KPI. 1 – Asset realisation and additional income (CAsC)
- KPI. 3 – Space utilisation (CAsC)
- KPI. 5 – Adherence to Budgetary Spend Profiles (CAsC and PIB)
- KPI. 16 – Delivery of strategic utility infrastructure (CAsC and PIB)
- KPI. 17 – Supporting the retention and inward investment of business (CAsC and PIB)

The City Surveyor is currently forecasting a year-end overspend of £255k on a budget of £32.55m (0.78%). This is as a result of a shortfall in professional fee income, fundamental review savings being placed on hold awaiting the target operating model, and the 2019/20 departmental overspend being brought forward. These have been partially been offset by savings on the Guildhall Complex, and a lower than anticipated reactive repair spend.

Recommendation(s)

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 during quarter 3 (October to December) compared to the 2020-25 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. In addition, you receive regular monitoring reports covering rent reviews, lease renewals, arrears, vacancies and delegated decisions. These provide key information pertaining to the current market situation, particularly for directly managed properties.
4. A separate monitoring report on the risks within our department is also presented at this meeting. This includes a appendix on risks relating to Covid-19.

Financial statement

5. The monitoring statement for quarter 3, set out in Appendix A, reveals that against a profiled budget of £23.2m the City Surveyor was £290,000 underspent (1.3%) at quarter 3. This was principally due to savings on the Guildhall Complex due to reduced occupancy as a result of the pandemic partly offset by an overspend on departmental salary budgets due to Fundamental Review reorganisation saving, assumed in the Original Budget, being placed on hold pending the Target operating Model; reduced professional fee income due to the pandemic; and the inclusion of the City Surveyor's overspend from 2019/20. These costs in part have been offset by savings on the Guildhall Complex due to reduced occupancy as a result of the pandemic.
6. The City Surveyor is, however, forecasting that this overspend will reduce by year-end to £255,000 against the budget for the year of £32.55m (0.78%) mainly due to some of the savings made on the Guildhall Complex being utilised to fund works

to make the complex more Covid-19 compliant. Further efforts are also being made to identify savings to bring the local risk budget back to breakeven by year-end.

7. The position on rental income, held under central risk is also being kept under close review due to the impact of the pandemic. In addition to the £3m increase in the bad debt provision required across the three estates, and included in the estimates report to Property Investment Board in December, a further increase of £2.7m was identified in a recent review based on the debt at the end of the December quarter. The anticipated provision required for the year for all three estates has therefore increased to £11m.

Market commentary

8. For the occupier market Savills reported that central London office take up fell to recessionary lows, similar to the levels seen during the Global Financial Crisis (GFC) of 2008/9 and the DotCom crisis of 2002/3. Take-up across Central London reached 4.6m sq ft at the end of the 2020. This was down 58% on the long-term average for the capital and down 60% on calendar 2019. We also saw half the volume of transactions we have seen complete over the past 10-years, with 413 transactions completing, by the end of 2020. The total number of transactions to complete remains heavily weighted towards January – March 2020, with it accounting for 42% of the overall number. In total there were only 11 transactions over 50,000 sq ft compared with 43 during 2019.
9. At the end of calendar 2020 supply across Central London stood at 17.5m sq ft, which equates to a vacancy rate of 7% (7.6% in the City and 6.2% in the West End). This is up on the long-term average for Central London of 5.7%, and up on the end of 2019, where the vacancy rate was at 4.8%. However, it is important to note that these levels of vacancy are very low compared to previous recessionary periods in the London office market. For example, during the GFC the City vacancy rate peaked at 10.4% and the West End at 6.7%. In the DotCom crisis of the early 2000s the vacancy rate went even higher, peaking at 15.5% in the City of London and 7.9% in the West End. The fact that the London office market went into this crisis with a low level of vacancy and a restrained development pipeline will be a major factor that will insulate it from significant rental falls, particularly for prime stock. Currently occupiers looking at existing options for over 100,000 sq ft of Grade A standard are limited to around 15 options across Central London, so we are likely to see more larger occupiers continuing to explore pre-letting options.
10. In the investment market, 2020 started strongly, with turnover reaching £2.4bn. However, with lockdown coming into place at the end of the March, the April – June quarter was blighted by the pandemic which caused the market to pause. In total central London turnover for the first six months of 2020 was £2.99 billion, which is 42% down on this point last year, 59% down on the 10-year average for H1 investment volumes, and the lowest H1 since 2009. During the July – September quarter we saw double the turnover we had seen during the period earlier, with turnover reaching £1.3bn, across 24 transactions. This brought calendar year-to-date investment turnover to £4.36bn, across 105 transactions, down 61% on the long-term average turnover volume for a January – September period. During October – December, in a sign of continued liquidity and sustained investor

appetite for core, well located assets, quarterly turnover reached £5.7bn. This was the highest volume for the quarter since 2015's £6.0bn. We also saw a return of international investors during the second half of calendar 2020 with overseas investors accounted for 78% of the overall volume.

