



## Property Investment Board

**Date:** WEDNESDAY, 26 MAY 2021  
**Time:** 8.30 am  
**Venue:** PUBLIC MEETING (ACCESSIBLE REMOTELY)

**Members:** Andrien Meyers (Chair)  
Shravan Joshi (Deputy Chairman)  
Alderman Alison Gowman  
Deputy Jamie Ingham Clark  
Deputy Philip Woodhouse  
Deputy Robert Merrett  
Deputy Tom Sleigh  
Dhruv Patel  
Michael Hudson  
Sheriff Christopher Hayward  
Simon Duckworth  
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 this virtual public meeting at the below link:

[https://www.youtube.com/watch?v=d1swJCba\\_X8](https://www.youtube.com/watch?v=d1swJCba_X8)

This meeting will be a virtual meeting and therefore will not take place in a physical location. Any views reached by the Committee today will have to be considered by the Property Investment Director after the meeting in accordance with the Court of Common Council's Covid Approval Procedure who will make a formal decision having considered all relevant matters. This process reflects the current position in respect of the holding of formal Local Authority meetings and the Court of Common Council's decision of 15th April 2021 to continue with virtual meetings and take formal decisions through a delegation to the Town Clerk and other officers nominated by him after the informal meeting has taken place and the will of the Committee is known in open session. Details of all decisions taken under the Covid Approval Procedure will be available online via the City Corporation's webpages. 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 the 17<sup>th</sup> of March 2021.

**For Decision**  
(Pages 7 - 10)

4. **RESOLUTION OF THE INVESTMENT COMMITTEE OF 6 MAY 2021**

To receive the Resolution of the Investment Committee dated 6 May 2021 appointing the Board and setting its Terms of Reference.

**For Information**  
(Pages 11 - 16)

5. **PRESENTATION FROM AECOM WITH REGARD TO THE LATEST POSITION OF THE IPG CAS PROGRAMME**

City Surveyor and representative of AECOM to be heard.

**For Information**

6. **TERMS OF REFERENCE, FREQUENCY OF MEETINGS AND 2020/21 WORK PROGRAMME**

Report of the Town Clerk.

**For Decision**  
(Pages 17 - 26)

7. **YEAR 1 PLAN FOR CLIMATE ACTION**

Joint report of the Director of Innovation & Growth and the City Surveyor.

**For Decision**  
(Pages 27 - 120)

8. **CULTURE MILE BUSINESS PARTNERSHIP**

Report of the Director of Innovation & Growth.

**For Decision**  
(Pages 121 - 130)

9. **BRIDGE HOUSE ESTATES**

Report of the Town Clerk.

**For Information**  
(Pages 131 - 136)

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

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

12. **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**

13. **NON-PUBLIC MINUTES**

To approve the non-public minutes of the Property Investment Board meeting held on 17<sup>th</sup> of March 2021.

**For Decision**  
(Pages 137 - 142)

**ALL ESTATES**

14. **OPN REPLACEMENT - REQUEST FOR DELEGATED AUTHORITY**

Report of the City Surveyor.

**For Decision**  
(Pages 143 - 144)

15. **CITY FUND, CITY'S ESTATE, BRIDGE HOUSE ESTATES (1035628) AND STRATEGIC PROPERTY ESTATE - ANNUAL VALUATION**

Report of the City Surveyor.

**For Information**  
(Pages 145 - 150)

16. **CITY FUND, CITY'S ESTATE & BRIDGE HOUSE ESTATES - QUARTERLY DELEGATED AUTHORITIES UPDATE - 1ST JANUARY 2021 TO 31ST MARCH 2021**

Report of the City Surveyor.

**For Information**  
(Pages 151 - 160)

17. **CITY FUND, CITY'S ESTATE AND BRIDGE HOUSE ESTATES: ARREARS OF RENT AS AT MARCH 2021 QUARTER DAY MINUS 1**

Report of the City Surveyor.

**For Information**

(Pages 161 - 172)

18. **CITY FUND, CITY'S ESTATE, BRIDGE HOUSE ESTATES AND STRATEGIC PROPERTY ESTATE - RENTAL ESTIMATES MONITORING REPORT.**  
Report of the City Surveyor.

*To follow.*

**For Information**

19. **GLA ROADS - LAND DISPUTE WITH TRANSPORT FOR LONDON**  
Report of the Comptroller and City Solicitor.

**For Information**  
(Pages 173 - 186)

20. **REPORT OF ACTION TAKEN**  
Report of the Town Clerk.

**For Information**  
(Pages 187 - 198)

## **CITY'S ESTATE**

21. **CITY'S ESTATE - MAJOR REFURBISHMENT / EXTENSION OF BUILDING IN TOTTENHAM COURT ROAD, W1**  
Report of the City Surveyor.

**For Decision**  
(Pages 199 - 214)

## **BRIDGE HOUSE ESTATES**

22. **BRIDGE HOUSE ESTATES : GATEWAY 1-4 FOR 23 FINSBURY CIRCUS**  
Report of the City Surveyor.

*To follow.*

**For Information**

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

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

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## PROPERTY INVESTMENT BOARD

Wednesday, 17 March 2021

Minutes of the meeting of the Property Investment Board held remotely  
Wednesday, 17 March 2021 at 8.30 am

### Present

#### Members:

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

#### Officers:

Richard Holt	- Town Clerk's Department
Polly Dunn	- Town Clerk's Department
Aqib Hussain	- Chamberlain'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

### 1. APOLOGIES FOR ABSENCE

Apologies for absence were received from the Chair Deputy Tom Sleight, Tijs Broeke and Stuart Corbyn.

It was noted that the Chair would be attending the meeting later and therefore, in the absence of the Property Investment Board's Chair, the Deputy Chairman took the Chair for the remainder of the meeting.

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

There were no declarations.

3. **MINUTES**

The Board considered the public minutes and non-public summary of the Property Investment Board held on the 27<sup>th</sup> of January 2021.

In response to a Member noting he had provided apologies for the previous meeting the Town Clerk confirmed that his apologies would be added to the minutes accordingly.

**RESOLVED** – That the public minutes and non-public summary of the meeting held on 27<sup>th</sup> of January 2021 be approved as an accurate record.

4. **CITY SURVEYOR'S DEPARTMENTAL RISK REGISTER -UPDATE**

The Board received a report of the City Surveyor on the City Surveyor's Departmental Risk Register Update. The City Surveyor introduced the report and highlighted the key points to the Board

In response to a Member's query the City Surveyor confirmed that the Department would be engaging with a risk deep dive with the Audit and Risk Management Committee.

**RESOLVED-** That the report be noted.

5. **BUSINESS PLAN 2020-25 QUARTER 3 2020/21**

The Board received a report of the City Surveyor on the Business Plan 2020-5 Quarter 3 2020/1.

In response to a query from a Member the City Surveyor explained that meetings were taking place to confirm valuations for the purposes of the audit process. In addition, it was added that discussions were being undertaken with valuers to confirm the approach for the valuation note for the City's Investment Properties in the City Fund 2020/21 accounts.

**RESOLVED-** That the report be noted.

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

A Member questioned how a business can interact with the City of London Corporation COVID recovery fund. The Deputy Chairman noted that this would be addressed in the non-public session.

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

There was no urgent business considered in the public session.

8. **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.**  
9-22

**Paragraph No.**  
3

9. **NON PUBLIC MINUTES**

The Board considered the non-public minutes of the previous meeting of the Property Investment Board held on the 27<sup>th</sup> of January 2021.

**RESOLVED** – That the non-public minutes of the meeting held on 27<sup>th</sup> of January 2021 be approved.

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

The Board considered a Joint report of Chamberlain and City Surveyor on the Procedure for Considering Tenant Requests for COVID Rent Free Concessions.

**RESOLVED-** That the report be approved.

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

The Board received a report of the City Surveyor on the Rental Estimates Monitoring report for all funds.

**RESOLVED-** That the report be noted.

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

The Board received a report of the City Surveyor on the COVID-19 Capital Projects Fund update.

**RESOLVED-** That the report be noted.

13. **NON-PUBLIC APPENDIX**

The Board received the non-public appendix to read in conjunction with Item 4.

**RESOLVED-** That the appendix be noted.

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

The Board received a report of the Town Clerk on the report action taken between meetings.

**RESOLVED-** That the report be noted.

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

The Board considered a report of the City Surveyor for a New Letting of a Substation chamber at part Ground Floor for 100 Brewery Road.

**RESOLVED-** That the report be approved.

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

The Board noted that the report had been withdrawn.

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

The Board considered a report of the City Surveyor on the Lease Renewal for Unit 28 Leadenhall Market, Mexican Grill Limited (trading as Tortilla).

**RESOLVED-** That the report be approved.

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

The Board received a report of the City Surveyor on the Refurbishment and Extension of New Liverpool House at 15/17 Eldon Street within the City Fund.

**RESOLVED-** That the report be approved.

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

The Board considered a report of the City Surveyor on the refurbishment of Tower Chambers, 74 Moorgate.

**RESOLVED-** That the report be approved.

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

The Board considered a report of the City Surveyor on the 30-34 New Bridge Street Gateway 5.

**RESOLVED-** That the report be approved.

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

The Board received one question in the non-public session.

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

The received three items of business in the non-public session.

**The meeting ended at 9.49 am**

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Chair

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

## RESOLUTION OF THE INVESTMENT COMMITTEE OF 6 MAY 2021

To: **Property Investment Board**

26 May 2021

From: **Investment Committee**

6 May 2021

### 4. **APPOINTMENT OF THE BOARDS AND FREQUENCY OF MEETINGS**

The Committee considered a report of the Town Clerk seeking Members' approval on the composition, frequency of meetings, and co-option protocol for the Committee's Boards.

The Town Clerk read a list of names who had indicated their wish to serve on the Property Investment Board and, with 11 Members indicating their willingness for 12 to 14 places, it was: -

**RESOLVED** – That the following Members be appointed to the Property Investment Board for the year ensuing:

Simon Duckworth  
Alderman Alison Gowman  
Sheriff Christopher Hayward  
Michael Hudson  
Deputy Jamie Ingham Clark  
Shravan Joshi  
Deputy Robert Merrett  
Andrien Meyers  
Dhruv Patel  
Deputy Tom Sleigh  
Deputy Philip Woodhouse

### **Election of Chairman and Deputy Chairman to the Property Investment Board**

The Town Clerk invited Members of the newly appointed Property Investment Board to elect a Chairman in accordance with Standing Order 29. Expressions of interest were invited and Andrien Meyers, being the only Member indicating his willingness to serve, was declared to have been elected for the year ensuing.

The Town Clerk invited Members of the newly appointed Property Investment Board to elect a Deputy Chairman in accordance with Standing Order 30. Expressions of interest were invited and Shravan Joshi, being the only Member indicating his willingness to serve, was declared to have been elected for the year ensuing.

**RESOLVED** - That the Investment Committee:

- a) Approve the appointment of the Financial and Property Investment Boards, and that the frequency of meetings, terms of reference and co-option protocol for the Committee's Boards be approved;
- b) Delegate authority to the Town Clerk, in consultation with the Chair and Deputy Chairman of Investment Committee, to appoint Members of the Investment

Committee to the Boards where there is a vacancy and where a Member of Investment Committee expresses a willingness to serve; and

- c) Note that the Chair and Deputy Chairman of the Investment Committee are ex-officio Members of the following Committees:
- Policy & Resources
  - Finance

## **(B) Property Investment Board**

### **Composition**

- Chairman - To be determined by the Board
- 12-14 Members of the Investment Committee

### **Quorum**

Any three Members of the Board.

### **Terms of Reference**

To determine and approve management and investment matters relating to property within the City's Cash and City Fund in accordance with the management plans and investment strategies;

- a) to acquire, manage or dispose of all City property within its remit;
- b) to determine specific property ownerships in accordance with policies established by the Policy and Resources Committee and the Court of Common Council in relation to the extent of properties to be held by the City of London Corporation for strategic purposes, including within the City itself;
- c) in relation to Leadenhall Market, to lease any shop or shops at less than the full market rent in order to obtain the stated objectives of securing a first class, balanced and varied market; and
- d) to report during the year to the Investment Committee in relation to its activities and the overall performance of the investment property portfolios.

There is provision within the Investment Committee's Terms of Reference to enable the Chairman of the Property Investment Board to report on and speak to the Board's activities and responsibilities in the Court of Common Council and to ensure that any decisions, especially those relating to property, are taken without undue delay.

**Property Investment Board****Members appointed by Investment Committee 2021/22**

Andrien Meyers (Chairman)
Shravan Joshi (Deputy Chairman)
Simon Duckworth
Alderman Alison Gowman
Sheriff Christopher Hayward
Michael Hudson
Deputy Jamie Ingham Clark
Deputy Robert Merrett
Dhruv Patel
Deputy Tom Sleigh
Deputy Philip Woodhouse
Vacancy

## **Protocol for co-option to the Financial Investment Board and the Property Investment Board**

1. The Financial Investment Board and the Property Investment Board are empowered to co-opt people with relevant expertise or experience, including non-Members of the Court of Common Council, to assist in their deliberations.
2. The arrangements for co-option and the co-opted membership of individuals to the Financial Investment Board and the Property Investment Board will be reviewed on an annual basis at the May meeting of the Investment Committee (and thereafter at the first meetings of the respective Boards).
3. Whilst being conscious of expertise and any required skill sets, Members should consider the gender (sex) and ethnic mix of the relevant Board when proposing co-options, and should seek to introduce new and talented people, from diverse backgrounds, who could make a contribution to the work of the Boards.
4. Members of the Court of Common Council can be co-opted to the Financial Investment Board or the Property Investment Board by agreement of the relevant Board, following proposal of the co-option at a meeting of the Board.
5. When suggesting external individuals with relevant expertise or experience for co-option, Members of the Financial Investment Board or the Property Investment Board will be required to:-
  - a. send a written request for co-option to the Town Clerk, specifying whom it is proposed should be co-opted to either the Financial Investment Board or the Property Investment Board and the reasons for their co-option;
  - b. send a CV or supporting statement, for the individual being suggested for co-option, to the Town Clerk. Bearing in mind the Board's terms of reference, the letter and supporting statement or CV should demonstrate the individual's relevant skills and experience.
6. For the Standards Committee, is it considered inappropriate for past Members of the Court of Common Council or former City Corporation employees to be eligible to serve as [independent] outside members and Members will need to consider if the same conditions should apply in respect of co-option to the Financial Investment Board or the Property Investment Board. It would be inappropriate for a close friend or relative of any Member or officer to serve or indeed an employee of any organisation of which the City Corporation is a client.
7. The Town Clerk will consult the relevant Chief Officer to discuss the co-option request and will, if necessary, prepare a report for the next meeting of the respective Board. Members of the respective Board will then be asked to consider the co-option request.

8. Unless co-option is time-banded or topic/project restricted, co-opted Members of the Financial Investment or the Property Investment Board will be entitled to attend all meetings of the respective Board for a maximum of 12 months (prior to the annual review in May) and to receive all committee-related documentation, including exempt papers, unless otherwise determined by the Town Clerk in consultation with the relevant Chief Officer.
9. The Financial Investment Board and the Property Investment Board are empowered to approve their own co-opted membership (majority vote) without prior consultation with, or agreement by, the Investment Committee. The Town Clerk will inform the Chairman and Deputy Chairman of the Committee once a Board has agreed co-option of an individual.
10. Co-opted Members would not have voting rights.
11. Co-opted Members of the Financial Investment Board or the Property Investment Board will be required to complete a Register of Interest form and declare personal and prejudicial interests when in attendance at meetings.



<b>Committee(s)</b>	<b>Dated:</b>
Property Investment Board – <b>For Decision</b>	26 <sup>th</sup> May 2021
<b>Subject:</b> Terms of Reference, Frequency of meetings and 2020/21 Work Programme	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b> See page 3 of the <a href="#">Corporate Plan</a>	<b>N/A</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>N/A</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>N/A</b>
<b>Report of:</b> Town Clerk	
<b>Report author:</b> Richard Holt, Town Clerk's Department	

## Summary

This report sets out Terms of Reference for the Property Investment Board, the frequency of meetings, proposed work programme and dates of Board meetings for the remainder of 2021 and 2022.

## Recommendations

It is recommended that:

- a) Members note the Property Investment Board's Terms of Reference;
- b) Members consider the frequency of the Board's meetings set out in Appendix B;
- c) Members approve the proposed work programme for 2021/22; and
- d) Appoint three Members to the Corporate Asset Sub Committee

## Main Report

1. This report notes the Terms of Reference and composition of the Property Investment Board. It also sets out details of the co-option arrangements adopted by the Investment Committee for all of its Boards.
2. The Board is further asked to consider the frequency of its meetings. It is proposed that the Property Investment Board will meet on a monthly basis on those dates set out at Appendix A. This arrangement reflects the proposed work programme for the Board outlined below.

## **Property Investment Board –Terms of Reference**

### **3. Property Investment Board**

#### **Property Investment Board**

##### **Composition**

- Chairman - To be determined by the Board
- 12-14 Members of the Investment Committee

##### **Quorum**

Any three Members of the Board.

##### **Terms of Reference**

To determine and approve management and investment matters relating to property within the City's Cash and City Fund in accordance with the management plans and investment strategies;

- a) to acquire, manage or dispose of all City property within its remit;
- b) to determine specific property ownerships in accordance with policies established by the Policy and Resources Committee and the Court of Common Council in relation to the extent of properties to be held by the City of London Corporation for strategic purposes, including within the City itself;
- c) in relation to Leadenhall Market, to lease any shop or shops at less than the full market rent in order to obtain the stated objectives of securing a first class, balanced and varied market; and
- d) to report during the year to the Investment Committee in relation to its activities and the overall performance of the investment property portfolios.

There is provision within the Investment Committee's Terms of Reference to enable the Chairman of the Property Investment Board to report on and speak to the Board's activities and responsibilities in the Court of Common Council and to ensure that any decisions, especially those relating to property, are taken without undue delay.

#### **Property Investment Board – Work Programme**

4. Outlined below are some of the key issues that will need to be considered by the Property Investment Board at its meetings throughout the year. The programme is intended to be indicative, in order to give Members some idea of the reports that will be considered during its meetings and is subject to change.