11. Savills' Prime City yield is 4.0% (more or less the same as pre-covid) which compares with the West End prime yield of 3.5% (which is a decrease of some 25bps from 2019). Prime rents in the City are circa £80psf. In the West End the prime rent has remained stable at £115psf although rent-free periods have moved out to 24 months on a 10-year term. The typical rent-free period on offer has increased slightly over the course of 2020, and we estimate that in the City of London this has lengthened from 23 months on a 10-year lease to 25 to 27 months. In the West End the typical rent-free period has lengthened from 20 to 24 months.

Quarter 3 2020/21 update Coronavirus

12. Ordinarily the department would report a RAG status against all its seventeen KPIs. This is based upon performance against target, or expected, performance. The Covid-19 pandemic has altered our capacity to target set many of our measures, particularly in relation to the investment estate. The current level of uncertainty is such that it is not possible to accurately predict what 'good' performance looks like.
13. Whilst many KPIs will be impacted by Covid-19, the ones that will not be RAG assessed this year are as follows:
 - A. KPI. 11 – Rental forecasts
 - B. KPI. 12 – Minimise arrears
 - C. KPI. 13 – Minimise voids
14. The department continues to track an additional performance measure whilst the coronavirus situation continues. This indicator relates to the productivity of our project sites, taking into consideration compliance with site operating procedures for Covid-19.

Results for the quarter were: October – 95%, November – 91% and December – 91%. This is slightly above the returns in the previous quarter which averaged 90%.

15. Members will note the inclusion of the thematic Covid-19 risk register as part of your regular Risk Report (CS 072/21). This includes specific risks relating to the impact on our investment property returns and site productivity.

Performance

16. A RAG status is used to summarise the progress of the performance indicators on a quarterly basis. The table below provides an 'at a glance' status report for the City Surveyor's KPIs at the end of quarter 3.

Status ¹	Green	Amber	Red	TBC	N/A / No RAG
Corporate Asset Sub Committee	4	5		2	2
Property Investment Board	3	3		1	5
Overall ²	4	5		3	5

17. Of the seventeen KPIs being monitored, all KPIs have been affected by the impact of Covid-19.

18. The amber indicators were the following:

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

Covid-19 continues to have an impact on our ability to secure additional rental income from existing lease events and new lettings. Unless trading and business activity for tenants returns to pre-pandemic levels soon, there is considerable risk that the target of £1.5m per annum additional income will not be secured in-year.

B. KPI. 3 – Space utilisation (CAsC)

This measure target set reducing the spend per Guildhall FTE by 5% from the 2019/20 figure. Fewer workers at Guildhall has been offset by an increased focus on safety and ensuring a Covid-secure environment for employees. The increased home working arrangements has accelerated the New Ways of Working programme and performance will be more accurately gauged in 2021/22.

C. KPI. 5 – Adherence to Budgetary Spend Profiles (PIB and CAsC)

There have been some project delays resulting from Covid-19 restrictions, both on Capital Projects and on the Cyclical Works Programme, that have pushed this indicator below the profiled spend target as at the end of quarter 3. As these projects have come on stream, we have seen increased amounts of committed spend. It is expected that as these projects are delivered in quarter 4 the spend profile will move towards target.

D. KPI. 16 – Delivery of strategic utility infrastructure (PIB and CAsC)

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.

The wireless telecommunications concession contractor has been progressing discussions with the infrastructure provider to deploy new smart poles, and a pilot scheme is being explored. A report is being finalised for the 9 March meeting of Planning and Transportation Committee.

E. KPI. 17 – Supporting the retention and inward investment of business (PIB and CAsC)

This measure is looking to progress the Cheapside Business Alliance and the Aldgate Partnership. A communications working group has been established, and the website is in the process of development. The overall slowdown in activity in the City has slightly delayed the delivery of project milestones.

Strategic implications

19. The work of the department supports the delivery of the organisation's Corporate Plan. The impact of Covid-19 has continued to affect our ability to generate income on behalf of the organisation. The department will continue to work hard to minimise the negative impacts of this issue.

Conclusion

20. This report provides an update at quarter 3 (October to December) against the department's Business Plan.

Appendices

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

John Galvin

Faith Bowman

Business Performance and Improvement

T: 020 7332 3269

E: john.galvin@cityoflondon.gov.uk

Budget Monitoring Statement Quarter 3

Appendix A Page 1 of 1

CITY SURVEYORS DEPARTMENT - BUDGET MONITORING STATEMENT						Appendix A
LOCAL RISK BUDGET	Latest Approved	Quarter 3	Quarter 3	Under / (Over)	Quarter 3	Under / (Over)
Quarter 3 as at 27th December 2020	Budget	Profile	Total Expenditure	Spend for Period	Projected Outturn	Spend for 2020-21
	£000	£000	£000	£000	£000	£000
CITY SURVEYOR						
City Fund						
City Fund Estate & Leadenhall	(2,110)	(1,185)	(1,243)	(58)	(2,110)	0 1
CPAT & City Centre	(551)	(446)	(349)	97	(476)	75 2
Walbrook Wharf	(1,001)	(788)	(730)	58	(980)	21 3
Mayor's & City of London Court	(23)	(17)	(24)	(7)	(28)	(5)
Recoverable Projects	0	0	0	0	0	0
Lower Thames St Roman Bath	(8)	(6)	(9)	(3)	(10)	(2)
R&M & MI Work for other departments	(1,441)	(1,134)	(1,065)	69	(1,405)	36 4
Corporate FM cleaning & security	(110)	(87)	(88)	(1)	(123)	(13)
	(5,244)	(3,663)	(3,508)	155	(5,132)	112
City's Cash						
City's Cash Estate	(3,713)	(2,044)	(2,034)	10	(3,713)	0
Departmental	(9,510)	(7,213)	(7,832)	(619)	(10,311)	(801) 5
Mayorality & Shrievally	(93)	(81)	(33)	48	(58)	35
R&M & MI Work for other departments	(2,173)	(1,704)	(1,451)	253	(1,977)	196 6
Corporate FM cleaning & security	(632)	(513)	(498)	15	(675)	(43) 7
	(16,121)	(11,555)	(11,848)	(293)	(16,734)	(613)
Bridge House Estates						
Bridge House Estates	(2,442)	(1,451)	(1,467)	(16)	(2,442)	0
Tower Bridge Corporate FM cleaning	(262)	(196)	(168)	28	(249)	13
	(2,704)	(1,647)	(1,635)	12	(2,691)	13
Guildhall Administration						
Guildhall Complex	(8,481)	(6,378)	(5,962)	416	(8,248)	233 8
	(8,481)	(6,378)	(5,962)	416	(8,248)	233
Total City Surveyor Local Risk	(32,550)	(23,243)	(22,953)	290	(32,805)	(255)

Notes

- Professional fees spend running ahead of profile but anticipated to be on budget by year-end.
- Saving due to cancellation of MIPIM conference.
- The underspend at the end of December is principally due to reduced expenditure on repairs and maintenance. This margin will reduce by year-end.
- Reduced reactive spend due to lower usage in pandemic.
- Overspend comprises additional salary cost mainly due to fundamental review facilities management reorganisation on hold due to the target operating model; reduced professional fee income due to the pandemic; and inclusion of the overspend from 2019/20.
- Reduced reactive spend due to lower usage in pandemic.
- Overspend at year-end due to additional cleaning costs and Mansion House security costs.
- Savings due to reduced usage of the complex due to the pandemic. Spend has reduced across energy, cleaning and staffing. This is in part offset by additional repairs and maintenance spend to make the complex Covid-19 compliant.