**PROPERTY INVESTMENT BOARD  
ANNUAL TIMETABLE OF REPORTS  
May 2021 to April 2022**

<b>MAY 2021</b>	Rental Forecasts Quarterly Report. (March)	IPG Assistant Directors

	Annual Valuation.	IPG Director
	Delegated Authorities – Decisions as at 31 <sup>st</sup> March.	IPG Director
	Arrears (as at March Quarter day) – Half yearly report.	IPG Director
	Timetable of reports (to be incorporated into Town Clerk's report)	IPG Director
	Terms of Reference, Frequency of Meetings, 2012/21 Work Programme and Appointments to other Committees	Town Clerk
<b>JUNE 2021</b>	<b>NO COMMITTEE</b>	
<b>JULY 2021</b>	Vacant Accommodation Update (as at 1st June) – Half yearly report.	IPG Director
	MSCI Annual Performance (previously IPD)	IPG Director
	Delegated Authorities – Decisions as at 30 <sup>th</sup> June.	IPG Director
	Write Off Report	A. Cusack/C. Lawson
	Revenue Outturn Report.	John James
	Business Plan – 4 <sup>th</sup> Quarter Progress.	John Galvin
	City Surveyor's Department Risk Register – 4 <sup>th</sup> Quarter Progress.	Faith Bowman
	6 Monthly Revenue Report	Jonathan Cooper
	Climate Action Strategy Update report	Simi Shah
<b>AUGUST 2021</b>	<b>NO COMMITTEE – RECESS</b>	
<b>SEPTEMBER 2021</b>	Rent Reviews/Lease Renewals report as at June Quarter Day.	IPG Assistant Directors
	Rental Forecast Quarterly Report (June)	IPG Assistant Directors
	Write Off Report	A. Cusack/C. Lawson
	Business Plan – 1 <sup>st</sup> Quarter Progress.	John Galvin
	City Surveyor's Department Risk Register – 1 <sup>st</sup> Quarter Progress.	Faith Bowman
<b>OCTOBER 2021</b>	<b>NO COMMITTEE</b>	
<b>NOVEMBER 2021</b>	Rental Forecast Quarterly Monitoring Report (September)	IPG Assistant Directors
	Delegated Authorities - Decisions as at 30 <sup>th</sup> September.	IPG Director
	Annual Estimates.	John James
	Draft New Business Plan 2020 - 2025	John Galvin
	Arrears (as at Sept Quarter day) - Half yearly report.	IPG Director
	Business Plan – 2 <sup>nd</sup> Quarter Progress.	John Galvin
	City Surveyor's Department Risk Register – 2nd Quarter Progress.	Faith Bowman
	Climate Action Strategy Update report	Simi Shah
<b>DECEMBER 2021</b>	<b>NO COMMITTEE</b>	
<b>JANUARY 2022</b>	Void (as at 1 Dec) – Half yearly report.	IPG Director
	6 Monthly Revenue Report	Jonathan Cooper
	City's Estate Annual Update.	Tom Leathart
	Strategic Property Estate Annual Update.	Neil Robbie
	Write Off Report	A. Cusack/C. Lawson
	Delegated Authorities – Decisions as at 31 <sup>st</sup> December	IPG Director
	Rent Review/Lease Renewals report as at December Quarter Day.	IPG Assistant Directors
	City Fund Annual Update.	Andrew Cross
	Bridge House Estates Annual Update.	Neil Robbie
<b>FEBRUARY 2022</b>	<b>NO COMMITTEE</b>	
<b>MARCH 2022</b>	Business Plan 3 <sup>rd</sup> Quarter Progress.	John Galvin
	City Surveyor's Department Risk Register – 3rd Quarter Progress.	Faith Bowman
	Rental Forecasts Quarterly Report.(December)	IPG Assistant Directors
	Write Off Report	A. Cusack/C. Lawson
	3 Yearly Report: Performance Metrics Annual Review – due Feb 2023	John James/IPG AD's
	Climate Action Strategy Update report	Simi Shah
<b>APRIL 2022</b>	<b>NO COMMITTEE – RECESS</b>	

5. Over the course of the year, the Property Investment Board will report to the Investment Committee, as follows:

#### **January Meeting**

The Investment Committee will receive a report from the Property Investment Board on its review of various property strategies:-

City Fund Estate  
City's Estate  
Bridge House Estate

#### **Each meeting**

In addition to the above, the minutes of the latest Property Investment Board meetings will be submitted to the Investment Committee for information.

#### **Co-option arrangements**

6. The Property Investment Board and Financial Investment Board are empowered to co-opt people with relevant expertise or experience, including non-Members of the Court of Common Council, to assist in their deliberations. The protocol concerning the co-option arrangements for each Board is attached at Appendix A.

#### **Appointments to other Committees**

##### Corporate Asset Sub Committee

7. The Property Investment Board is asked to appoint three Members to the Corporate Asset Sub-Committee of the Finance Committee. For 2020-21 the three Members appointed were Alderman Alison Gowman, Sheriff Christopher Hayward and Shravan Joshi.
8. The Corporate Asset Sub Committee is responsible for reviewing the performance and adequacy of all the operational property assets of the City Corporation. It is also responsible for reviewing the overall annual programme of work for repairs and maintenance, the utilisation of resources and for ensuring that a summary list of proposed schemes is submitted annually to the joint meeting of the Resource Allocation Sub-Committee and the Efficiency and Performance Sub-Committee as part of the resource allocation process. It now has additional responsibilities including the asset and facilities management of Guildhall, Mansion House and the Central Criminal Court and has power to act in approving the Corporate Asset Management Plan. In accordance with Standing Orders 56 and 57, the sub Committee can make disposals of properties which are not suitable to be retained as investment property assets
9. The Corporate Asset Sub Committee is scheduled to meet on:
  - 30 Sep 2021 1.45 pm
  - 27 Jul 2021 1.45 pm
  - 22 Jun 2021 9.00 am
10. If these vacancies are not filled at today's meeting, they will be advertised to full Court.

#### **Appendices**

- A) Protocol for co-option to the Property Investment Board
- B) Property Investment Board meeting dates 2021-22

Contact

Richard Holt

Town Clerk's Department

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## **Protocol for co-option to the Financial Investment Board and the Property Investment Board**

1. The Financial Investment Board and the Property Investment Board are empowered to co-opt people with relevant expertise or experience, including non-Members of the Court of Common Council, to assist in their deliberations.
2. The arrangements for co-option and the co-opted membership of individuals to the Financial Investment Board and the Property Investment Board will be reviewed on an annual basis at the May meeting of the Investment Committee (and thereafter at the first meetings of the respective Boards).
3. Whilst being conscious of expertise and any required skill sets, Members should consider the gender (sex) and ethnic mix of the relevant Board when proposing co-options, and should seek to introduce new and talented people, from diverse backgrounds, who could make a contribution to the work of the Boards.
4. Members of the Court of Common Council can be co-opted to the Financial Investment Board or the Property Investment Board by agreement of the relevant Board, following proposal of the co-option at a meeting of the Board.
5. When suggesting external individuals with relevant expertise or experience for co-option, Members of the Financial Investment Board or the Property Investment Board will be required to:-
  - a. send a written request for co-option to the Town Clerk, specifying whom it is proposed should be co-opted to either the Financial Investment Board or the Property Investment Board and the reasons for their co-option;
  - b. send a CV or supporting statement, for the individual being suggested for co-option, to the Town Clerk. Bearing in mind the Board's terms of reference, the letter and supporting statement or CV should demonstrate the individual's relevant skills and experience.
6. For the Standards Committee, is it considered inappropriate for past Members of the Court of Common Council or former City Corporation employees to be eligible to serve as [independent] outside members and Members will need to consider if the same conditions should apply in respect of co-option to the Financial Investment Board or the Property Investment Board. It would be inappropriate for a close friend or relative of any Member or officer to serve or indeed an employee of any organisation of which the City Corporation is a client.
7. The Town Clerk will consult the relevant Chief Officer to discuss the co-option request and will, if necessary, prepare a report for the next meeting of the respective Board. Members of the respective Board will then be asked to consider the co-option request.
8. Unless co-option is time-banded or topic/project restricted, co-opted Members of the Financial Investment or the Property Investment Board will be entitled to attend all meetings of the respective Board for a maximum of 12 months (prior to the annual review in May) and to receive all committee-related documentation, including exempt papers, unless otherwise determined by the Town Clerk in consultation with the relevant Chief Officer.

9. The Financial Investment Board and the Property Investment Board are empowered to approve their own co-opted membership (majority vote) without prior consultation with, or agreement by, the Investment Committee. The Town Clerk will inform the Chairman and Deputy Chairman of the Committee once a Board has agreed co-option of an individual.

10. Co-opted Members would not have voting rights.

11. Co-opted Members of the Financial Investment Board or the Property Investment Board will be required to complete a Register of Interest form and declare personal and prejudicial interests when in attendance at meetings.



**Meeting dates for the Property Investment Board – 2021/22**

Meeting	Time
July 16 <sup>th</sup>	11:00am
September 17 <sup>th</sup>	11:00am
November 26 <sup>th</sup>	11:00am
January 21 <sup>st</sup> 2022	11:00am
March 18 <sup>th</sup> 2022	11:00am
May 13 <sup>th</sup> 2022	10:00am
July 29 <sup>th</sup> 2022	11:00am
September 23 <sup>rd</sup> 2022	11:00am
November 11 <sup>th</sup> 2022	11:00am
December 2 <sup>nd</sup> 2022	11:00am

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<b>Committee(s)</b>	<b>Dated:</b>
Property Investment Board (PIB)	26th May 2021
<b>Subject:</b> Year 1 plan for Climate Action	<b>Public</b>
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 5, 7, 10, 11, 12
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>If so, how much?</b>	<b>NA</b>
<b>What is the source of Funding?</b>	<b>As approved under CAS for Y1 approved by Policy and Resources on 8 April 2021</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>Yes</b>
<b>Report of:</b> Paul Wilkinson, City Surveyor Damian Nussbaum, Executive Director, Innovation & Growth	<b>For Decision</b>

## Summary

This paper sets out the implementation plan for the areas accountable to PIB during Year 1 of the Climate Action Strategy (CAS) programme. It provides Members with an overview of the activity and outcomes proposed within the following delivery areas:

- Design Standards
- Resilience in Buildings
- Net Zero in Investment Property Group

## Recommendations

The Property Investment Board is recommended to:

- Approve the Year 1 (Y1) Implementation plans for the areas accountable to PIB as found in Appendices 1-3.
- Note the Y1 composite budget envelope and programme has been approved by Policy and Resources Committee on 8<sup>th</sup> April 2021.
- Recommend to the Bridge House Estates (BHE) Board, in discharge of functions for the City Corporation as Trustee of Bridge House Estates (Charity no. 10345628) and solely in the charity's best interests to approve the Y1 implementation plans for the delivery of CAS outcomes under the areas accountable to the Bridge House Estates Board as included in the Y1 Implementation Plan in Appendices 1-3. Bridge House Estates Board also recommended to make a 23% contribution (£370k) to the mobilisation needs of the

Y1 budgets as BHE is 23% of the floor space. This amounts to the following for 2021-22:

- a. £370k for the mobilisation costs of the Y1 IPG Net Zero Plan (23% as BHE 23% of floor space)
  - b. £46k for the Y1 Design Standards Plan (5%)
  - c. £15k for the mobilisation costs of the Y1 Resilient Buildings Plan (5%)
- iv. Note that any site level capital investment decisions arising from the Y1 programme of work to be taken separately for all portfolios, including BHE, following the mobilisation activities. BHE contributions to capital opportunities to be decided on a site level basis.

## **Background and context**

1. In January 2020 the City of London Corporation set out on a fast-paced, cross-corporation journey to develop an ambitious Climate Action Strategy. At that point, the Corporation needed to assess the carbon footprint across both its own varied holdings, and across the Square Mile - as well as develop a plan to achieve Net Zero.
2. An in-depth organisational and Square Mile carbon foot-printing assessment to create our pathway was undertaken. Alongside this, we conducted an analysis of the climate resilience in the Square Mile across buildings, public realm and infrastructure. The pathway and analysis formed the basis of the Climate Action Strategy adopted at Court of Common Council on the 8<sup>th</sup> October 2020.
3. The Climate Action Strategy (CAS) marked the start of a new and transformative programme of action. It set out three interlinked primary objectives for the City Corporation and the Square Mile:
  - to support the achievement of net-zero emissions,
  - to build resilience, and
  - to champion sustainable growth.
4. It committed the City Corporation to mitigating the impact of climate change by achieving net-zero emissions for the City Corporation and the Square Mile. It highlighted the need to take preventative steps to protect the City and its assets from the physical and commercial risks from climate change. Fifteen costed project delivery areas have since been consolidated into ten project plans. Upon adoption, it was agreed that a year 1 programme plan would be presented for approval at P&R at the start of the inaugural year as well as the relevant service committees.
5. Based on the year 1 plans, the net zero trajectories have been updated to reflect planned activities and a series of interim targets for the wider programme have also been set. We are still on target to achieve our overall ambitions of being:
  - Net Zero in our own operations by 2027
  - Net Zero in our value chain by 2040
  - Net Zero in the Square Mile by 2040

- Climate resilient in our buildings, public spaces and infrastructure

## **Current position**

6. The composite Y1 programme and accompanying budget envelope was adopted by the Policy and Resources Committee on 8<sup>th</sup> April. Service committees are asked to adopt and oversee the detailed Y1 plans within their areas and confirm the Y1 budgets against these activities. The Y1 plans will also need to be adopted by the new BHE Board although portfolio level investment decisions will need to be governed by fund.
7. The specifications for the asset level survey to carry out a Minimum Energy Efficiency Standards (MEES) boundary analysis and a journey to Carbon Net Zero for directly managed and FRI buildings has been agreed. The specification is currently in the procurement stage and it is envisaged that the surveys will be completed by January 2022, to thereafter identify the opportunities across the Investment Portfolio.
8. The resource plan to supplement the City Surveyors current Energy and Sustainability Team has been created that mirrors the project and delivery plans for the 3 main workstreams (attached) applicable to Investment property. The additional resource is to be outsourced using CAS capital funding. The type of resource expertise has been identified and included in the specification that is being used to procure the appropriate supplier(s).

## **Corporate and strategic implications**

9. Strategic implications: The CAS supports delivery against the following outcomes in the Corporate Plan, 2018-23:
  - Outcome 1: People are safe and feel safe
  - Outcome 5: Businesses are trusted and socially and environmentally responsible
  - Outcome 7: We are a global hub for innovation in financial and professional services, commerce and culture
  - Outcome 10: We inspire enterprise, excellence, creativity and collaboration
  - Outcome 11: We have clean air, land and water and a thriving and sustainable natural environment
  - Outcome 12: Our spaces are secure, resilient and well-maintained.
10. The wider CAS strategy builds upon existing strategies and policies, including: The Responsible Business Strategy 2018-23, the Responsible Investment Policy, the City Procurement Strategy 2020-24, the Local Plan 2015, the draft City Plan 2036, the Transport Strategy 2018-43, the Air Quality Strategy 2015-20, the Climate Mitigation Strategy, the Carbon Descent Plan, the

Transition to a Zero Emission Fleet Policy, the Renewable Electricity Policy & Sourcing Strategy and related campaigns, such as Plastic Free City. It is aligned to ongoing reviews of our financial and property investment portfolio.

11. Resource Implications – There are no new resource implications beyond what was approved by Court on 8<sup>th</sup> October 2020. The overall budget envelope for Y1 has been confirmed by Policy and Resources on 8<sup>th</sup> April 2021. This report asks PIB and subsequently BHE Board to confirm the detail of the activities against that budget.
12. Risk Implications – To manage risk effectively in the programme, all projects have a risk register and the overall risks are controlled through a corporation level risk CR30 – Climate Action Strategy.
13. Equalities Implications – A Test of Relevance was undertaken on the Climate Action Strategy and several positive impacts were identified for people in at least one of the following five protected groups - age, disability, race, pregnancy/maternity and gender. No negative impacts were identified. Potential equalities impacts will be investigated and assessed on an ongoing basis.
14. No new legal, security, climate implications arise from the recommendations in this report.

## **Conclusion**

15. In Year 1 of the Climate Action programme, we will make tangible carbon emission reductions across the Square Mile and within our own operations. We will do this through both energy reductions in our buildings and carbon removals on our open spaces. We will roll out an exciting programme of activities across all 10 of the workstreams to meet our Net Zero and Resilience goals. We will also focus on deepening our skills and expertise to build a strong foundational base for the life of the Strategy. Crucially, we will create an enabling environment to support delivery departments with focus on performance, reporting and improving our data quality, stakeholder engagement, integrating CAS into the wider organisation, and strong financial and risk management.



City of London Corporation

# Climate Action Strategy

## NZ3 – Capital Projects (Design Standards)

### Project Plan

Version 1.2

Date: 10.05.2021

Author: Mark Phelpstead (AECOM)  
Approval: Paul Wilkinson / Damian Nussbaum

## Contents

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## Project Introduction

In support of the Climate Action Strategy (CAS), commencing implementation from April 2021, this Project Plan details how action will be accelerated to ensure all future capital projects (refurbishments and new build) meet the highest commercially viable standards for sustainable and low carbon design, incorporating whole life cycle cost and carbon analysis and modern methods of construction, whilst accommodating for the unique and historic characteristics of the City of London assets and heritage and future resilience needs.

This will support achievement of the following net zero vision and goals:

### NET ZERO VISION:

- The City Corporation is responsible for some of Central London's most historic, landmark buildings. The net zero future will prepare them for the next one hundred years, reducing emissions and costs, while improving occupant comfort and productivity.
- A future where all construction materials have a second life and innovation and best practices drive the adoption of low-impact materials and design efficiencies. Where all organisations are competing to rent the lowest carbon and circular buildings and where empty existing buildings are immediately re-purposed.

### NET ZERO GOALS:

- City of London Corporation scope 1 and 2 emissions are net zero by 2027 and scope 3 emissions are net zero by 2040.
- Climate resilience in our buildings.

## Introduction

Modelling completed by Arup in August 2020 identified the 2018 baseline Scope 1 and 2 emissions (GHG Protocol operational control) as 36.4 ktCO<sub>2</sub>e. In order to achieve net zero by 2027, emissions need to reduce to at least 16.0 ktCO<sub>2</sub>e (a 55% reduction), at which point residual emissions will be sequestered by planned natural capital projects.

Existing planned projects, building stock changes and decarbonisation of the UK grid presented in the Arup model predicted that Scope 1 and 2 emissions will reach 14.7 ktCO<sub>2</sub>e by the end of financial year 2026/27.

A fundamental assumption of this is that planned lifecycle works and modelled stock changes support this trajectory. Therefore, the implementation of robust design standards across both the Corporate and Investment Property Groups will be an essential mechanism to ensure that any works support the achievement of CAS targets, mitigate any risks of underperformance and embed net zero behaviours when delivering new buildings, planned refurbishments and/or replacing plant and systems at end of life. This is particularly important for both the markets consolidation programme, which is planned in 2026 and assumes a new build energy reduction of 50% from existing levels, and the Fleet Street estate programme which is planned in 2025 and is expected to perform as per [LETI Guidance for Commercial offices](#).

Design standards that take into account net zero aspirations will also ensure that any works completed in the short term will actively support the achievement of net zero by 2040, mitigating the need to go back to assets at a later date to complete additional retrofit activities. This is timely as both the new Part L of the Building Regulations (expected at the end of 2021) and the new London Plan will require review and update of design standards in the short term. In addition, new net zero standards will support the integration of whole life cycle carbon and cost analysis, low-impact materials and circular economy principles in to the day-to-day activities of the Corporation.

Furthermore, the implementation of this Action Area has strong links with the CAS resilience workstreams helping to anticipate, prepare for and respond to hazardous events, trends and disturbances related to climate change. Robust design standards will provide the opportunity to embed resilience measures into upgrade plans, again mitigating the need to go back to assets at a later date to complete additional retrofit activities.

It is important to note that the standards alone are no guarantee of quality and their implementation. Therefore, they must be underpinned by robust long-term management helping to safeguard that the best design intentions are delivered on the ground.

Against this background, this Project Plan identifies Tasks that have been developed to address the following three aims:

- **Deliverable** – tasks can be completed within the identified timescales;
- **Affordable** – projects can be accommodated within the Corporation's current and future budget constraints; and
- **Impactful** – actions make expected carbon reductions towards both the 2027 and 2040 targets.

To achieve these aims the following high-level actions will be implemented, and these are split into individual Tasks in Table 1.

#### **Year 1-2**

- Onboarding of resources to deliver Tasks;
- Whole life cycle emissions footprint and cost analysis;
- Development of Net Zero Technology Standards;
- Development of Net Zero Design Standards;
- Development of soft landings/ post occupancy approach;
- Coordinate with Buildings Resilience Action Area.

#### **Year 2+**

- Circular construction / low-embodied emissions pathfinder project;
- Ongoing update of design standards;
- Ongoing embedding, management and training.

#### **How to use this document**

This document outlines the costs, benefits and overall approach to reducing emissions through new net zero and resilience design standards to support delivery of the Climate Action Strategy. It is to be used as a baseline against which to monitor progress. It will be kept as a live document and will be updated periodically subject to the Change Control Procedure.

## Project Objectives

The Project Objectives for this Project Plan are:

- Develop new net zero technology and design standards;
- Embed use of whole life cycle carbon and cost analysis;
- Embed consideration of low-impact materials and circular economy principles;
- Evaluate commercial viability on a live project.

The table below details the key Tasks that will be completed to achieve the Project Aims. Further detail on each Task can be found in Appendix 1. The focus of the 2021/22 plan will be to mobilise and develop new standards in the short term that, when successfully embedded into ways of working, will support achievement of longer term targets. This will be measured as per the KPIs as identified in Table 6.

It is vital that these Tasks interface with outcomes from the resilience and supplementary planning guidance Action Areas. This will make sure synergies to improve energy efficiency and reduce carbon are consistent with the outcomes from these CAS activities. The role of the Sustainability Director (detailed below) will be to co-ordinate across Action Areas to facilitate this.

Table 1 - Tasks and project objectives

Theme	Ref.	Task	Rationale	Outcome	Key Actions in 21/22	Team Lead	Lead support
<b>Whole life analysis</b>	1	Whole life cycle emissions footprint and cost analysis	<ul style="list-style-type: none"> <li>• Address the (incorrect) perception that current standards are sufficient to achieve net zero.</li> <li>• Identify gaps where action should be targeted.</li> <li>• Enabling task for input into future workstream.</li> </ul>	Assessment of how current Coporation standards support net zero. Assessment of cost and carbon impact of potential interventions on capital projects. Toolkit for training purposes.	<ul style="list-style-type: none"> <li>• Procurement of consultancy support.</li> <li>• Review and assessment of existing standards.</li> <li>• Gap analysis for achieving net zero to inform proposed guidelines.</li> <li>• Life cycle emissions and cost analysis.</li> <li>• Produce toolkit for training.</li> </ul>	Property Project Director	Sustainable Design Expertise
<b>Net Zero Technology Standards</b>	2a	Development of Net Zero Technology Standards	<ul style="list-style-type: none"> <li>• Planned refurbishments and/or replacing plant and systems at end of life need to positively contribute to net zero carbon without the need for retrofit at a later date.</li> <li>• Whole life cycle carbon emissions and cost need to be incorporated into corporate policies and procedures.</li> </ul>	Suite of technical specifications for main technologies during refurbishment.  Integration of standards into minor works specifications and processes.	<ul style="list-style-type: none"> <li>• Procurement of consultancy support.</li> <li>• Generate suite of technical specifications for main technology areas e.g. lighting, heating systems, air conditioning and refrigerant gas (moving away from like-for-like replacements).</li> <li>• Address any gaps as identified by Task 1.</li> </ul>	Property Project Director	Sustainable Design Expertise

Theme	Ref.	Task	Rationale	Outcome	Key Actions in 21/22	Team Lead	Lead support
<b>Net Zero Design Standards</b>	2b	Development of Net Zero Design Standards for new developments and major refurbishments.	<ul style="list-style-type: none"> <li>New builds need to be net zero ready.</li> <li>Planned stock changes need to perform as per Arup model to contribute to net zero targets.</li> <li>Whole life cycle carbon emissions and cost need to be incorporated into corporate policies and procedures.</li> </ul>	Suite of design standards for new developments including low-impact materials and design efficiencies	<ul style="list-style-type: none"> <li>Procurement of consultancy support.</li> <li>Assess the cost and carbon impact of potential interventions in new developments.</li> <li>Assess and quantify low-impact materials specifications.</li> <li>Generate a suite of standards to which new developments can be designed, constructed and operated to. This includes whole life cycle emissions, sustainable and circular economy principles and low-impact material specifications.</li> <li>Provision of a toolkit for training purposes.</li> </ul>	Property Project Director	Sustainable Design Expertise
<b>Performance of new design standards</b>	2c	Assess performance of new design standards	<ul style="list-style-type: none"> <li>Assure any new capital works design standards, material specifications and operational implications work in the current commercial marketplace.</li> <li>Assurance that standards are up to date and fit for purpose.</li> </ul>	Assurance that design standards are performing as expected.	<ul style="list-style-type: none"> <li>Assess performance of new design standards to ensure they are performing as expected on live projects.</li> <li>Checking of compliance with standards and enforcing them where needed.</li> </ul>	Property Project Director	Sustainable Design Expertise
<b>Soft landings/ post occupancy evaluation</b>	3	Develop approach to soft landings and post occupancy review	<ul style="list-style-type: none"> <li>Designs need to operate as intended.</li> </ul>	Approach to soft landings and post occupancy review developed.	<ul style="list-style-type: none"> <li><i>Planned for 22/23 as requires input from other Tasks – see Project Schedule. If the opportunity to incorporate this in to a live project arises beforehand, the options to bring this Task forward will be explored.</i></li> </ul>	Operations Group Director	Sustainable Design Expertise

Theme	Ref.	Task	Rationale	Outcome	Key Actions in 21/22	Team Lead	Lead support
<b>Pathfinder project</b>	4	Circular construction / low-embodied emissions pathfinder project	<ul style="list-style-type: none"> <li>• Testing the outputs of the previous Tasks.</li> <li>• Gathering lessons learnt.</li> <li>• Feedback loop to inform future design standards.</li> <li>• Tackling the refurbishment of a “hard to treat” building.</li> </ul>	Refurbishment of a historic building utilising best practise, low carbon interventions.	<ul style="list-style-type: none"> <li>• <i>Planned for commencement in year 22/23 as dependent on other workstreams – see Project Schedule</i></li> </ul>	Property Project Director	Sustainable Design Expertise
<b>Staff resource</b>	5	Appoint specialist resource	<ul style="list-style-type: none"> <li>• Activities identified above will need to be managed.</li> <li>• Design standards will need ongoing management, updating and embedding.</li> <li>• Design standards will need to link with resilience workstreams.</li> </ul>	Resourcing of Sustainable Design Specialist.	<ul style="list-style-type: none"> <li>• Resourcing of Sustainable Design Specialist.</li> </ul>	Property Project Director	Sustainable Design Expertise

### Team structure

The Teams involved in the delivery of this Project Plan are shown in Figure 1. How this integrates within the wider Buildings Centre of Excellence is explained in more detail in the Delivery Approach Section.

*How additional resources are managed within the City Surveyors Department is shown in*

Figure 2.

The colour coding is as follows:

- Yellow boxes indicate areas of current activity that support the CAS;
- Green boxes show those additional activities required by this Plan that will be unlocked through additional resources;
- The grey boxes indicate additional staff resources either through outsourced team members (e.g. secondments) or third party flexible resource to be employed according to delivery need. As indicated by the legend this is not necessarily permanent employees.

This structure identifies the role of a Sustainable Design Specialist. Working across departments, the role will initially be to lead and manage development of new design standards. This will then switch to focus on and championing sustainable design in new builds and embedding standards within the processes of the Operational Group. To successfully achieve these outcomes, it is important that there is organisational reach back to a wider pool of specialisms e.g. architecture, BREEAM, circular economy, embodied carbon, soft landings, MEP, structural, sustainable materials, etc. to encompass the breadth of expertise required for this action area. Therefore, the procurement approach for this role should reflect that this role may not be a specific individual but could be an organisation (or combination of the two).

The Team Structure has been developed to focus on the Year 1 and 2 priorities of completing whole life cycle emissions footprint and cost analysis, developing new design standards and development of an approach to soft landings/ post occupancy evaluation. This will likely change as the programme progresses depending on service outcomes. For example, the role of the Sustainable Design Specialist will change from the development of new standards to their management and embedding over time. To make sure that the Team Structure remains fit for purpose, the Senior Responsible Officers and Buildings Chief Officer Group will review and manage resource requirements instilling a flexible approach that allows the market to innovate and deliver the Corporation's requirements efficiently.

Figure 1 – Delivery Teams - NZ3 – Capital Projects (Design Standards)

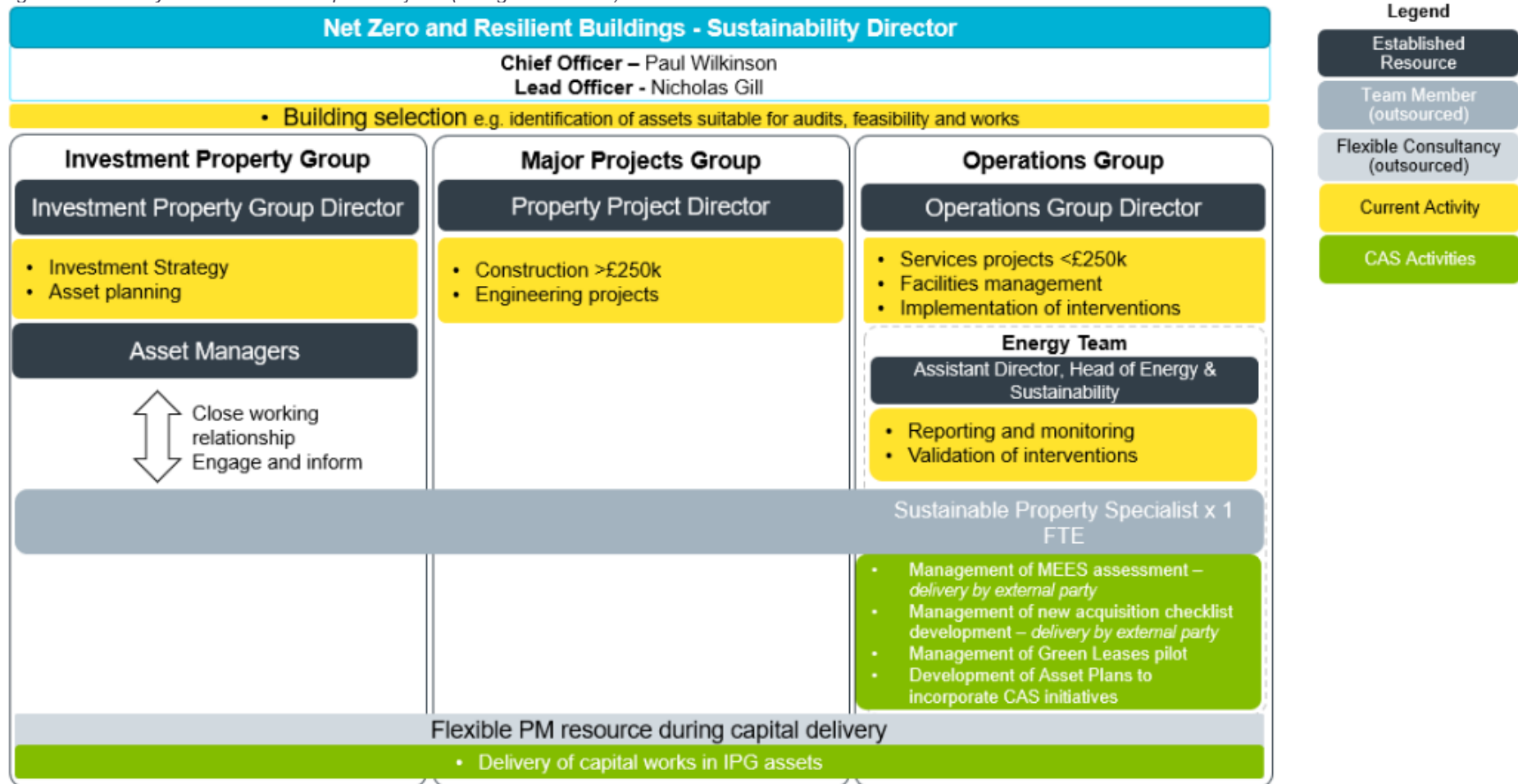
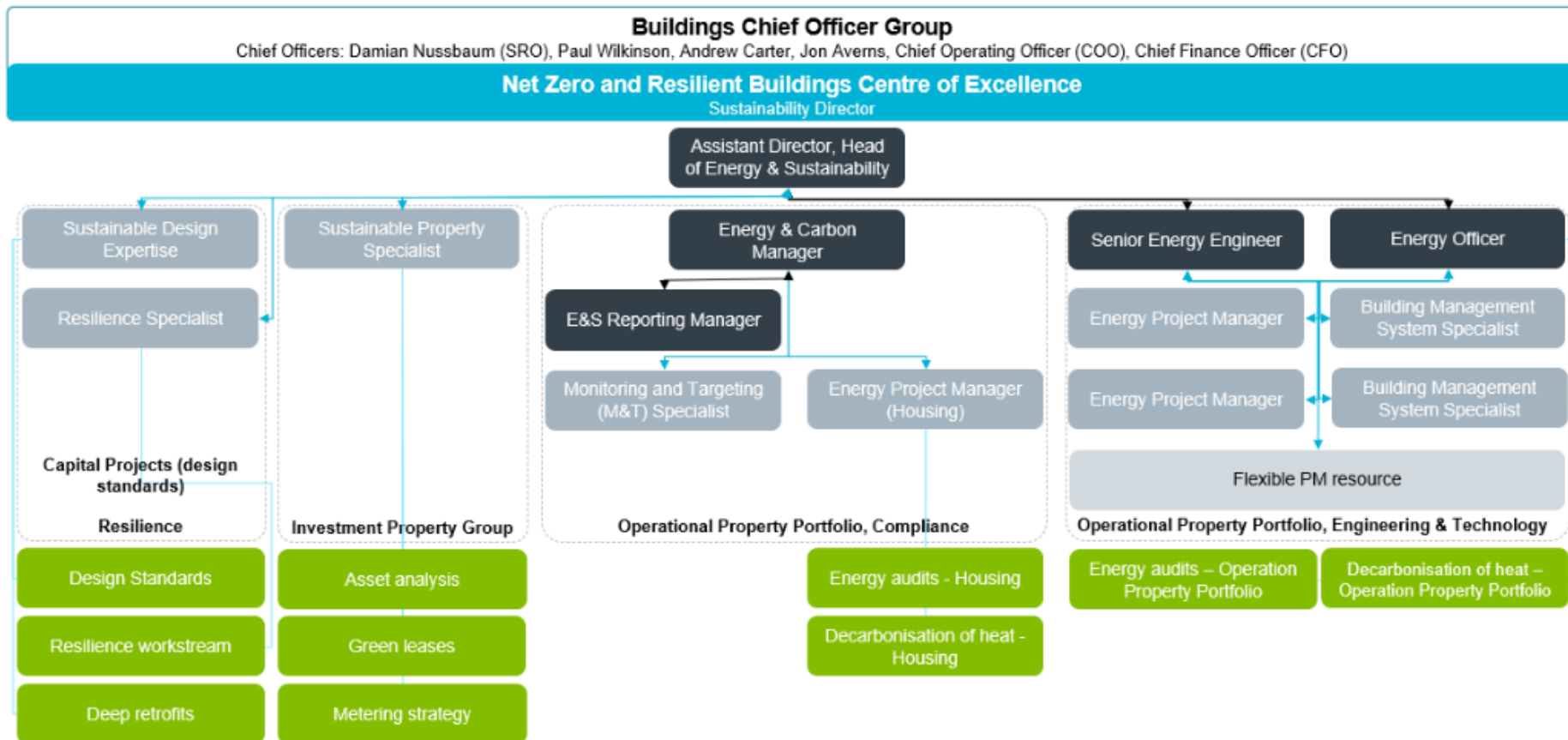




Figure 2 - Team structure - Capital Projects (Design Standards)



## Project Schedule & Gantt Chart

The attached Project Schedule has been developed to accelerate and optimised delivery from the 1st April 2021.

Delivery Plan (Gantt chart)				FY 21/22				FY 22/23				FY 23/24				FY 24/25			
Task Number	Task Detail	Responsible	Completion (%)	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar
<b>Net Zero and Resilient Buildings Centre of Excellence</b>																			
CoE-1	Establishment of Net Zero and Resilient Buildings Centre of Excellence	Director of Innovation & Growth, City Surveyor	0%																
CoE-2	Establish energy targets and intensity metrics where data gaps	Director of Innovation & Growth, City Surveyor	0%																
<b>NZ3 – Capital Projects (Design Standards)</b>																			
DS-1	Review of existing Design Standards to assess how they address net zero objectives and identify any gaps	Property Project Director	0%																
DS-2a	Development of Net Zero Technology Standards	Property Project Director	0%																
DS-2b	Development of Net Zero Design Standards for new developments and major refurbishments.	Property Project Director	0%																
DS-2c	Assess performance of new design standards	Property Project Director	0%																
DS-3	Develop approach to soft landings and post occupancy review	Operations Group Director	0%																
DS-4	Circular construction / low-embodied emissions pathfinder project	Property Project Director	0%																
DS-5	Appoint specialist resource	Property Project Director	0%																

## Project Business Case

### Project costs

Total project costs of £1.4 million have been identified in the Project Initiation Document by the Climate Action Strategy Team. The costs for individual tasks have been ascertained by the Energy Team. These costs include resource time which is to be capitalised and therefore come out of this budget. It is assumed that funding will be available to support workstreams to be mobilised in line with the Project Schedule.

As Table 2 demonstrates, project costs are made up of capitalised resource time with an initial period of focused project consultancy in Year 1 to establish the new standards. This will be supported by additional resource, to manage, embed and safeguard the standards, ensuring design intentions are delivered on the ground (see Team Structure above).

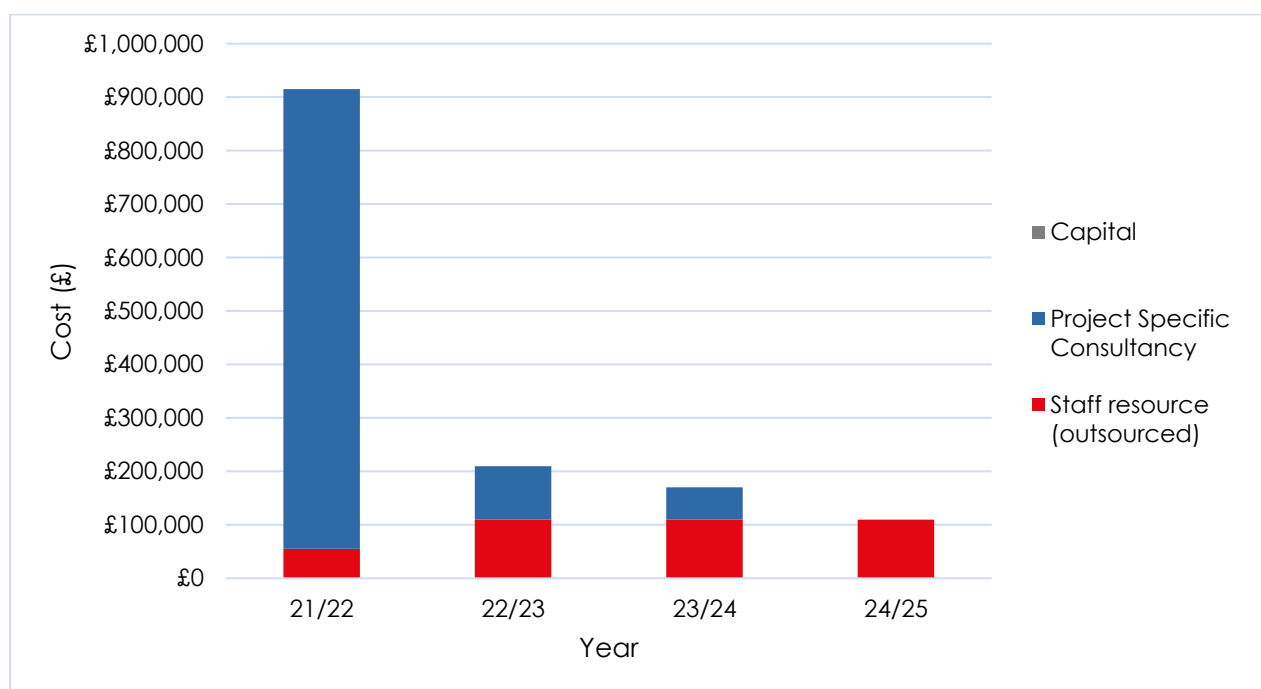
Budget has been identified in 2023/24 to allow for the update of the design standards in response to new industry guidance where required and to incorporate feedback for assessing the standards in operation, including the pathfinder project.

Existing Project Initiation Document assumes £400,000 for sustainable design standards (new build and refurb), and £300,000 for low-impact material specifications. This has been spread evenly across both Tasks 2a and 2b.

Table 2 – Costs by Task

Tasks	Category	Costs per year (£k/annum)			
		21/22	22/23	23/24	24/25
1 - Whole life cycle emissions footprint and cost analysis	<i>Project specific consultancy</i>	£160	-	-	-
2a - Development of Net Zero Technology Standards	<i>Project specific consultancy</i>	£350	-	£30	-
2b - Development of Net Zero Design Standards for new developments and major refurbishments	<i>Project specific consultancy</i>	£350	-	£30	-
2c - Assess performance of new design standards	<i>Staff resource (outsourced)</i>	<i>Outsourced resource as identified in Task 5</i>			
3 - Develop approach to soft landings and post occupancy review	<i>Project specific consultancy</i>	-	£100	-	-
4 - Circular construction / low-embodied emissions pathfinder project	<i>Capital</i>	-	<i>Capital funding dependent</i>		
5 - Sustainable Design Specialist	<i>Staff resource (outsourced)</i>	£55	£110	£110	£110
Total	<b>Project specific consultancy</b>	<b>£860</b>	<b>£100</b>	<b>£60</b>	<b>-</b>
	<b>Staff resource (outsourced)</b>	<b>£55</b>	<b>£110</b>	<b>£110</b>	<b>£110</b>
	<b>Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>£915</b>	<b>£210</b>	<b>£170</b>	<b>£110</b>

Figure 3 - Costs breakdown by Category<sup>1</sup>



<sup>1</sup> Project Specific Consultancy refers to a discrete pieces of outsourced consultancy work with a predetermined scope and defined start and end dates linked to appropriate Tasks as identified in Appendix 1.

## Project Benefits

There are a number of quantitative benefits that will be achieved from this Project Plan. These will be measured and reported as per the KPIs in Table 6.

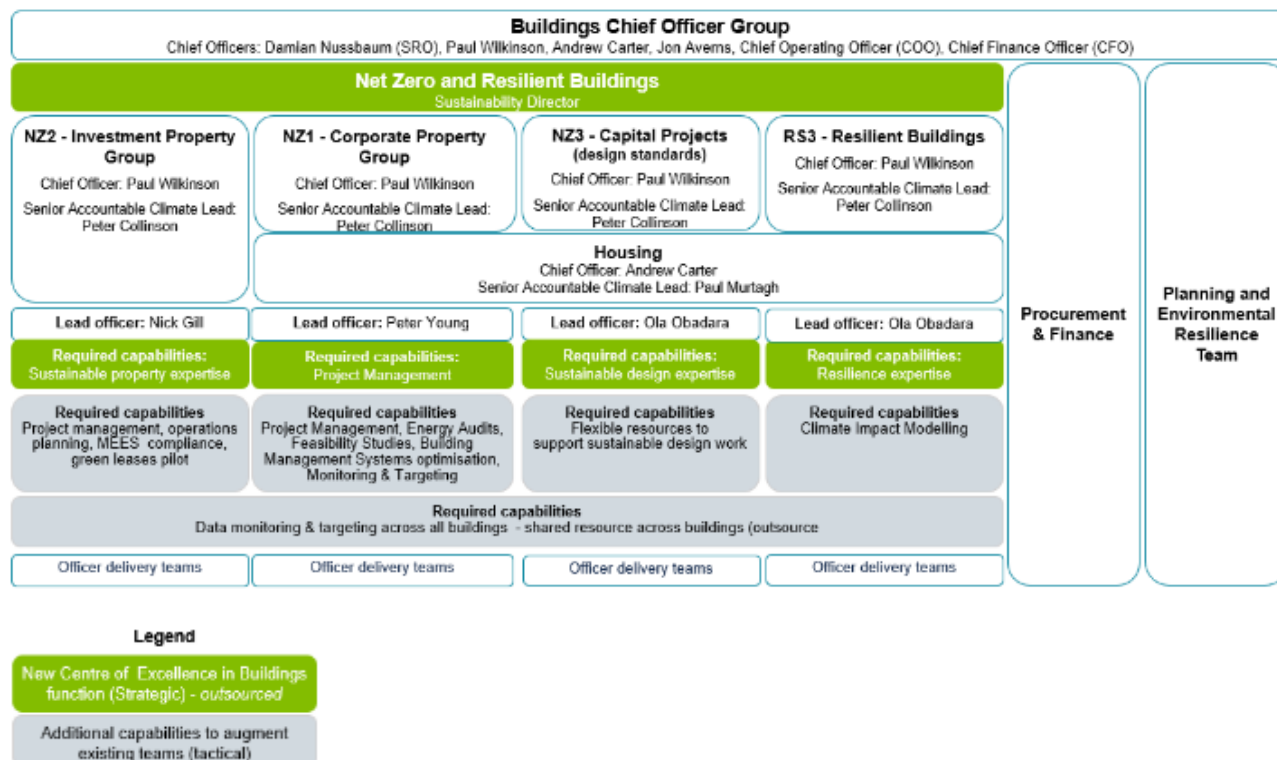
- Reduced operational energy consumption and associated carbon emissions and costs;
- Reduced levels of embodied carbon in materials;
- Increased uptake of low impact materials;
- Design out of waste;
- Recycling and reuse of products and materials;
- Improved occupant comfort;
- Improved resilience to climate events;
- Reducing cost of compliance with London Plan, emerging Part L and BREEAM (or other environmental assessment schemes) requirements;
- Greater co-ordination and collaboration between operational and capital projects teams of the Corporation, reducing the maintenance and management burden on FM teams.

Potential additional, non-quantifiable savings will also include:

- Improved commissioning and operational performance;
- Understanding and positioning for innovative and emerging technologies;
- Improved occupant comfort and internal environment;
- Future proofing of projects, avoiding the need to complete additional works at a later date;
- Support delivery of the RS1 – Resilient buildings to achieve a climate ready City Corporation avoiding disruption to services from climate risks and preparing the Square Mile to adapt to future climate projections.
- Support the Corporation's aspiration to sign up to the C40 Clean Construction declaration. This declaration acts as a commitment to reduce embodied carbon emissions by at least 50% for all new buildings and major retrofits by 2030.

## Delivery Approach

Figure 4 - Net Zero and Resilience Buildings Centre of Excellence, Delivery Model



To drive and direct leadership, best practice, research, support and training to all areas of building decarbonisation and resilience work to deliver the CAS, a Net Zero and Resilient Buildings Centre of Excellence will be established. This will sit outside of the regular reporting structure to drive strategic level targets into mobilisation and delivery across departments. Through this approach it will provide a view across all Tasks and Project Plans to control and package up service requirements based on the outputs of feasibility studies etc. maximising value from the market based on clear desired outcomes and a programme level view.

Its role will include concentrating knowledge from across all activity areas to attain and sustain high performance and value, capture lessons learnt and provide a feedback loop for continuous improvement.

The benefits of this approach will be:

- Member-buy in and confidence;
- Limiting “single points of failure”;
- Development of a cross-discipline team;
- Share resources and learning across workstreams;
- Ability to flex staff resource to meet need;
- Ability to draw in a wide range of expertise and experience from the private sector.

### Net Zero and Resilient Buildings Sustainability Director

To manage and lead the Net Zero and Resilience Buildings Centre of Excellence, a Sustainability Director will be resourced. This will allow the Corporation to utilise the third party expertise of someone with extensive experience of delivering large, complex programmes across net zero, resilience and energy in buildings to drive delivery across the four buildings workstreams.

Their role will comprise:

- Managing and leading the Net Zero and Resilience Buildings Centre of Excellence;
- Reporting progress to CAS Senior Responsible Officers;
- Coordinating and identifying synergies between workstreams;
- Aligning strategy and policy with delivery;
- Managing the transition from project definition to mobilisation and implementation;
- Facilitating reach back to private sector expertise and best practice.

### Delivery model

The delivery model for the Net Zero and Resilient Buildings Centre of Excellence is illustrated in **Error! Reference source not found..** This shows how all four workstreams across the buildings Action Areas will come together, identifies the key officers and illustrates the role of additional resource capabilities to support existing teams.

For this Project Plan the key resources are:

- Net Zero and Resilient Buildings Centre of Excellence Sustainability Director
- Chief Officer – Paul Wilkinson
- Senior Accountable Climate Lead – Peter Collison
- Lead Officer – Ola Obadara

The team structure for the Capital Projects (Design Standards) Action Area is detailed above.

### Approach to staff resourcing

The diagram above shows how the proposed Net Zero and Resilient Buildings Centre of Excellence Sustainability Director would relate to the four workstreams, including this one.

Whilst this plan identifies staff resource requirements, it is not expected that this will be delivered through new internal hires. This will be delivered through project specific consultancy, outsourced staff and/or flexible project management resources allowing the Corporation to drive value from the supply chain through competitiveness, contractual measures to secure outcomes, flexibility, reach back support and market innovation. This will also inform plans under the current Target Operating Model. This is particularly relevant to the resourcing of a Sustainable Design Specialist where this may not be a specific individual but could be an organisation (or combination of the two).

At present, staff resourcing has been developed to address the initial need to complete climate impact modelling and develop a buildings Resilience Action Plan. As the CAS progresses (informed by Year 1) a key review point will be to evaluate resourcing requirements as this may change depending on service outcomes. This review will be managed and guided by the Senior Responsible Officers and the Buildings Chief Officer Group.

## Risk Management

Table 3 illustrates the key risks identified for this Project Plan. It is recognised that some of these will be universal across the four building Action Areas. Therefore, it is important that mitigations and solutions are matched up to ensure they are addressed at the programme level.

It is expected that the role of the Sustainability Director will be to manage these risks across the four Action Areas so that comparative risk analysis can be completed, risks can be stress tested to quantify their impact on meeting carbon targets and mitigations aligned to ensure a holistic approach.

Table 3 - Risk Management, RAID analysis

Ref:	Description	Type	Criticality	Proposed mitigation
R-1	Delays in Governance and sign off result in carbon savings being realised later than planned.	Risk	Critical	<ul style="list-style-type: none"> <li>Programme Management Approach to be considered.</li> <li>Stakeholder Engagement approach detailed below.</li> <li>Internal Governance requirements to be mapped for Tasks at mobilisation.</li> <li>Reporting cycles to be mapped for each Task on mobilisation.</li> </ul>
R-2	Planned stock changes, need to perform at least as predicted by the Arup model.	Risk	Critical	<ul style="list-style-type: none"> <li>Ongoing risk management approach to be incorporated in Delivery Approach.</li> <li>Mitigated by implementing Design Standards quickly.</li> </ul>
R-3	Design standards are not successfully embedded and implemented into the Corporation's processes and procedures.	Risk	Critical	<ul style="list-style-type: none"> <li>Dedicated staff resource identified.</li> <li>Stakeholder Engagement approach detailed below.</li> <li>Soft landings and Post Occupancy Evaluation to be employed.</li> </ul>
R-4	Delays during mobilisation mean Design Standards are implemented later than planned.	Risk	High	<ul style="list-style-type: none"> <li>Delivery Approach identified above.</li> <li>Programme Management Approach to be considered.</li> <li>Stakeholder Engagement approach detailed below.</li> </ul>
R-5	Project Teams may be resistant to results of Post Occupancy Evaluation where buildings may not have performed well in operational energy terms or other operational outcomes.	Risk	Medium	<ul style="list-style-type: none"> <li>Stakeholder engagement to create a culture POE results can be openly discussed and acknowledged.</li> </ul>
R-6	The emerging Part L and London Plan may result in activity being completed in parallel or work overtaking this Action Area.	Risk	Medium	<ul style="list-style-type: none"> <li>Project Schedule to be reflective of these updates (where known).</li> <li>Sustainability Lead to work with relevant departments to draw activity together.</li> </ul>
A-1	Lifecycle costs come out of existing budgets; not additional funding as identified in CPG.	Assumption	High	<ul style="list-style-type: none"> <li>Delivery Approach needs to consider how gap funding requirements will be addressed.</li> </ul>
I-1	Benefits aren't quantified at present.	Issue	Medium	<ul style="list-style-type: none"> <li>Staff resource to establish process for benefits quantification.</li> </ul>
D-1	Lifecycle works are completed at sufficient scale and pace to allow the design standards to take effect e.g. assets are not "sweated".	Dependency	High	<ul style="list-style-type: none"> <li>Stakeholder Engagement approach detailed below.</li> <li>Staff resource identified to manage this Project Plan.</li> </ul>



<b>D-2</b>	Lifecycle works up to 2027 will support achievement of the net zero carbon target e.g. life expired system will be replaced with energy efficient/low carbon alternatives.	Dependency	Medium	<ul style="list-style-type: none"> <li>• Mitigated by Design Standards.</li> </ul>
<b>D-3</b>	Dependant tasks must be completed on time. Year 1 tasks must be complete on time to action tasks from year 2 onwards.	Dependency	Medium	<ul style="list-style-type: none"> <li>• Robust Project Schedule developed.</li> <li>• Project Controls in place (see below).</li> <li>• Ensure sufficient staff resource and budget in place to complete Year 1 tasks</li> </ul>

## Stakeholder Engagement

The following table outlines the key stakeholders, how and when we intend to interact with them and what channels will be used.

Table 4- Stakeholder engagement

Category:	Department / Who	Message	Channels	When
<b>Internal Stakeholders - Department</b>	Chamberlains (Financial) Chamberlains (Procurement) City Surveyors (Chief Officer, CPG, PPG, Energy, Resilience, Climate Team, Environmental Resilience Team, CAS Programme Team.) Legal Possibly DBE Building control Development management	Engage, Inform, Consult, Validate	Tried and tested Climate Chats Interviews Team meetings 1:1 meetings	Needs minimum 6 week lead in time before referring to Committee.  Internal liaison through programme and project lifecycles
<b>Internal Stakeholders - Committees</b>	Corporate Project Board Project Sub Committee P&R Committee RASC Court (where complex) Buildings Chief Officer Group Cyclical Works Board Housing Board	Seek Approval	Tried and tested Presentations at regular meetings Committees	Gateways 1, 2, combined 3 & 4 (4b where relevant), 5 and 6
<b>External</b>	Funders	Seek Offers, Inform	Regular partnership meetings Funding opportunities	Concurrent with gateway 4 (RIBA Stage 2, 3, 4, 5 & 6) At required times gateway 2-6
<b>External</b>	Residents Building Users	Engage, Inform, Collaborate	Consultation surveys Interviews Meetings Website Social media	(At required times in RIBA stage 3, 4, 5 and 7) At required times gateways 3-5
<b>External</b>	Building Managers Facilities Managers	Engage, Seek information, Validate, Inform	Consultation 1:1 meetings	(At required times in RIBA stage 2, 3, 4 and 7) At required times gateways 3-6
<b>External</b>	Supply Chains	Engage, Seek information, Inform	Consultation 1:1 meetings Link with CAS project plan for Purchased Goods and Services	RIBA Stage 1, 2, 3, 4, 5, 6 and 7 At required times gateways 2-6
<b>External</b>	External Consultants (design) and Contractors (surveys, design and works)	Engage, Seek Information, Collaborate, Commission	Consultation  Partnership meetings	RIBA Stage 1, 2, 3, 4, 5, 6 and 7 At required times gateways 1-6

<b>External</b>	Major Contractors	Engage, Seek Information, Collaborate, Commission	Consultation	RIBA Stage 4 and 5 At required times gateways 4 and 5
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## Reporting cycle

It is assumed that projects will evolve from the master programme of works. It is envisaged that projects will, in the majority, follow the 'regular' project route but some may fall under the 'complex' route. The table below identifies reporting envisaged along with intended reporting benefits:

Table 5 – Reporting cycle

Category:	When	Benefit Realised
<b>Internal Stakeholders (Internal Departments)</b>	Throughout project lifecycle, Gateways	<ul style="list-style-type: none"> <li>Obtaining advice and feedback.</li> <li>Output monitoring</li> <li>Governance checks</li> </ul>
<b>Internal Stakeholders (Buildings Chief Officer Group (BCOG))</b>	Throughout project lifecycle, Gateways via the Programme Function and progress to KPIs via the CAS Dashboard	<ul style="list-style-type: none"> <li>Commitment 2: To support the creation of a consistent format and content for effective progress reporting at monthly Chief Officer Group and quarterly Committee meetings from 1 April 2021.</li> </ul>
<b>Internal Stakeholders (Relevant Committees)</b>	Gateways 1, 2, combined 3 & 4 (4b where relevant), 5 and 6	<ul style="list-style-type: none"> <li>Tracking and monitoring of project outputs and objectives.</li> <li>Escalation of issue management.</li> <li>Seeking project direction required.</li> <li>Governance checks</li> </ul>
<b>External (Funding)</b>	Concurrent with gateway 4 (RIBA Stage 2, 3, 4, 5 & 6) At required times gateway 2-6	<ul style="list-style-type: none"> <li>Known funding outcomes.</li> <li>Progress reporting against funding elements incl. tracking of progress</li> <li>Lessons learned from other projects or best practice</li> </ul>
<b>External (Residents &amp; Users)</b>	(At required times in RIBA stage 3, 4, and 7) At required times gateways 3-5	<ul style="list-style-type: none"> <li>Keeping all informed and engaged</li> <li>Informing of methodologies and outputs intended – Involving residents and user's ideas</li> <li>Informing of methodologies and outputs intended – Involving residents and users by allowing people to voice their views</li> <li>Informing of methodologies and outputs intended – how people can play their part.</li> <li>Positive reputational image</li> </ul>
<b>External (Building Managers and FM)</b>	(At required times in RIBA stage 2, 3, 4 and 7) At required times gateways 3-6	<ul style="list-style-type: none"> <li>In-depth knowledge sharing</li> <li>Lessons learning – what works and what works less than envisaged</li> <li>Watch Points sharing - Specific building usage / information that could help or hinder projects.</li> </ul>
<b>External (Supply chains)</b>	RIBA Stage 1, 2, 3, 4, 5, 6 and 7. At required times gateways 2-6	<ul style="list-style-type: none"> <li>Gathering market intelligence and information</li> <li>Complying with Statutory consents</li> </ul>
<b>External (Consultants &amp; Contractors)</b>	RIBA Stage 1, 2, 3, 4, 5, 6 and 7 At required times gateways 1-6	<ul style="list-style-type: none"> <li>Obtaining advice.</li> <li>Receiving specialist design knowledge and sharing</li> <li>Specific technological information and expertise</li> <li>Additional resource to assist existing teams</li> </ul>

<b>External (Major contractors)</b>	RIBA Stage 4 and 5 At required times gateways 4 and 5	<ul style="list-style-type: none"> <li>• Obtaining advice.</li> <li>• Receiving specialist design knowledge and sharing</li> <li>• Specific technological information and expertise</li> <li>• Additional resource to assist existing teams</li> </ul>
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## Project Controls

The following Key Performance Indicators (KPIs) will be defined and tracked by this Project in order to judge its overall delivery success. Each will be tracked on a quarterly basis for qualitative (initially) and move toward quantitative progress reporting and will be reported formally in the Annual Report each year starting FY22/23.

### Project-level Key Performance Indicators (KPIs)

The below table sets out the principal KPIs that will track the delivery of the four CAS headline targets listed below. A trajectory and set of milestone target dates are to be developed for each.

1. Net zero by 2027 in the City Corporation's operations
2. Net zero by 2040 across the City Corporation's full value chain
3. Net zero by 2040 in the Square Mile
4. Climate resilience in our buildings, public spaces and infrastructure

Reporting KPIs are intended to be refreshed as part of the annual cycle of baseline re-assessment work beginning in FY22/23. The Management KPIs will be refreshed more regularly and will be reported via the Climate Performance Dashboard to committees from FY21/22.

Table 6 – Reporting KPIs

KPI name	Definition	Relevant CAS target	Regularity of reporting
<b>IPG Scope 3 emissions</b>	<ul style="list-style-type: none"> <li>• Reduction in Scope 3 emissions.</li> </ul>	Net zero by 2040 across the City Corporation's full value chain	IPG Scope 3 emissions
<b>Achievement of net zero technology standards</b>	<ul style="list-style-type: none"> <li>• Percentage of projects achieving net zero technology standards.</li> </ul>	Net zero by 2027 in the City Corporation's operations – Scope 1 and 2	Annually
<b>Post occupancy evaluation</b>	<ul style="list-style-type: none"> <li>• Number of Post Occupancy Evaluations complete</li> </ul>	Net zero by 2027 in the City Corporation's operations – Scope 1 and 2.  Climate resilience in our buildings, public spaces and infrastructure	Annually
<b>Achievement of standards</b>	<ul style="list-style-type: none"> <li>• Percentage of new buildings achieving design standards.</li> </ul>	Net zero by 2027 in the City Corporation's operations – Scope 1 and 2  Climate resilience in our buildings, public spaces and infrastructure	Annually
	<ul style="list-style-type: none"> <li>• Percentage of refurbishments achieving design standards</li> </ul>	Net zero by 2027 in the City Corporation's operations – Scope 1 and 2  Climate resilience in our buildings, public spaces and infrastructure	Annually
	<ul style="list-style-type: none"> <li>• Percentage of minor works projects where technology standards have been applied</li> </ul>	Net zero by 2027 in the City Corporation's operations – Scope 1 and 2	Annually

		Climate resilience in our buildings, public spaces and infrastructure	
<b>Lifetime embodied carbon</b>	<ul style="list-style-type: none"> <li>The total lifetime embodied carbon in new buildings (CO<sub>2</sub>e embodied / m<sup>3</sup>).</li> </ul>	Net zero by 2040 across the City Corporation's full value chain Net zero by 2040 in the Square Mile	Annually
	<ul style="list-style-type: none"> <li>Total lifetime embodied carbon against industry benchmark. Guidance on methodology has been published by GLA (WLC)<sup>2</sup>, LETI<sup>3</sup> and UKGBC<sup>4</sup>. (an appropriate benchmark is to be identified).</li> </ul>	Net zero by 2040 across the City Corporation's full value chain Net zero by 2040 in the Square Mile	Annually
<b>Energy</b>	<ul style="list-style-type: none"> <li>Weighted average EPC for CPG</li> <li>Weighted average EPC for IPG</li> </ul>	Net zero by 2027 in the City Corporation's operations – Scope 1 and 2	Annually
<b>Materials circularity indicator</b>	<ul style="list-style-type: none"> <li>Material from circular sources: recycled content or renewable content according to source e.g. reused material, remanufacture material etc. Expressed as a percentage (%) of total material.</li> </ul>	Net zero by 2040 across the City Corporation's full value chain Net zero by 2040 in the Square Mile	Annually
<b>Soft landings</b>	<ul style="list-style-type: none"> <li>Percentage of projects using a soft landings approach.</li> </ul>	Net zero by 2027 in the City Corporation's operations – Scope 1 and 2	Annually
<b>Post Occupancy Evaluation</b>	<ul style="list-style-type: none"> <li>Average occupant satisfaction score following POE</li> </ul>	Net zero by 2027 in the City Corporation's operations – Scope 1 and 2	Annually
	<ul style="list-style-type: none"> <li>Percentage of actions implemented following identification of opportunities for improvement</li> </ul>	Net zero by 2027 in the City Corporation's operations – Scope 1 and 2	Annually

## Key Data and Information

Documentation and process controls will be improved to allow for future audit and quality assurance measures such as alignment to best practice international standards on climate reporting.

The Sustainability Director will develop a data maturity strategy to increase data accuracy and completeness, ensure integration of key data across key workstreams and provide clear data governance and performance management going forward. This will also include data and information requirements that will extend to any outsourced work to provide assurance on quality. For example, this could include that all reporting is aligned against industry standards such as the [Bath Inventory of Carbon and Energy \(ICE\)](#).

As this project progresses data will be generated as to the effectiveness of interventions. Further KPIs and targets may be periodically linked to the efficacy of measures and their overall contribution to the CAS. This will be subject to the Change Control Procedure.

The data generated by this project will be collated and displayed through Power BI dashboards to improve accessibility and understanding for a range of audiences.

## Internal Governance

- Net Zero and Resilient Buildings Centre of Excellence to report to Buildings Chief Officer Group;

<sup>2</sup> [https://www.london.gov.uk/sites/default/files/wlc\\_guidance\\_april\\_2020.pdf](https://www.london.gov.uk/sites/default/files/wlc_guidance_april_2020.pdf)

<sup>3</sup> <https://www.leti.london/ec-workstream>

<sup>4</sup> <https://www.ukgbc.org/wp-content/uploads/2017/09/UK-GBC-EC-Developing-Client-Brief.pdf>

- Action Area Chief Officers and Senior Accountable Climate Leads to report to Buildings Centre of Excellence;
- Lead officers to report to Action Area Chief Officer and Senior Accountable Climate Lead;
- Proposed Project Board (Extraordinary Board) where required for cost and progress updates under the holistic Capex cost allowance;
- Internal Stakeholders (all gateway reports) - informal project updates and formal gateways reports ahead of submission to any relevant Committees;
- Internal Stakeholders (all gateway reports) - informal project updates and formal gateways reports ahead of submission to Committees.
- Gateways 1, 2, combined 3 & 4, 5 and 6 submitted to Corporate Project Board, Project Sub Committee and P&R, RASC and BHE Board as relevant.
- Gateway 4b (where relevant) Court of Common Council.

## APPENDIX 1: Task Breakdowns

<b>Task</b>	<b>1 - Whole life cycle emissions footprint and cost analysis</b>				
<b>Outcome</b>	Assessment of how current standards support net zero. Assessment of cost and carbon impact of potential interventions in capital projects. Toolkit for training purposes.				
<b>Responsible officer</b>	Property Project Director				
<b>Description</b>	<p>Analysis of industry standard life cycle emissions footprint and cost is a key enabling task to allow for future planning of cyclical asset replacement and for use in the development of design standards.</p> <p>To support long term financial savings, life cycle cost analysis will be completed and built into key decisions relating to the purchase and construction of future assets such as lease vs. buy, quality, performance, future proofing, durability and emissions. This will be incorporated into Corporation Policy, CHB financial decision making and departmental budget decisions and planning.</p> <p>This task will develop an assessment of cost and carbon impact of potential interventions in capital projects as well as an associated toolkit for training purposes. This task will provide the base for building the Net Zero Design Standards (new build) and the Net Zero Carbon Refurbishment Standards (see below).</p> <p>In addition, at present, there is a perception that current standards (e.g. BREEAM) are sufficient to achieve net zero. This is not necessarily the case and therefore this Task will address any gaps to make to make sure life cycle emissions and life cycle costs associated with construction and asset replacement are identified and addressed.</p>				
<b>Timescales</b>	<p><b>Year 1</b> – Procurement of consultancy support, review and assessment of existing standards, gap analysis for achieving net zero, life cycle emissions and cost analysis and production of a toolkit for training.</p> <p>For further breakdown see Gantt Chart (Project Schedule).</p> <p><u>Key dependencies</u></p> <p>None.</p>				
<b>Costs</b>					<b>Year</b>
	<b>Cost - £k</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>
	<i>Project specific consultancy</i>	£160	-	-	-
	<i>Staff resource (outsourced)</i>	-	-	-	-
	<b>Resource</b>	£160	-	-	-
	<b>Capital</b>	-	-	-	-
	<b>TOTAL</b>	£160	-	-	-
<b>Benefits</b>	Enabling action for input into Tasks 2a, 2b and 2c				
<b>Assumptions</b>					

<b>Task</b>	<b>2a- Development of net zero technology standards</b>
<b>Outcome</b>	Generate a suite of technical specifications for main technology areas to be used during maintenance, planned lifecycle and refurbishment works.
<b>Responsible officer</b>	Property Project Director

Description	<p>It is essential that planned refurbishments and the replacement of plant and systems at end of life positively contribute to net zero carbon and resilience requirements without the need for retrofit at a later date.</p> <p>This Task will generate a suite of technical specifications which common minor works and capital project types (e.g. commercial, retail and historic buildings) can utilise during retrofit and cyclical asset replacement. They will focus on the 2027 and 2040 net zero carbon targets and will incorporate the following necessary areas as follows:</p> <ul style="list-style-type: none"><li>• Whole life cycle emissions footprint;</li><li>• Cost analysis;</li><li>• Low-impact materials specifications;</li><li>• Circular construction;</li><li>• Commercial and operational viability of new design standards.</li></ul> <p>This Task will be informed by the Industry Standard review of life cycle carbon and cost analysis undertaken in Task 1 along with WELL Health and Well-being Standards. The Standards will be incorporated into corporate policies and procedures (procurement etc.) and used to determine strategic decisions in relation to the approach to asset investment via departmental budgets, capital bids and MTFS.</p> <p>The suite of documents developed should be flexible enough for use during full-scale retrofit as well as for use as individual standards across the wide range of building types and heritage status of assets owned by the Corporation. For example, a minimum benchmark shall be set for standards in lighting, space heating, water heating, air conditioning, etc. These benchmarks will act as a baseline with superior benchmarks set for use in buildings where they can be successfully implemented. The overall goal of these benchmarks will be towards cumulative savings of cost and carbon emissions across the set of buildings upon which the standards have been implemented.</p> <p>This task will also align with buying standards to ensure economies of scale.</p> <p>Outputs of this Task will direct project managers and suppliers to the optimum technology in terms of lifetime carbon. This could consider both embodied and operational carbon. The suite of standards will be accompanied by a training programme and gateway review to embed knowledge and process.</p> <p>The standards will be aligned with the principles of the Corporation’s overarching Circular Economy Strategy, and will provide detail on circular design, procurement, construction and refurbishment.</p> <p>This task will be internally managed by an additional technical specialist (see Task 6).</p>																																			
	<p><b>Year 1</b> – Procurement of consultancy support, generate a suite of technical specifications for main technology areas addressing any gaps as identified by Task 1, development of toolkit and associated training.</p> <p><b>Year 3</b> – Update of standards to incorporate user feedback and any changes in industry standards.</p> <p>For further breakdown see Gantt Chart (Project Schedule).</p> <p><u>Key dependencies</u></p> <p>Task 1.</p>																																			
	<table><tr><td></td><td colspan="4">Year</td></tr><tr><td>Cost - £k</td><td>21/22</td><td>22/23</td><td>23/24</td><td>24/25</td></tr><tr><td>Project specific consultancy</td><td>£350</td><td>-</td><td>£30</td><td>-</td></tr><tr><td>Staff resource (outsourced)</td><td>-</td><td>-</td><td>-</td><td>-</td></tr><tr><td>Resource</td><td>£350</td><td>-</td><td>£30</td><td>-</td></tr><tr><td>Capital</td><td>-</td><td>-</td><td>-</td><td>-</td></tr><tr><td>TOTAL</td><td>£350</td><td>-</td><td>£30</td><td>-</td></tr></table>		Year				Cost - £k	21/22	22/23	23/24	24/25	Project specific consultancy	£350	-	£30	-	Staff resource (outsourced)	-	-	-	-	Resource	£350	-	£30	-	Capital	-	-	-	-	TOTAL	£350	-	£30	-
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Resource	£350	-	£30	-																																
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TOTAL	£350	-	£30	-																																
<p>Addresses any gaps as identified by Task 1.</p> <p>Identification of innovation and best practice to drive the adoption of low-impact materials and design efficiencies.</p> <p>Planned refurbishments and/or replacing plant and systems at end of life positively contribute to net zero carbon without the need for retrofit at a later date.</p>																																				



Assumptions	Whole life cycle carbon emissions and cost are incorporated into corporate policies and procedures.
	<ul style="list-style-type: none"> <li>Existing Project Initiation Document assumes £400,000 for sustainable design standards (new build and refurb), and £300,000 for low-impact material specifications. This has been spread evenly across both Tasks 2a and 2b.</li> </ul>

Task	<b>2b - Development of net zero design standards for new developments and major refurbishments<sup>5</sup></b>
Outcome	A suite of design standards to which new developments and major refurbishments can be designed, constructed and operated to. This includes whole life cycle emissions, sustainable and circular economy principles and low-impact material specifications.
Responsible officer	Property Project Director
Description	<p>New developments and major refurbishments need to positively contribute to net zero carbon and resilience requirements without the need for retrofit at a later date.</p> <p>This Task will generate a suite of design standards, covering the array of different building types operated by The Corporation, that will focus on the 2027 and 2040 net zero carbon targets and will incorporate the following areas as follows:</p> <ul style="list-style-type: none"> <li>Assessment of the cost and carbon impact of potential interventions in new developments;</li> <li>Assessment and quantification of low-impact materials specifications;</li> <li>Generation of a suite of technical specifications to which new developments can be designed, constructed and operated to (including relevant environmental assessment criteria such as BREEAM, LEED etc.);</li> <li>Incorporate whole life cycle emissions, sustainable and circular design standards and low-impact material specifications;</li> <li>Incorporate Modern Methods of Construction;</li> <li>Provide a toolkit for training purposes.</li> </ul> <p>This Task will be informed by the Industry Standard review of life cycle carbon and cost analysis undertaken in Task 1 along with WELL Health and Well-being Standards. These Standards will be integrated into corporate policies and procedures (procurement, etc.) and used to determine strategic decisions in relation to the approach to asset investment via departmental budgets, capital bids and MTFS.</p> <p>Outputs will direct project managers and suppliers to the optimum technology and design outcomes in terms of lifetime carbon and could consider both embodied and operational carbon. They will be accompanied by a training programme and gateway review to embed knowledge and process.</p> <p>This task will also align with buying standards to ensure economies of scale.</p> <p>The standards will be aligned with the principles of the Corporation's overarching Circular Economy Strategy, and will provide detail on circular design, procurement, construction and refurbishment.</p> <p>This task will be internally managed by an additional technical specialist (see Task 6).</p> <p>It is noted that Community and Children's Services have recently developed design standards for housing. Whilst these will need to be amended to reflect outcomes from this and the resilience workstreams, it is expected that the focus will not be on this building type although these will be reviewed to ensure standards are aligned. Furthermore, the Sustainable Design Expertise will gather any learnings from the current use of new housing standards on the Sydenham Hill Estate development to provide feedback into this Task.</p>

<sup>5</sup> For the purposes of the design standards, major refurbishment is defined as construction that results in the fundamental remodeling or adaptation of existing elements of the building envelope, structure and renewal of key building services. And where, on completion of the works, such remodelling/renewal will materially impact on the performance of the building.

The term 'elements' includes:

- Structural/building envelope elements including walls (including glazing), roofs (including rooflights) and floors.
- Building services elements including lighting (artificial and daylighting), heating, mechanical ventilation/cooling plant and ductwork, water/drainage systems.

Timescales	<b>Year 1</b> – Procurement of consultancy support, generate design standards addressing any gaps as identified by Task 1, development of toolkit and associated training.				
	<b>Year 3</b> – Update of standards to incorporate user feedback and any changes in industry standards.				
	For further breakdown see Gantt Chart (Project Schedule).				
	<u>Key dependencies</u>				
Costs	Task 1.				
		Year			
	Cost - £k	21/22	22/23	23/24	24/25
	Project specific consultancy	£350	-	-	-
	Staff resource (outsourced)	-	-	-	-
	Resource	£350	-	-	-
	Capital	-	-	-	-
	TOTAL	£350	-	-	-
Benefits	Addresses any gaps as identified by Task 1.				
	Identification of innovation and best practice to drive the adoption of low-impact materials and design efficiencies.				
	Planned new developments positively contribute to net zero carbon without the need for retrofit at a later date.				
	Whole life cycle carbon emissions and cost are incorporated into corporate policies and procedures.				
Assumptions	<ul style="list-style-type: none"><li>Existing Project Initiation Document assumes £400,000 for sustainable design standards (new build and refurb), and £300,000 for low-impact material specifications. This has been spread evenly across both Tasks 2a and 2b.</li></ul>				

Task	2c - Assess performance of design and technology standards				
Outcome	Assurance that Design Standards are performing as expected.				
	Assurance that standards are fit for purpose. Update of standards where required.				
Responsible officer	Property Project Director				
Description	It will be critical to ensure any new design standards, material specifications and operational implications perform as expected and work in the current commercial marketplace. Therefore, this Task will include the review and assessment of the net zero technology standards and design standards as developed in Tasks 2a and 2b to ensure they are fit for purpose. This review will enable the successful implementation of the strategies across the identified assets in the Corporate and Investment Property Groups.				
	Synergies between the design standards and other buildings aspects of the CAS (particularly resilience) will be crucial to ensure successful development and deployment of these standards including the assessment of how they are performing. The Delivery Approach proposed above outlines how these areas will be coordinated.				
Timescales	Year 2-4 – Assess performance of new design standards.				
	For further breakdown see Gantt Chart (Project Schedule).				
	<u>Key dependencies</u> Task 2a and 2b.				
Costs			Year		
	Cost - £k	21/22	22/23	23/24	24/25

	Project specific consultancy	-	-	--	-
	Staff resource (outsourced)	Outsourced resource as per Task 6			
	Resource	Outsourced resource as per Task 6			
	Capital	-	-	-	-
	TOTAL	Outsourced resource as per Task 6			
Benefits	Feedback loop for future standards.				
	Verification that standards are performing as expected.				
	Maximising of savings through optimising the approach.				
Assumptions	This Task will be part of the remit of the Sustainable Design Specialist (Task 5).				

Task	3 – Develop approach to Soft Landings and Post Occupancy Evaluation				
Outcome	Development approach to soft landings and post occupancy review.				
Responsible officer	Operations Group Director				
Description	<p>There is a broad consensus that buildings in operation often do not perform to the level as designed. This is particularly true for the “performance gap” where there is a frequent disparity between predicted energy use and carbon emissions in the design stage and the actual energy use of assets in operation. This is often exacerbated by a separation between the construction and operation phases of a project.</p> <p>By developing a soft landing approach, the Corporation will be able to ensure a smooth transition from implementation to operation, ensuring performance is optimised. This Task will work to identify how a soft landings approach can be embedded within project stages (not just at handover) so that an appropriate resources can be allocated and that outcomes and requirements are defined.</p> <p>Linking this with Post Occupancy Evaluation (POE) will provide a standardised approach across the estate to enable stakeholders to identify and evaluate critical aspects of building performance following implementation. This will allow the identification and addressing of any problem areas, provide feedback on interventions and support a loop for continual improvement on which to develop future design standards and criteria for future phases of work.</p>				
	<p><b>Year 2</b> - Planned for 2022/23 as requires input from other Tasks. However, if the opportunity to incorporate soft landings/POE in to a live project arises beforehand, the options to bring this Task forward will be explored.</p> <p>For further breakdown see Gantt Chart (Project Schedule).</p> <p><u>Key dependencies</u></p> <p>Task 2a and 2b.</p>				
Timescales					
	Year				
	Cost - £k	21/22	22/23	23/24	24/25
	Project specific consultancy	-	£100	-	-
	Staff resource (outsourced)	-	-	-	-
	Resource	-	£100	-	-
	Capital	-	-	-	-
	TOTAL	-	£100	-	-
Costs					
Benefits	Development of an embedded process for soft landings throughout project lifecycle.				
	Optimised savings through thorough commissioning and handover.				

Assumptions	Addresses the “performance gap” where there is a frequent disparity between predicted energy use and carbon emissions in the design stage and the actual energy use of those assets in operation
	Feedback loop for future Design Standards.

Task	4 - Circular construction / low-embodied emissions pathfinder project					
Outcome	Delivery of circular construction / low-embodied emissions project					
Responsible officer	Property Project Director					
Description	Using the outcomes from the previous Tasks, this pathfinder project will provide a test bed to implement a circular construction, low-embodied emissions project, demonstrating best practice towards achievement of the CAS targets.					
	By conducting this pathfinder project, it is expected that the Corporation will be able to gather lessons learnt through physical implementation of the standards to provide feedback prior to full roll-out. To support this a current planned project will be identified to ensure there is no lag on delivery and implementation can be dovetailed into existing plans.					
	It is expected that this task would be managed by additional technical specialist (see Task 6).					
Timescales	Years 2 - 4 - Circular construction / low-embodied emissions pathfinder project.					
	For further breakdown see Gantt Chart (Project Schedule).					
	<u>Key dependencies</u>					
Costs	Task 1 to 3.					
		Year				
	Cost - £k	21/22	22/23	23/24	24/25	
	Project specific consultancy	-	-	-	-	
	Staff resource (outsourced)	-	-	-	-	
	Resource	-	-	-	-	
	Capital	-	Capital funding dependent			
	TOTAL	-	Capital funding dependent			
	Benefits	Opportunity to testing design standards and soft landings/POE approach				
		Gathering of lessons learnt.				
Assumptions	Provision of a feedback loop to inform future updates.					
	Opportunity to tackle a “hard to treat” and/or historic building.					
Assumptions	Assumes capital will be covered by the new development / refurbishment budget as the Corporation sees this not as an additional task but one that needs to be embedded into standard ways of working.					

Task	<b>6 – Appoint specialist resource</b>
Outcome	Resourcing of Sustainable Design Specialist
Responsible officer	Property Project Director
Description	<p>Recruitment of sustainable design expertise to form the core of the extended team to lead Tasks identified above, co-ordinate consultancy activity and supporting departments in the delivery of carbon reduction interventions.</p> <p>To successfully achieve the Task outcomes, it is important that there is organisational reach back to a wider pool of specialisms e.g. architecture, BREEAM, circular economy, embodied carbon, MEP, structural, sustainable materials etc to encompass the breadth of expertise required for this action</p>

<b>Timescales</b>	area. Therefore, the procurement approach for this role should reflect that this may not be a specific individual but could be an organisation (or combination of the two).				
	<b>Year 1 – Resourcing of Sustainable design specialist</b> <u>Key dependencies</u> None.				
<b>Costs</b>		<b>Year</b>			
	<b>Cost - £k</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>
	<i>Project specific consultancy</i>	-	-	-	-
	<i>Staff resource (outsourced)</i>	£55	£110	£110	£110
	<b>Resource</b>	<b>£55</b>	<b>£110</b>	<b>£110</b>	<b>£110</b>
	<b>Capital</b>	-	-	-	-
	<b>TOTAL</b>	<b>£55</b>	<b>£110</b>	<b>£110</b>	<b>£110</b>
<b>Benefits</b>	Enabling action for identifying and managing Tasks above. Ongoing management, updating and embedding of design standards. Coordination and linking of design standards with resilience workstreams.				
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Assumed average cost of £110k/annum/FTE for this resource level.</li> <li>Resources to start six months into Year 1, hence costs of £55k.</li> </ul>				

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City of London Corporation

# Climate Action Strategy

## **RS3 Resilient Buildings**

Project Plan

Version 1.2

Date: 10.05.2021

Author: Mark Phelpstead (AECOM)

Approval: Paul Wilkinson / Damian Nussbaum

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## Project Introduction

### Project Aims

In support of the Climate Action Strategy (CAS), commencing implementation from April 2021, this Project Plan details how action will be accelerated to deliver the roll out of retrofit measures for residential and non-residential properties throughout the Square Mile and for those assets that the Corporation are responsible, ensuring they are resilient to changing weather conditions and environmental patterns.

This will support achievement of the following net zero vision and goals:

**NET ZERO VISION:** A future where the Square Mile's built environment and infrastructure is adapted to meet the challenges of hotter, drier summers; warmer, wetter winters; stronger winds; more frequent weather extremes and sea level rise.

**NET ZERO GOALS:** Climate resilience in our buildings, public spaces and infrastructure.

### Introduction

A climate risk assessment has been carried out by Buro Happold for the Square Mile. As part of this, analysis of the Met Office Climate Projections (2018) was undertaken which identified climatic trends for the area. A risk assessment was then completed based on these which focused on the 'top six areas of inter-related climate change risks for the UK' as identified by the UK Climate Risk Assessment 2017, namely:

- Flooding and coastal change risks to communities, businesses and infrastructure;
- Risks to health, well-being and productivity from high temperatures;
- Risk of shortages in the public water supply, and for agriculture, energy generation and industry;
- Risks to natural capital, including terrestrial, coastal, marine and freshwater ecosystems, soils and biodiversity;
- Risks to domestic and international food production and trade; and
- New and emerging pests and diseases, and invasive non-native species, affecting people, plants and animals.

In all cases the risks were found to be pressing. This is largely due to the diversity of the occupants and users of these spaces, the scale and importance of the green spaces run by the Corporation and its dependence on international trade and its role as a centre for the insurance sector.

The report identified that one of the resilience measures to mitigate these risks was the recommendation for a programme of resilience-enhancing retrofits for residential and non-residential properties throughout the Square Mile and assets under the responsibility of the Corporation. This would focus on ensuring assets are resilient to changing weather conditions and environmental patterns and that their influence on, and risk from, climatic changes is reduced.

Against this background, this Project Plan identifies Tasks that have been developed to address the following three aims:

- **Deliverable** – tasks can be completed within the identified timescales;
- **Affordable** – projects can be accommodated within the Corporation's current and future budget constraints; and
- **Impactful** – actions improve building resilience and mitigate climate change risk.

To achieve these aims the following high-level actions will be implemented, these are split it into individual Tasks in Table 1.

**Year 1-2**

- Identification of resilience risks and constraints to implementation for the Corporation's physical assets;
- Development of Buildings Resilience Action Plan;
- Dovetailing of identified interventions into existing estates/asset strategy;
- Coordinate with Design Standards Action Area.

**Year 2+**

- Delivery of pilot project, gathering lessons learnt and quantification of benefits;
- Full roll out of Buildings Resilience Action Plan;
- Reporting and monitoring of risk mitigation.

**How to use this document**

This document outlines the costs, benefits and overall approach to implementing resilience measures across the Corporation's building assets to support delivery of the Climate Action Strategy. It is to be used as a baseline against which to monitor progress. It will be kept as a live document and will be updated periodically subject to the Change Control Procedure.

## Project Objectives

The Project Objectives for this Project Plan are:

- Identify resilience risks to the Corporation's buildings;
- Assign resilience measures to planned works where possible;
- Implement and monitor resultant risk mitigation; and
- Inform Design Standards workstream.

The table below details key Tasks that will be completed to achieve the Project Objectives. Further detail on each project can be found in Appendix 1. The focus of the 2021/22 plan will be to mobilise resource to complete impact modelling for CPG and IPG assets, identify resilience risks and develop a Resilience Action Plan. This includes co-ordinating with the other resilience workstreams to provide a unified approach across action areas.

Table 1 – Tasks and project objectives

Theme	Ref	Task	Rationale	Outcome	Key Actions in 21/22	Team Lead	Lead Support
<b>Climate change impact modelling</b>	1	Delivery of climate impact modelling for CPG and IPG assets.	Identification of resilience risks and constraints to implementation for the Corporation's physical assets.	<ul style="list-style-type: none"> <li>• Phase 1 – Modelling to identify assets with heightened risk and the need for enhanced resilience measures to be implemented.</li> <li>• Phase 2 – Model the impact of specific resilience measures on key assets, providing insight into the scope and specification of interventions to be adopted and implemented.</li> </ul>	<ul style="list-style-type: none"> <li>• Procurement of consultancy support.</li> <li>• Collation of data to feed into modelling exercise (Phase 1).</li> <li>• Phase 1 modelling.</li> <li>• Phase 2 intervention identification and modelling.</li> </ul>	Property Project Director	Buildings Resilience Specialist
<b>Development of Resilience Action Plan by Fund</b>	2	Development of detailed action plan covering resilience project roll out that meets the needs of the Climate Action Strategy.	<p>Resilience measures need to be assigned to planned works including being embedded into 5-year plan upgrade plans for IPG and CPG properties.</p> <p>Key assets, critical building infrastructure and sensitive equipment in flood zones need to be protected.</p>	<ul style="list-style-type: none"> <li>• Identification and quantification of specific resilience projects.</li> <li>• Prioritised action to mitigate resilience risks.</li> <li>• Integration of actions into existing planned works and 5-year plans.</li> <li>• Engagement plan for tenants and occupiers.</li> </ul>	<ul style="list-style-type: none"> <li>• Procurement of consultancy support.</li> <li>• Development of Resilience Action Plan (continues into 2022/23).</li> <li>• Input from Design Standards workstream.</li> </ul>	Property Project Director	Buildings Resilience Specialist

Theme	Ref	Task	Rationale	Outcome	Key Actions in 21/22	Team Lead	Lead Support
			Pilot projects on Corporate and Investment Property Group assets need to be identified.				
<b>Resilience Action Plan – Pilot Project Delivery</b>	3	Based on previous Tasks, this will identify, specify, procure and deliver pilot projects to improve the resilience of CPG and IPG assets.	Ensure that knowledge and information is obtained from pilot projects to understand any issues and impacts and gather lessons learned.	<ul style="list-style-type: none"> <li>• Delivery of resilience pilot projects.</li> <li>• Gathering of lessons learned.</li> <li>• Identification of procurement routes.</li> <li>• Quantification of potential benefits.</li> <li>• Implementation and monitoring of risk mitigation.</li> </ul>	<i>Planned for 22/23 as dependent on other workstreams – see Project Schedule</i>	Property Project Director	Buildings Resilience Specialist
<b>Resilience Action Plan – Full roll out</b>	4	Roll out of phased Resilience Action Plan.	Using knowledge and learning from previous Tasks to roll out the Resilience Action Plan. Embed resilience measures into 5-year plan upgrade plans for IPG and CPG properties.	<ul style="list-style-type: none"> <li>• Mitigation of climate change related risk and resilience of built assets.</li> <li>• Implementation and monitoring of risk mitigation.</li> <li>• Engagement with stakeholders including tenants and occupiers on resilience.</li> </ul>	<i>Planned for 22/23 as dependent on other workstreams – see Project Schedule</i>	Property Project Director	Buildings Resilience Specialist
<b>Staff resource</b>	5	Appoint specialist resource	Activities identified above will need to be managed. Development of Resilience Action Plan. Management of pilot project. Link with other resilience Action Areas e.g. RS2 and RS4. Link with Design Standards work.	<ul style="list-style-type: none"> <li>• Resourcing of Buildings Resilience Specialist.</li> </ul>	Resourcing of Sustainable Design Specialist.	Property Project Director	Senior Accountable Climate Lead: Resilience

## Team structure

The Teams involved in the delivery of this Project Plan are shown in Figure 1. How this integrates within the wider delivery approach and Buildings Centre of Excellence is explained in more detail in the Delivery Approach Section.

How additional resources are managed within the City Surveyors Department is shown in **Error! Reference source not found..**

The colour coding is as follows:

- Yellow boxes indicate areas of current activity that support the CAS;
- Green boxes show those additional activities required by this Plan that will be unlocked through additional resources;
- The grey boxes indicate additional staff resources either through outsourced team members (e.g. secondments) or third party flexible resource to be employed according to delivery need. As indicated by the legend this is not necessarily permanent employees.

This structure identifies the role of a Buildings Resilience Specialist. Working across departments, this role will initially be to lead and manage climate change impact modelling and development of the Resilience Action Plan. This will then switch to focus on delivery of resilience projects and reporting and monitoring of subsequent risk mitigation. To successfully achieve these outcomes, it is important that there is organisational reach back to a wider pool of specialisms e.g. architecture, MEP, structural, sustainable materials, etc. to encompass the breadth of expertise required for this action area. Therefore, the procurement approach for this role should reflect that this role may not be a specific individual but could be an organisation (or combination of the two).

The Team Structure has been developed to focus on the Year 1 priorities of completing climate change impact modelling and development of the Resilience Action Plan. This will likely change as the programme progresses depending on service outcomes. For example, the role of the Buildings Resilience Specialist will change towards the delivery of resilience projects over time. To make sure that the Team Structure remains fit for purpose, the Senior Responsible Officers and Buildings Chief Officer Group will review and manage resource requirements instilling a flexible approach that allows the market to innovate and deliver the Corporation's requirements efficiently.

Figure 1 – Delivery Teams - RS3 Resilient Buildings

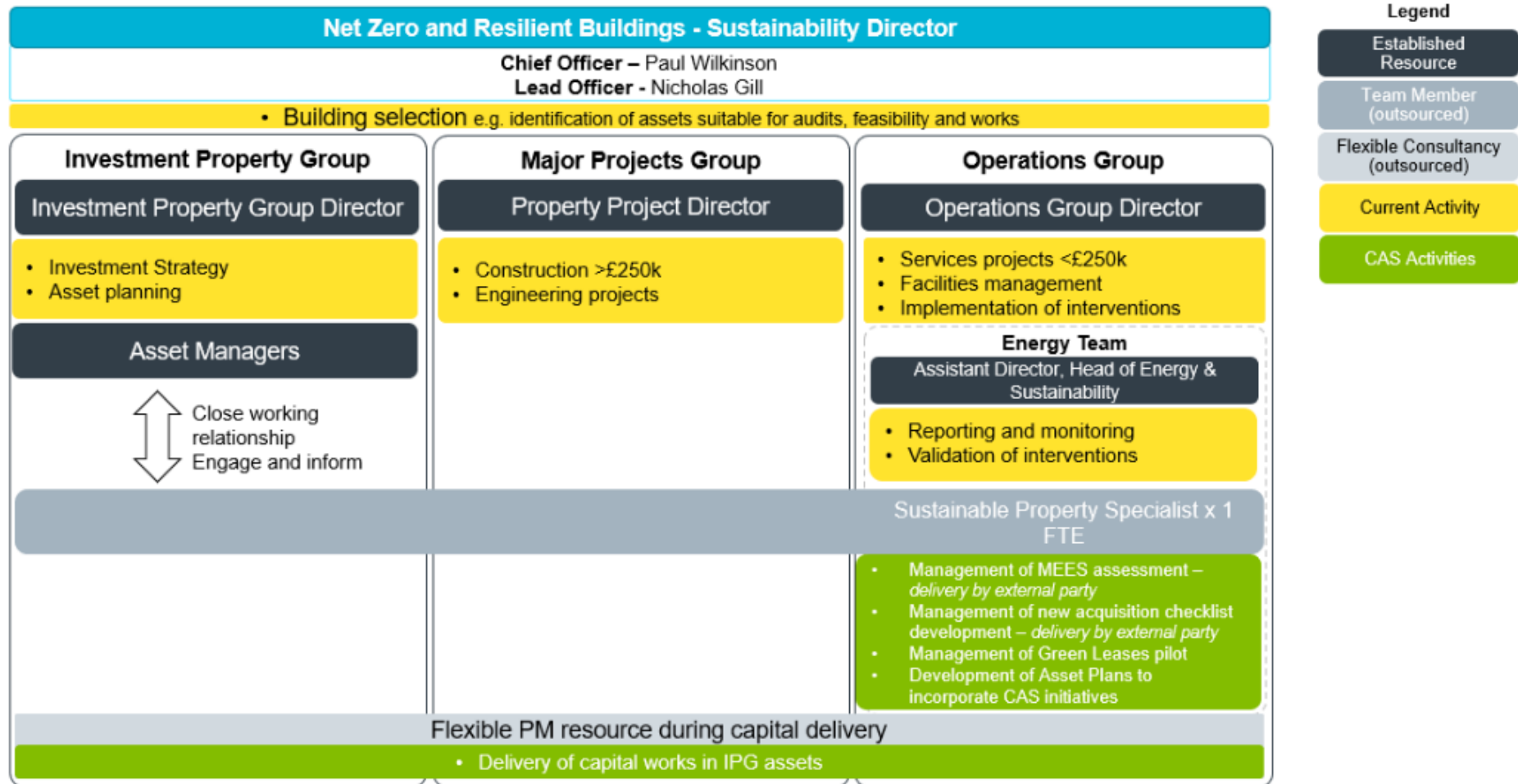
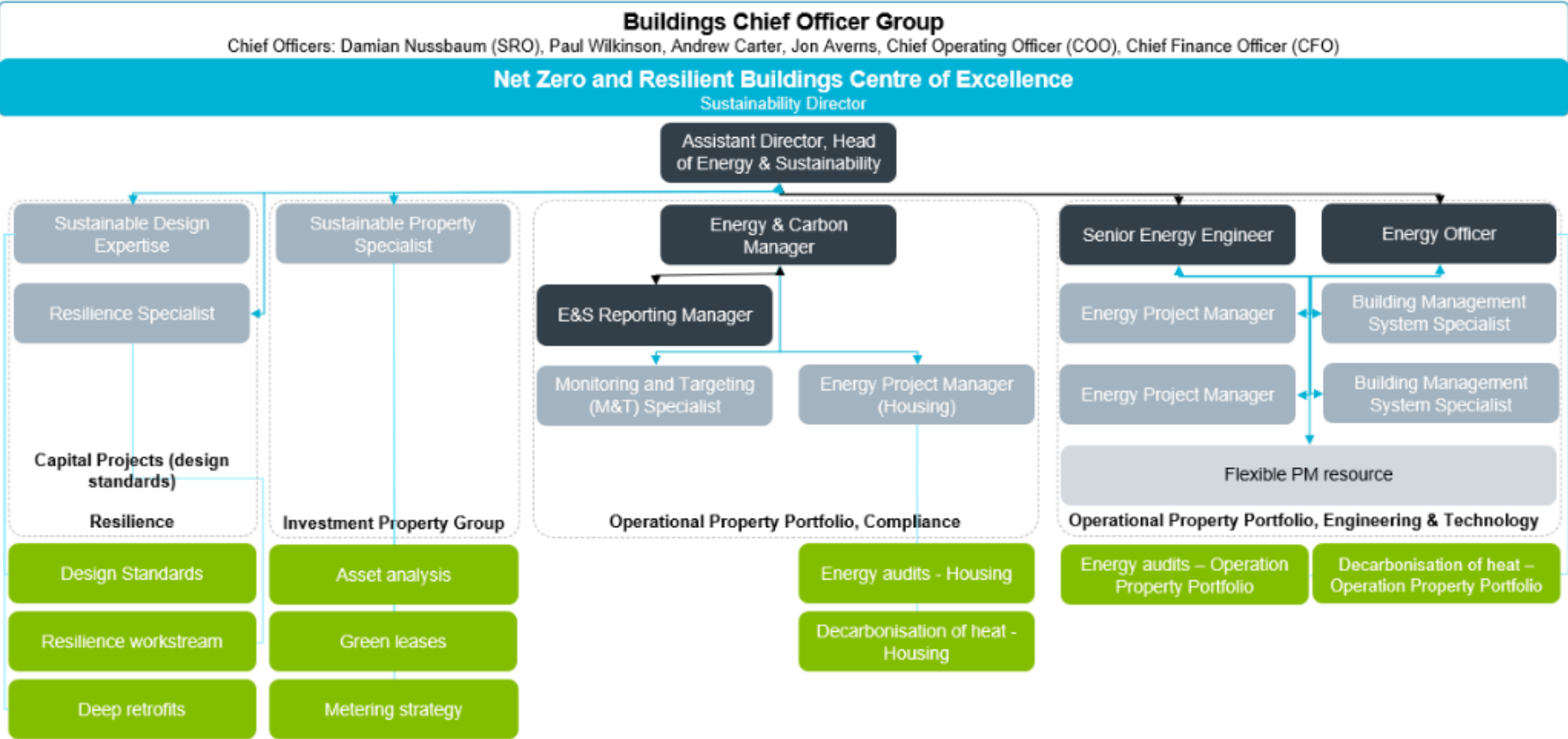


Figure 2 – Team Structure - RS3 Resilient Buildings



Project Schedule & Gantt Chart

Delivery Plan (Gantt chart)

Delivery Plan (Gantt chart)				FY 21/22				FY 22/23				FY 23/24				FY 24/25				FY 25/26				FY 26/27			
Task Number	Task Detail	Responsible	Completion (%)	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar
Net Zero and Resilient Buildings Centre of Excellence																											
CoE-1	Establishment of Net Zero and Resilient Buildings Centre of Excellence	Director of Innovation & Growth, City Surveyor	0%																								
CoE-2	Establish energy targets and intensity metrics where data gaps	Director of Innovation & Growth, City Surveyor	0%																								
RS3 Resilient Buildings																											
R-1	Delivery of climate impact modelling for CPG and IPG assets	Property Project Director	0%																								
R-2	Development of Resilience Action Plan	Property Project Director	0%																								
R-3	Resilience Action Plan - Pilot Project Delivery	Property Project Director	0%																								
R-4	Resilience Action Plan - Full roll out	Property Project Director	0%																								
R-5	Appoint specialist resource	Property Project Director	0%																								



## Project Business Case

### Project Costs

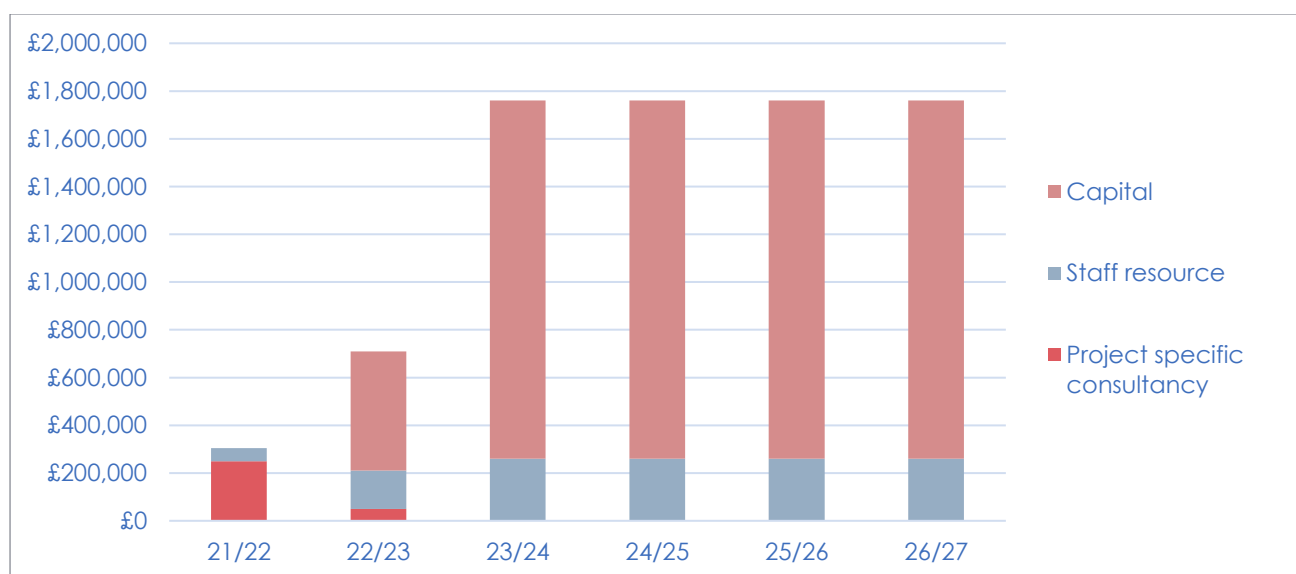
Total project costs of £8 million have been identified in the funding adopted by Court for Climate Action Strategy. These costs include resource time which is to be capitalised and therefore come out of this budget. It is assumed that funding will be available to support workstreams to be mobilised in line with the Project Schedule.

As Table 2 demonstrates, this has been broken down into an initial focused period of project consultancy in Years 1 and 2 to complete modelling and develop the Resilience Action Plan. This will identify pilot projects that will be implemented from Year 2 and following this the full roll out of actions in the Resilience Action Plan.

Table 2 – Costs by Task

Tasks	Category	Costs per year (£k/annum)					
		21/22	22/23	23/24	24/25	25/26	26/27
1 - Climate change impact modelling	Project specific consultancy	£200	-	-	-	-	-
2 - Development of Resilience Action Plan	Project specific consultancy	£50	£50	-	-	-	-
3 - Resilience Action Plan – Pilot Project Delivery	Staff resource (outsourced)	-	£50	-	-	-	-
	Capital	-	£500	-	-	-	-
4 - Resilience Action Plan – Full roll out	Staff resource (outsourced)	-	-	£150	£150	£150	£150
	Capital	-	-	£1,500	£1,500	£1,500	£1,500
5 – Buildings Resilience Specialist	Staff resource (outsourced)	£55	£110	£110	£110	£110	£110
Total	Project specific consultancy	£250	£50	£0	£0	£0	£0
	Staff resource (outsourced)	£55	£160	£260	£260	£260	£260
	Capital	£0	£500	£1,500	£1,500	£1,500	£1,500
	<b>Total</b>	<b>£305</b>	<b>£710</b>	<b>£1,760</b>	<b>£1,760</b>	<b>£1,760</b>	<b>£1,760</b>

Figure 3 - Costs breakdown by Category (£/annum)



### Project Benefits

There are a number of quantitative benefits that will be achieved from this Project Plan. These will be measured and reported as per the KPIs in Table 6.

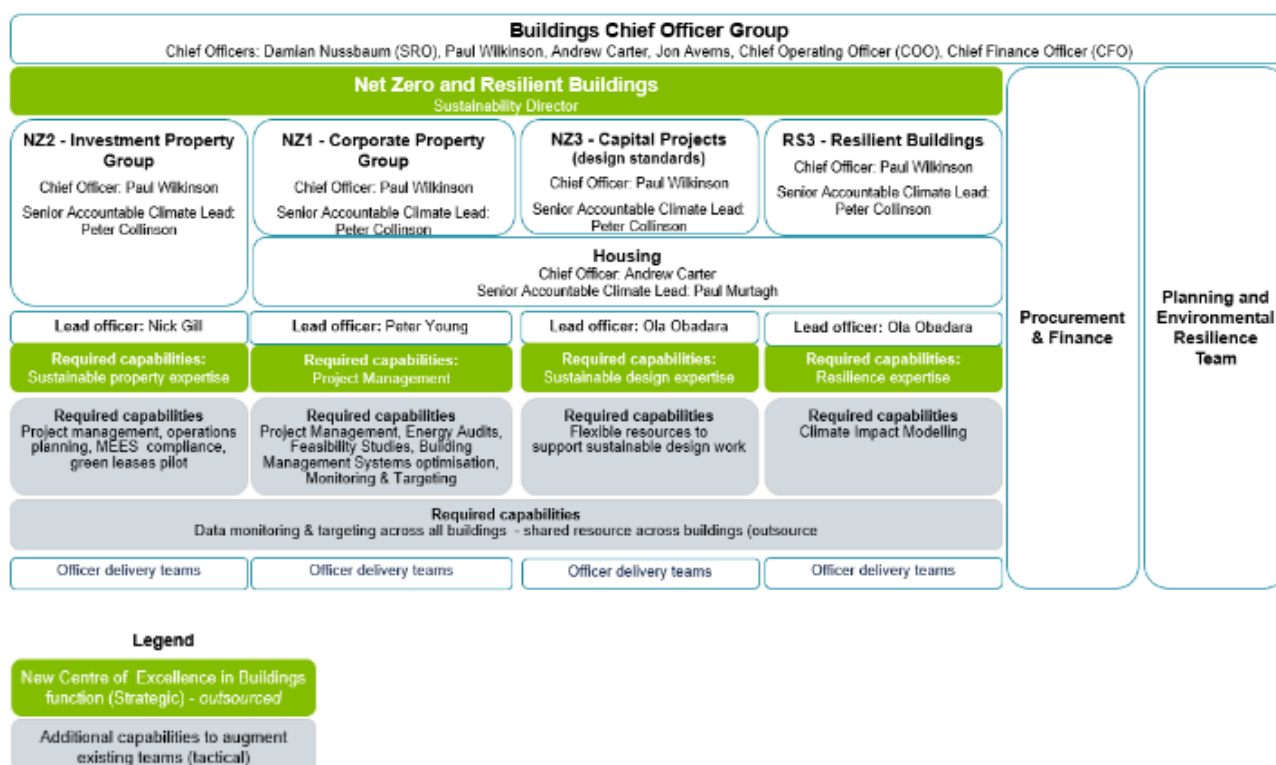
The main benefit of this Project Plan is that it will achieve a climate ready City Corporation avoiding disruption to services from climate risks and preparing the Square Mile to adapt to future climate projections.

In addition, the following benefits are expected to be achieved:

- A Resilience Action Plan for CPG and IPG assets;
- Delivery of tangible actions to address risks as identified in the Buro Happold, Adaptive Pathways Study;
- Identification and delivery of pilot studies to test solutions and gather lessons learnt;
- Active engagement with tenant and occupiers on resilience issues;
- Mitigation of health impacts where overheating may be an issue;
- Improved occupant comfort and internal environment;
- A climate aware workforce with the knowledge and skills to adapt operations and services to the changing climate;
- A reputation as a forward thinking organisation leading other authorities and public bodies in climate resilience.

## Delivery Approach

Figure 4 - Net Zero and Resilient Buildings Centre of Excellence, Delivery Model



To drive and direct leadership, best practice, research, support and training to all areas of building decarbonisation and resilience work to deliver the CAS, a Net Zero and Resilient Buildings Centre of Excellence will be established. This will sit outside of the regular reporting structure to drive strategic level targets into mobilisation and delivery across departments. Through this approach it will provide a view across all Tasks and Project Plans to control and package up service requirements based on the outputs of feasibility studies, climate impact modelling etc. maximising value from the market based on clear desired outcomes and programme level view.

Its role will include concentrating knowledge from across all activity areas to attain and sustain high performance and value, capture lessons learnt and provide a feedback loop for continuous improvement.

The benefits of this approach will be:

- Member-buy in and confidence;
- Limiting “single points of failure”;
- Development of a cross-discipline team;
- Share resources and learning across workstreams;
- Ability to flex staff resource to meet need;
- Ability to draw in a wide range of expertise and experience from the private sector.

### Net Zero and Resilient Buildings Sustainability Director

To manage and lead the Net Zero and Resilient Buildings Centre of Excellence, a Sustainability Director will be resourced. This will allow the Corporation to utilise the third party expertise of someone with extensive experience of delivering large, complex programmes across net zero, resilience and energy in buildings to drive delivery across the four buildings workstreams.

Their role will comprise:

- Managing and leading the Net Zero and Resilient Buildings Centre of Excellence;
- Reporting progress to CAS Senior Responsible Officers;
- Coordinating and identifying synergies between workstreams;
- Aligning strategy and policy with delivery;
- Managing the transition from project definition to mobilisation and implementation;
- Facilitating reach back to private sector expertise and best practice.

### Delivery model

The delivery model for the Net Zero and Resilient Buildings Centre of Excellence is illustrated in **Error! Reference source not found.** This shows how all four workstreams across the buildings Action Areas will come together, identifies the key officers and illustrates the role of additional resource capabilities to support existing teams.

For this Project Plan the key resources are:

- Net Zero and Resilient Buildings Centre of Excellence Sustainability Director
- Chief Officer – Paul Wilkinson
- Senior Accountable Climate Lead – Peter Collison
- Lead Officer - Ola Obadara

The team structure for the Resilient Buildings Action Area is detailed above.

### Approach to staff resourcing

The diagram above shows how the proposed Net Zero and Resilient Buildings Centre of Excellence Sustainability Director would relate to the four workstreams, including this one.

Whilst this plan identifies staff resource requirements, it is not expected that this will be delivered through new internal hires. This will be delivered through project specific consultancy, outsourced staff and/or flexible project management resources allowing the Corporation to drive value from the supply chain through competitiveness, contractual measures to secure outcomes, flexibility, reach back support and market innovation. This will also inform plans under the current Target Operating

Model. This is particularly relevant to the resourcing of a Buildings Resilience Specialist where this may not be a specific individual but could be an organisation (or combination of the two).

At present, staff resourcing has been developed to address the initial need to complete climate impact modelling and develop a buildings Resilience Action Plan. As the CAS progresses (informed by Year 1) a key review point will be to evaluate resourcing requirements as this may change depending on service outcomes. This review will be managed and guided by the Senior Responsible Officers and the Buildings Chief Officer Group.

### Linking with complementary CAS workstreams

There are a number of CAS workstreams underway that link to the work to be completed under this Action Area, notably Mainstreaming Resilience (RS4) and Cool Streets and Greening (RS1). Resilient actions taken here, such as greening (for example), could increase solar shading, reducing the need for air conditioning and thus reducing carbon emissions and ultimately adding value to the overall CAS.

It is also important that outputs from the Design Standards Action Area relate and feed-into the Resilience Action Area and vice versa. For example, the review and development of design standards will support and recognise future resilience requirements, while the Resilience Action Plan will give direction to the focus of design standards.

There is also the opportunity to incorporate resilience thinking into proposed Corporate and Investment Property Group work. For example, energy audits could also encompass water efficiency, review of cooling provision and/or additional BMS upgrades to track internal temperature levels.

By establishing the Buildings Centre of Excellence, working across all these areas, it will facilitate and manage workstreams to make sure action is not duplicated, activity is streamlined and that lessons learnt are shared.

In addition, the Project Schedule for all Action Areas has been developed to account for dependencies from each. This will allow sufficient time for feedback to be shared and incorporated into outputs.

## Risk Management

Table 3 illustrates the key risks identified for this Project Plan. It is recognised that some of these will be universal across the four building Action Areas. Therefore, it is important that mitigations and solutions are matched up to ensure they are addressed at the programme level.

It is expected that the role of the Sustainability Director will be to manage these risks across the four Action Areas so that comparative risk analysis can be completed, risks can be stress tested to quantify their impact on meeting carbon targets and mitigations aligned to ensure a holistic approach.

Table 3 – Risk Management, RAID analysis

Ref:	Description	Type (RAID)	Criticality	Proposed mitigation
R-1	Delays in Governance and sign off result in carbon savings being realised later than planned.	Risk	Critical	<ul style="list-style-type: none"> <li>• Programme Management Approach to be considered.</li> <li>• Stakeholder Engagement approach detailed below.</li> <li>• Internal Governance requirements to be mapped for Tasks at mobilisation.</li> <li>• Reporting cycles to be mapped for each Task on mobilisation.</li> </ul>
R-2	Capital for implementing the Resilience Action Plan from Year 3 onwards has yet to be identified.	Risk	High	<ul style="list-style-type: none"> <li>• Resilience Action Plan to identify likely capital requirements.</li> <li>• Pilot projects will provide an indication of capital requirements to inform future years.</li> <li>• Mainstreaming resilience workstream seeks to embed resilience work as not additional but BAU costs. The Resilience Action Plan will align with the outputs from this work.</li> <li>• External funding to be sought where possible.</li> <li>• Role of private sector funding to be considered and incorporated.</li> </ul>
R-3	Current procurement routes are too slow causing project delay.	Risk	Medium	<ul style="list-style-type: none"> <li>• Delivery approach to consider delegated authority allowing rapid release of budget where needed to support rapid procurement.</li> <li>• Officer Steering Group (like Flood Risk) could be used to oversee duties.</li> <li>• Pilot projects to identify and test potential procurement routes.</li> <li>• Gain feedback from current Cool Streets and Greening Project</li> </ul>
R-4	Innovation may pose a risk in terms of untested technologies, unintended consequences and knowledge/awareness gaps.	Risk	Medium	<ul style="list-style-type: none"> <li>• Pilot projects to test innovative technologies and approaches.</li> <li>• Use of project specific consultancy to leverage market expertise.</li> </ul>
I-1	Benefits aren't quantified at present.	Issue	Medium	<ul style="list-style-type: none"> <li>• Pilot projects to support identification of likely benefits including establishing a process for benefits quantification.</li> <li>• Benefits realisation and feedback loop to be included in all projects.</li> </ul>
D-1	Resilience measures are embedded into 5-year plan upgrade plans for IPG and CPG properties.	Dependency	Medium	<ul style="list-style-type: none"> <li>• Mitigated through actions in Design Standards</li> <li>• Mainstreaming Resilience Project Plan.</li> <li>• Resilience Action Plan to include actions to embed behaviours</li> </ul>

Climate Action Strategy: RS3 Resilient Buildings - Project Plan

<b>D-2</b>	Tenants and occupiers are willing to engage with the programme.	Dependency	High	<ul style="list-style-type: none"> <li>Dedicated tenant engagement workstream to be developed (see Stakeholder Engagement). This should link with the IPG tenant engagement for a co-ordinated approach.</li> </ul>
<b>D-3</b>	Dependant tasks must be completed on time. Year 1 tasks must be complete on time to action tasks from year 2 onwards etc.	Dependency	Medium	<ul style="list-style-type: none"> <li>Robust Project Schedule developed.</li> <li>Project Controls in place (see below).</li> </ul>
<b>D-4</b>	Needs to link to other Resilience workstreams	Dependency	Medium	<ul style="list-style-type: none"> <li>Team members to sit on other relevant project plan/steering group meetings for continuity.</li> <li>Stakeholder engagement approach (see below).</li> </ul>

## Stakeholder Engagement

The following table outlines the key stakeholders, how and when we intend to interact with them and what channels will be used.

Table 4 – Stakeholder engagement

Category:	Department / Who	Message	Channels	When
<b>Internal Stakeholders - Department</b>	Chamberlains (Financial) Chamberlains (Procurement) PPG City Surveyors (Chief Officer, CPG, PPG, Energy, Climate Team) Comp Controller Possibly DBE Business Continuity Environmental Resilience Team, Open Spaces	Engage, Inform, Consult, Validate	Tried and tested Climate Chats Interviews Team meetings 1:1 meetings	Needs minimum 6 week lead in time before referring to Committee.  Internal liaison through programme and project lifecycles
<b>Internal Stakeholders - Committees</b>	Corporate Project Board Project Sub Committee PIB CASC RASC Court (where complex) Buildings Chief Officer Group BHE as relevant	Seek Approval	Tried and tested Committees Meetings	Gateways 1, 2, combined 3 & 4 (4b where relevant), 5 and 6
<b>External</b>	Funders	Seek Offers, Inform	Regular partnership meetings Funding opportunities	Concurrent with gateway 4 (RIBA Stage 2, 3, 4, 5 & 6) At required times gateway 2-6
<b>External</b>	Environment Agency	Engage, Inform, collaborate	Consultation Regular partnership meetings Funding opportunities	RIBA Stage 1, 2, 3, 4, 5 and 6 At required times gateways 1-6
<b>External</b>	Wider businesses within the Square Mile Residents Building Users Tenants	Engage, Inform, collaborate	Consultation surveys Interviews Meetings Website Social media	(At required times in RIBA stage 3 and 4 and 5) At required times gateways 3-5
<b>External</b>	Building Managers Facilities Managers	Engage, Seek information, validate, Inform	Interviews 1:1 meetings	(At required times in RIBA stage 2, 3 and 4) At required times gateways 3-6
<b>External</b>	Supply Chains	Engage, seek information, Inform	Consultation 1:1 meetings	RIBA Stage 1, 2, 3, 4, 5 and 6 At required times gateways 2-6
<b>External</b>	External Consultants (design) and Contractors (surveys, design and works)	Engage, Seek Information, collaborate, commission	Consultation Partnership meetings	RIBA Stage 1, 2, 3, 4, 5 and 6 At required times gateways 1-6

## Reporting cycle

It is assumed that projects will evolve from the master programme of works. It is envisaged that projects will, in the majority, follow the 'regular' route but some may fall under the 'complex' route. The table below identifies reporting envisaged along with stakeholder category.

Table 5 – Reporting cycle

Category:	When	Benefit Realised
<b>Internal Stakeholders (Internal Departments)</b>	Throughout project lifecycle, Gateways	Obtaining advice and feedback. Output monitoring Governance Checks
<b>Internal Stakeholders (Buildings Chief Officer Group (BCOG))</b>	Throughout project lifecycle, Gateways via the Programme Function and progress to KPIs via the CAS Dashboard	Commitment 2: To support the creation of a consistent format and content for effective progress reporting at monthly Chief Officer Group and quarterly Committee meetings from 1 April 2021.
<b>Internal Stakeholders (Committees)</b>	Gateways 1, 2, combined 3 & 4 (4b where relevant), 5 and 6	Tracking and monitoring of project outputs and objectives. Escalation of issue management. Seeking project direction required. Governance Checks
<b>External (Funding)</b>	Concurrent with gateway 4 (RIBA Stage 2, 3, 4, 5 & 6) At required times gateway 2-6	Known funding outcomes. Progress reporting against funding elements incl. tracking of progress Lessons learned from other projects or best practice
<b>External (Environment Agency)</b>	RIBA Stage 1, 2, 3, 4, 5 and 6 At required times gateways 1-6	Obtaining advice and feedback. Complying with Statutory consents. Specific technological information and expertise. Opportunities to link with planned EA works.
<b>External (Residents, Users and Tenants)</b>	(At required times in RIBA stage 3 and 4 and 5) At required times gateways 3-5	Keeping all informed and engaged Informing of methodologies and outputs intended – Involving residents and user's ideas Informing of methodologies and outputs intended – Involving residents and users by allowing people to voice their views Informing of methodologies and outputs intended – how people can play their part. Positive reputational image
<b>External (Building Managers and FM)</b>	(At required times in RIBA stage 2, 3 and 4) At required times gateways 3-6	In-depth knowledge sharing Lessons learning – what works and what works less than envisaged Watch Points sharing - Specific building usage / information that could help or hinder projects.
<b>External (Supply chains)</b>	RIBA Stage 1, 2, 3, 4, 5 and 6 At required times gateways 2-6	Gathering market intelligence and information Complying with Statutory consents
<b>External (Consultants &amp; Contractors)</b>	RIBA Stage 1, 2, 3, 4, 5 and 6 At required times gateways 1-6	Obtaining advice. Receiving specialist design knowledge and sharing. Specific technological information and expertise. Additional resource to assist existing teams.
<b>External (Distribution Network Operator)</b>	Concurrent with gateway 4 (RIBA Stage 2, 3, 4, 5 & 6) At required times gateway 2-6	Identify the viability of proposed interventions and any required enabling works. Understanding of impact on project timescales and costs. Specific technological information and expertise.



## Project Controls

The following Key Performance Indicators (KPIs) will be defined and tracked by this Project in order to judge its overall delivery success. Each will be tracked on a quarterly basis for qualitative (initially) and move toward quantitative progress reporting and will be reported formally in the Annual Report each year starting FY22/23.

### Project-level Key Performance Indicators (KPIs)

The below table sets out the principal KPIs that will track the delivery of the four CAS headline targets listed below. A trajectory and set of milestone target dates are to be developed for each.

1. Net zero by 2027 in the City Corporation's operations
2. Net zero by 2040 across the City Corporation's full value chain
3. Net zero by 2040 in the Square Mile
4. Climate resilience in our buildings, public spaces and infrastructure

Reporting KPIs are intended to be refreshed as part of the annual cycle of baseline re-assessment work beginning in FY22/23. The Management KPIs will be refreshed more regularly and will be reported via the Climate Performance Dashboard to committees from FY21/22.

Table 6 - Key performance indicators (KPI)

KPI name		Definition	Relevant CAS target	Regularity of reporting
<b>Resilience actions taken by department</b>		Number of resilience actions taken by service departments.	<ul style="list-style-type: none"> <li>Climate resilience in our buildings, public spaces and infrastructure</li> </ul>	Rolling total on a real time dashboard
<b>Resilience actions influence on carbon reduction</b>		Tonnes of CO <sub>2</sub> e reduced by implementation of resilience actions	<ul style="list-style-type: none"> <li>Net Zero by 2027 in the City Corporation's operations</li> <li>Net zero by 2040 across the City Corporation's full value chain</li> <li>Net zero by 2040 in the Square Mile</li> <li>Climate resilience in our buildings, public spaces and infrastructure</li> </ul>	Annually
<b>Resilience risk</b>	Total % of resilience risks addressed	Percentage of identified resilience risks addressed	<ul style="list-style-type: none"> <li>Climate resilience in our buildings, public spaces and infrastructure</li> </ul>	Annually
	% of critical resilience projects delivered	Percentage of identified critical resilience projects delivered	<ul style="list-style-type: none"> <li>Climate resilience in our buildings, public spaces and infrastructure</li> </ul>	Annually
	% of sub-critical resilience projects delivered	Percentage of identified sub-critical resilience projects delivered	<ul style="list-style-type: none"> <li>Climate resilience in our buildings, public spaces and infrastructure</li> </ul>	Annually
	% of non-critical resilience projects delivered	Percentage of identified non-critical resilience projects delivered	<ul style="list-style-type: none"> <li>Climate resilience in our buildings, public spaces and infrastructure</li> </ul>	Annually
	Residual risk	Number of identified business critical, sub-critical and non-critical risk outstanding	<ul style="list-style-type: none"> <li>Climate resilience in our buildings, public spaces and infrastructure</li> </ul>	Annually

### Key Data and Information

Documentation and process controls will be improved to allow for future audit and quality assurance measures such as alignment to best practice international standards on climate reporting.

Where data governance gaps exist, the Sustainability Director will develop a data maturity strategy to increase data accuracy and completeness, ensure integration of key data across key workstreams and provide clear governance and performance management going forward. This will also include data and information requirements that will extend to any outsourced work to provide assurance on quality.

As this project progresses data will be generated as to the effectiveness of resilience interventions. Further KPIs and targets may be periodically linked to the efficacy of measures and their overall contribution to the CAS. This will be subject to the Change Control Procedure.

The data generated by this project will be collated and displayed through Power BI dashboards to improve accessibility and understanding for a range of audiences.

### Internal Governance

- Net Zero and Resilient Buildings Centre of Excellence to report to Buildings Chief Officer Group;
- Action Area Chief Officers and Senior Accountable Climate Leads to report to Buildings Centre of Excellence;
- Lead officers to report to Action Area Chief Officer and Senior Accountable Climate Lead;
- Proposed Project Board (Extraordinary Board) where required for cost and progress updates under the holistic Capex cost allowance;
- Internal Stakeholders (all gateway reports) - informal project updates and formal gateways reports ahead of submission to Committees.

## APPENDIX 1

### Task breakdowns

<b>Task</b>	<b>1 - Climate change impact modelling and risk assessment</b>					
<b>Outcome</b>	Delivery of climate impact modelling for CPG and IPG assets.					
<b>Responsible officer</b>	Property Project Director					
<b>Description</b>	<p>Modelling and risk assessment exercise to identify resilience risks and constraints to implementation for the Corporation's physical assets.</p> <p>It will identify key risks both natural and man-made and specify the likely interventions necessary to provide protection to the users of the buildings. By identifying the climate resilience assets already in place (e.g. green roofs and flood resilience), this modelling will also allow for greater efforts and impact towards strengthened buildings' resilience.</p> <p>The output will provide a strong, data-led approach allowing for a deeper understanding of climate related risks and will support the CAS goal of mitigating these risks within the first six years of CAS implementation.</p> <p>This is expected to be split across two phases:</p> <p>Phase 1 - Identification of areas with heightened risk (e.g. flooding, temperature increases) and the need for enhanced resilience measures to be implemented.</p> <p>Phase 2 – Model the impact of specific adaptation and resilience measures on key assets, providing insight into the scope and specification of interventions to be adopted and implemented.</p>					
<b>Timescales</b>	<p><b>Year 1</b> – Commissioning and delivery of climate change impact modelling and risk assessment</p> <p>For further breakdown see Gantt Chart (Project Schedule).</p> <p><u>Key dependencies</u></p> <p>None.</p>					
<b>Costs</b>		<b>Year</b>				
	<b>Cost - £k</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>
	<i>Project specific consultancy</i>	£200	-	-	-	-
	<i>Staff resource (outsourced)</i>	-	-	-	-	-
	<b>Resource</b>	<b>£200</b>	-	-	-	-
	<b>Capital</b>	-	-	-	-	-
	<b>TOTAL</b>	<b>£200</b>	-	-	-	-
<b>Benefits</b>	<p>Identify resilience risks, and constraints to implementation.</p> <p>Data-led approach allowing for a deeper understanding of climate related risks.</p> <p>Identification of pilot projects in the Corporate and Investment Property Estates.</p>					
<b>Assumptions</b>						

<b>Task</b>	<b>2 - Development of Resilience Action Plan</b>
<b>Outcome</b>	Development of detailed action plan covering resilience project roll out.
<b>Responsible officer</b>	Property Project Director

Description	Following the completion of Task 1, and co-ordinating with outcomes from the Design Standards Project Plan, a Resilience Action Plan will be developed to provide a roadmap for delivery across the CPG and IPG estates to mitigate risks such as flooding, temperature increases and energy security.						
	This will reference and build upon the Resilience Pathways work completed by Buro Happold, identifying how key assets, critical infrastructure and sensitive equipment will be protected.						
	This Action Plan will identify the timescales for action, key risks and specific interventions. Importantly this will also identify how specific interventions can be aligned with planned works (including 5-year plans) and establish a framework for measuring and monitoring resultant risk mitigation.						
	It is expected that interventions will be divided into three broad categories:						
	<ul style="list-style-type: none"><li>• <b>Critical resilience projects</b></li><li>• <b>Sub-critical resilience projects</b> - measures that are important to business continuity, but less critical in nature.</li><li>• <b>Non-Critical resilience projects</b></li></ul>						
Timescales	For each intervention, detail in relation to the scope, specification, engagement process, governance and timescales will be provided. It will also identify a reporting process and metrics designed to manage progress to ensure identified outcomes are deliverable.						
	An overview of measures that may be adopted as part of a building retrofit programme to manage the impacts of a changing climate were shared by Buro Happold. This is provided in Appendix 2 for reference.						
	<b>Year 1</b> – Commissioning and development of Resilience Action Plan.						
	<b>Year 2</b> – Finalise Resilience Action Plan						
	For further breakdown see Gantt Chart (Project Schedule).						
Costs	<u>Key dependencies</u>						
	Task 1 and Design Standards Action Area.						
		Year					
	Cost - £k	21/22	22/23	23/24	24/25	25/26	26/27
	Project specific consultancy	£50	£50	-	-	-	-
	Staff resource (outsourced)	As identified in Task 5					
	Resource	£50	£50	-	-	-	-
	Capital	-	-	-	-	-	-
Benefits	TOTAL						
	£50£50--						
	Prioritised action plan to mitigate resilience risks.						
	Integration of actions into existing planned works and 5-year plans.						
	Protection of key assets, critical buildings and sensitive equipment.						
Assumptions	Identification of pilot projects on the Corporate and Investment Property estates.						
	Identification and quantification of specific resilience projects.						

Task	<b>3 - Resilience Action Plan – Pilot Project Delivery</b>
Outcome	Identify, specify, procure and deliver at least one pilot project to improve the resilience of CPG and IPG assets.
Responsible officer	Property Project Director

Description	Based on previous Tasks, this will identify, specify, procure and deliver pilot projects to improve the resilience of CPG and IPG assets on a small scale before full roll out. This could include Sustainable Urban Drainage Systems, grey water recycling measures, thermal mass inclusion within buildings and/or green roof retrofit.						
	The pilot phase is expected to incorporate a higher level of data gathering and measurement and verification to ensure interventions can be assessed in terms of their effectiveness and appropriateness before being taken forward at a greater scale. This will capture lessons learnt and provide feedback to inform future phases.						
	It is expected this task could be delivered in collaboration with other resilience actions e.g. Cool Streets and Greening to allow a coordinated approach.						
	An overview of measures that may be adopted as part of a building retrofit programme to manage the impacts of a changing climate were shared by Buro Happold. This is provided in Appendix 2 for reference.						
Timescales	<b>Year 2</b> – Delivery of pilot project(s) informed by the Resilience Action Plan.						
	For further breakdown see Gantt Chart (Project Schedule).						
	<u>Key dependencies</u>						
Costs	Task 1 and 2.						
		Year					
	Cost - £k	21/22	22/23	23/24	24/25	25/26	26/27
	Project specific consultancy	-	-	-	-	-	-
	Staff resource (outsourced)	-	£50	-	-	-	-
	Resource	-	£50	-	-	-	-
	Capital	-	£500	-	-	-	-
	TOTAL	-	£550	-	-	-	-
	Benefits	Delivery of resilience pilot projects.					
Gathering of feedback and lessons learned.							
Identification of potential procurement routes.							
Quantification of potential benefits and process for measuring these going forward.							
Assumptions	Implementation and monitoring of risk mitigation.						
	<ul style="list-style-type: none"><li>Flexible PM resource at 10% of total capital cost.</li></ul>						

Timescales	Focuses on the implementation of measures that are not critical to business continuity, but merit investment to safeguard future opportunity or need. It is envisaged these projects will be delivered towards the end of the Project Plan term.						
	An overview of measures that may be adopted as part of a building retrofit programme to manage the impacts of a changing climate were shared by Buro Happold. This is provided in Appendix 2 for reference.						
	<b>Year 2</b> – Roll out of projects identified in the Resilience Action Plan						
	For further breakdown see Gantt Chart (Project Schedule).						
Costs	<u>Key dependencies</u>						
	Task 1, 2 and 3.						
		Year					
	Cost - £k	21/22	22/23	23/24	24/25	25/26	26/27
	Project specific consultancy	-	-	-	-	-	-
	Staff resource (outsourced)	-	-	£150	£150	£150	£150
	Resource	-	-	£150	£150	£150	£150
	Capital	-	-	£1,500	£1,500	£1,500	£1,500
Benefits	TOTAL						
	Protection of Built Environment against adverse climatic events.						
	Asset value maintained and enhanced.						
	Business continuity secured.						
	Growth and development protected.						
Assumptions	Comfort & Wellness for building users.						
	<ul style="list-style-type: none"><li>Costs run up to Year 6 (2026/27) only.</li><li>Flexible PM resource at 10% of total capital cost.</li><li>Capital funding identified as the remaining budget from the £8 million envelope secured for this Action Area.</li></ul>						

Task	5 – Appoint specialist resource						
Outcome	Resourcing of Buildings Resilience Specialist						
Responsible officer	Property Project Director						
Description	Recruitment of resilience expertise to form the core of the extended team to lead Tasks identified above, co-ordinate consultancy activity and support departments in the delivery of carbon reduction interventions.						
	To successfully achieve the Task outcomes, it is important that there is organisational reach back to a wider pool of specialisms e.g. architecture, MEP, structural, sustainable materials, etc. to encompass the breadth of expertise required for this action area. Therefore, the procurement approach for this role should reflect that this may not be a specific individual but could be an organisation (or combination of the two).						
Timescales	Year 1 – Resourcing of Buildings Resilience Specialist						
	<u>Key dependencies</u>						
	None.						
Costs		Year					
	Cost - £k	21/22	22/23	23/24	24/25	25/26	26/27
	Project specific consultancy	-	-	-	-	-	-

	Staff resource (outsourced)	£55	£110	£110	£110	£110	£110
	Resource	£55	£110	£110	£110	£110	£110
	Capital	-	-	-	-	-	-
	TOTAL	£55	£110	£110	£110	£110	£110
Benefits	Enabling action for identifying and managing Tasks above.						
	Coordination and linking of Resilience with Design Standards workstreams. Link and coordinate with other resilience Action Areas e.g. RS2 and RS4.						
Assumptions	<ul style="list-style-type: none"> <li>Assumed average cost of £110k/annum/FTE for this resource level.</li> <li>Resources to start six months into Year 1, hence costs of £55k.</li> </ul>						

## APPENDIX 2 - Typical building resilience measures



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Surveyors Departmen





City of London Corporation

# Climate Action Strategy

**NZ4 Investment Property Group**

## **Project Plan**

Version 1.2

Date: 10.05.2021

Author: Mark Phelpstead (AECOM)

Approval: Paul Wilkinson / Damian Nussbaum

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## Project Introduction

### Project Aims

In support of the Climate Action Strategy (CAS), commencing implementation from April 2021, this Project Plan details how action will be accelerated to deliver carbon reductions and energy efficiency improvements for the Investment Property Group (IPG).

This will support achievement of the following net zero vision and goals:

**NET ZERO VISION:** The City Corporation is responsible for some of Central London's most historic, landmark buildings. The net-zero future will prepare them for the next one hundred years, reducing emissions and costs, while improving tenant satisfaction and long term valuation.

### NET ZERO GOALS:

- City of London Corporation scope 1 and 2 emissions to be net zero by 2027 and scope 3 emissions to be net zero by 2040.
- The Square Mile's scope 1,2 and 3 emissions to be Net zero by 2040.
- Investment Property Portfolio to be net zero by 2040.

### Introduction

The Investment Property portfolio comprises of some 330 properties, of which some 150 are under direct management (including multi-let properties, properties let on FRI leases and properties under development). The remainder on ground leases, where the head leaseholder controls the property and there are some 650 tenants with varying terms of lease lengths.

Analysis completed by the Carbon Trust using a mix of actual, Energy Performance Certificate (EPC) and benchmark data estimated that Scope 3 emissions in 2018 for the IPG were 111.3 ktCO<sub>2</sub>e. When compared to modelling completed by Arup in August 2020, which identified 2018 baseline Scope 1 and 2 emissions (GHG Protocol operational control) as 36.4 ktCO<sub>2</sub>e, this shows that Scope 3 emissions from the IPG are extremely significant; three times that of the Scope 1 and 2 emissions. Therefore, reducing carbon emissions from IPG assets will make a large contribution towards achieving net zero in 2040.

It should be noted that a small number of IPG assets (fifteen) are included within Scope 1 and 2 emissions baseline. This equates to 2.3 tCO<sub>2</sub>e (6% of total 2018 baseline Scope 1 and 2 emissions). Therefore, reducing emissions in these IPG assets will also support achievement of the net zero by 2027 target. The IPG portfolio team have highlighted that, as of March 2021, this should be nine assets which are those being refurbished under the Gateway programme by 2027 (see Appendix 3). The remainder of the assets have either been identified for sale or have lease expiries in 2027 or later. In the first instance, data will be checked by the Buildings Centre of Excellence (see Delivery Approach) as part of Project Controls to confirm that these assets are correctly allocated to Scope 1 and 2 emissions and where necessary adjust the baseline.

Based on a floor area of 307,000 m<sup>2</sup> as identified by Verco (Table 3), it can be calculated that average emissions for the IPG are 362 kgCO<sub>2</sub>e/m<sup>2</sup> floor area. Using this as a proxy to compare against Scope 1 and 2 emissions, there are some concerns around data accuracy. Scope 1 and 2 emissions (excluding fleet) equate to 36 ktCO<sub>2</sub>e, based on an identified floor area of circa. 0.9 million m<sup>2</sup> this results in 41 kgCO<sub>2</sub>e/m<sup>2</sup>. Therefore, this suggests that, on average, IPG assets are 8.6 times less efficient than CPG assets.

Recognising that the Carbon Trust analysis relied on Energy Performance Certificates (EPCs) and energy benchmarks, these data sources may have caused an over-representation of actual operational energy consumption and carbon emissions. The availability of data is also flagged in analysis completed by Verco which showed that 23% of total floor area does not have detailed EPC

data available (including exemptions such as listed buildings). This is shown in Table 1. Therefore, in order to improve data coverage and accuracy a key Task in Year 1 will be to ensure that energy consumption is more accurately measured and reported. This will have further benefits of supporting the Corporation to identify which tenants to engage with in support of 2040 targets.

Table 1 – EPC coverage by Fund – provided by IPG 24/03/2021

Fund	Detailed EPC data		Remaining assets		Total floor area (m <sup>2</sup> )
	Floor area (m <sup>2</sup> )	%	Floor area (m <sup>2</sup> )	%	
<b>City Estate</b>	99,746	68%	47,052	32%	146,798
<b>City Fund</b>	64,651	71%	26,136	29%	90,787
<b>Bridge House Estates</b>	57,000	97%	1,500	3%	58,500
<b>Strategic Estate</b>	26,100	100%	-	0%	26,100
<b>Total (say)</b>	<b>247,500</b>	<b>76%</b>	<b>74,700</b>	<b>23%</b>	<b>322,200</b>

A significant driver in the short term for the Investment Property Group is the Minimum Energy Efficiency Standards (MEES). This applies to commercial private rental property and since April 2018, has made it an offence for a landlord of commercial property to sell, grant a new lease or renew a lease of a property which has an EPC rating of F or G. Asset Managers are acutely aware of avoiding the risk of “stranded assets” which are unable to comply with the MEES regulations.

In response to this, a Verco and Currie & Brown study was undertaken in August 2020 to understand the costs of upgrading the investment property portfolio to:

1. Meet the future requirements of the MEES regulations, noting there is speculation that the Government will increase the minimum rating to a ‘B’ by 2030;
2. Achieve carbon reductions in IPG portfolios to contribute to the Corporation’s net zero position by 2040.

It was reported that an average marginal estimate of £181/m<sup>2</sup> to achieve EPC B and £227/m<sup>2</sup> for net zero would be required across the investment portfolio. The next stage (Task 1a) is to undertake MEES risk and boundary assessment at asset level (rather than portfolio) to deliver a cost and risk profile. This will be informed by on-site surveys and technical energy assessments to determine which assets, in what order, will achieve what level of expected energy and carbon performance by which date, between 2021 and 2040, mindful of the key milestone of 2026/2027, being the end of the first delivery phase of the CAS and 2030 when properties potentially must achieve an EPC B.

It should be flagged that focusing solely on EPCs may be problematic. This is because they do not account for unregulated load e.g. IT equipment, lifts, escalators, external lighting, servers, audio-visual equipment and other appliances. Furthermore, current EPCs are based on older emissions factors (e.g. not current Department for Business, Energy and Industrial Strategy (BEIS), Green Book emissions factors) and so this may be in conflict with carbon reduction as the grid decarbonises<sup>1</sup>. The improvement in metering provision (Task 2) will support gathering of actual data and the focus of technical energy assessments will be on net zero and not just EPC upgrades.

To enable delivery, it is critical that identified interventions are implemented in such a way as to dovetail with existing estates and assets strategies. This will maintain continuity of service, avoid tenant disruption and embed net zero considerations into the daily activities of Asset Managers. To support this an Operating Plan will be developed (Task 4) to identify the emissions reductions potential by 2040, major milestones and how action will be integrated within investment strategy. For example, this is expected to identify varying scales of intervention e.g. non-invasive upgrades, such as changing lighting fittings to LEDs, opportunities where upgrades can occur during

<sup>1</sup> From 2022 onwards it is likely that all new EPCs will be produced with the new emissions factors. Therefore, this is a potential issue for current EPCs.

refurbishment of vacant floors where the business plan for the building is to hold for income, or during major refurbishment at a specific vacant possession date.

As with CPG, performance in relation to reducing carbon emissions in IPG is reliant on grid decarbonisation. Analysis completed to date suggests that modelling may be optimistic as when comparing annual figures published by the BEIS with the Green Book Figures used in the Arup model, average grid intensity in 2020 was 42