This page is intentionally left blank

Key Performance Indicators										
Ref	Title	Target	Group	Committee	Q1		Q2		Q3	
					Actual	RAG	Actual	RAG	Actual	RAG
KPI.1	Asset Realisation and additional income	£3.1m	CPG	CASC	off target	amber	off target	amber	off target	amber
KPI.2	Energy Consumption***	Min 4%	OG	CASC	7.00%	green	11.40%	green	tbc	tbc
KPI.3	Space Utilisation	£3.620	CPG	CASC	off target	amber	off target	amber	off target	amber
KPI.4	Property contract Performance Compliance	> 90%	OG	CASC	92.59%	green	92.54%	green	95.59%	green
KPI.5	Adherence to Budgetary Spend Profiles	95% to 10%	All	PIB; CASC	off target	amber	37.62%	amber	46.30%	amber
KPI.6	Capital Project - Delivery - defects on completion*	< 20%	PPG	PIB; CASC	n/a	n/a	6.00%	green	n/a	n/a
KPI.7	Capital Project - Project Status	< 20%	PPG	PIB; CASC	14.00%	green	16.00%	green	13.00%	green
KPI.8	Capital Project- Health & Safety*	80%	PPG	PIB; CASC	n/a	n/a	80.00%	green	n/a	n/a
KPI.9	Capital Project- Gateway Reports	> 70%	PPG	PIB; CASC	57.00%	amber	75.00%	green	77.00%	green
KPI.10	Capital Project - Site sustainability waste management	> 90%	PPG	PIB; CASC	100.00%	green	99.00%	green	99.00%	green
KPI.11	Rental Forecasts****	tbc	IPG	PIB	tbc	****	tbc	****	tbc	****
KPI.12	Minimise Arrears****	tbc	IPG	PIB	24.87%	****	11.11%	****	12.91%	****
KPI.13	Minimise voids (*)****	tbc	IPG	PIB	2.94%	****	n/a	****	2.52%	****
KPI.14	Outperform MSC**	exceed by	IPG	PIB	tbc	tbc	tbc	tbc	tbc	tbc
KPI.15	Customer satisfaction survey**	> -32	All	CASC	tbc	tbc	tbc	tbc	tbc	tbc
KPI.16	Delivery of Strategic utility infrastructure	on schedu	CPAT	PIB; CASC	off target	green	on target	green	in target	amber
KPI.17	Supporting the retention and inward investment of businesses	on schedu	CPAT	PIB; CASC	on target	green	on target	green	in target	amber
	*reported bi annually									
	** reported annually									
	*** reported a quarter in arrears									
	**** RAG currently suspended									

This page is intentionally left blank

Headline Performance Charts Quarter 3 2020/21

Appendix C Page 1 of 1

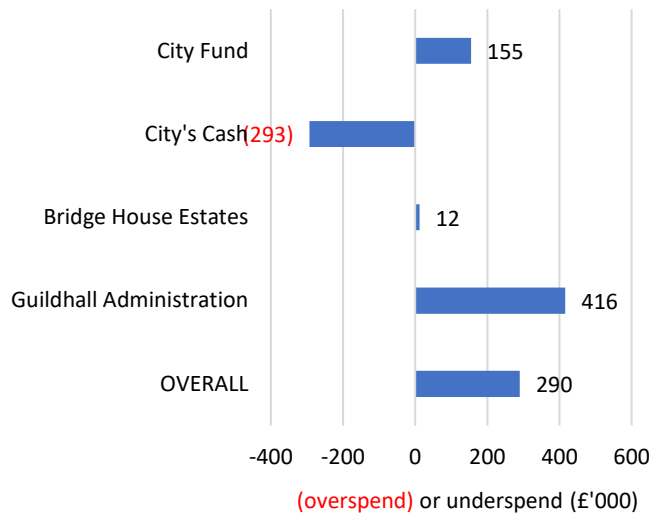


Figure 1 Variance against profiled local risk budget – (overspend) or underspend

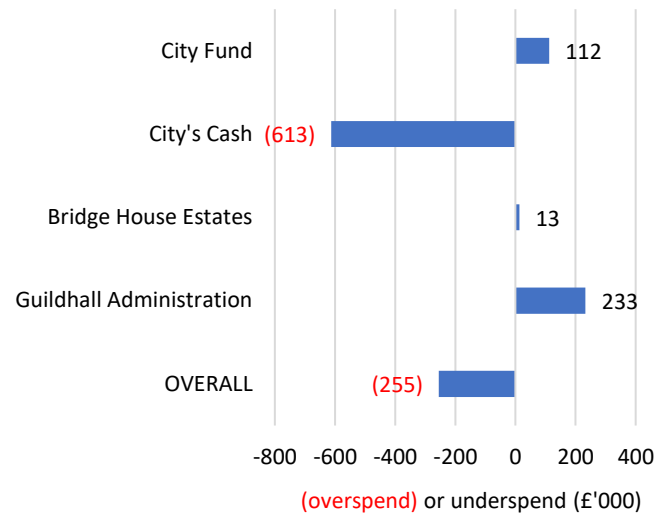


Figure 2 Projected year-end variance of the local risk budget – (overspend) or underspend

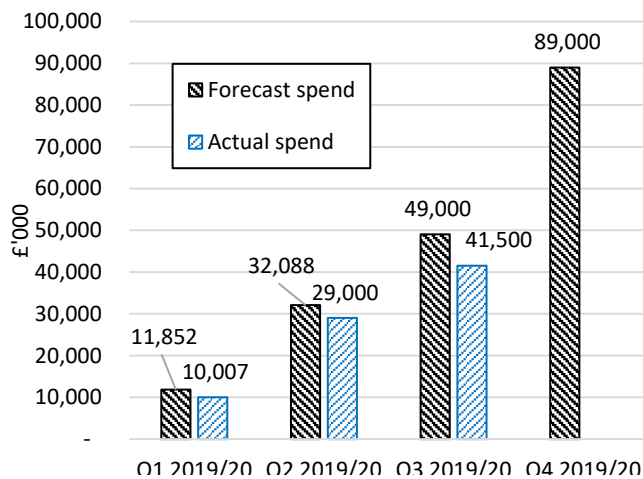


Figure 3 All project spend, forecast v actual

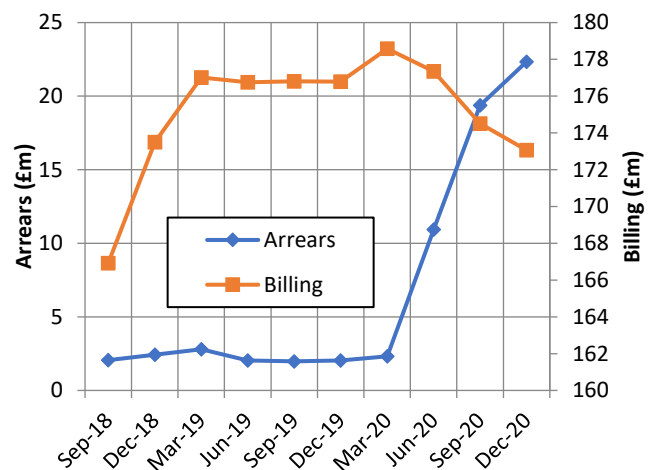


Figure 4 (Investment Properties) Commercial tenants' arrears compared to annual rolling billing run.

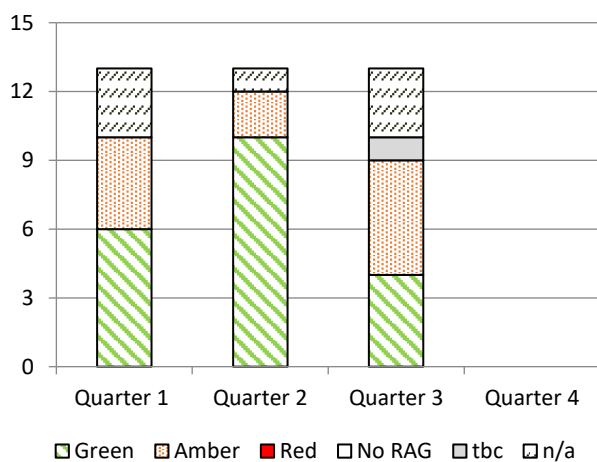


Figure 5 Performance of KPIs linked to Corporate Property (Corporate Asset Sub Committee)

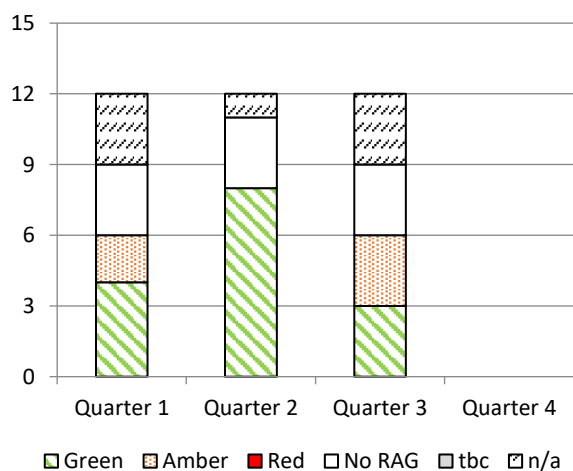


Figure 6 Performance of KPIs linked to Investment Property (Property Investment Board)

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank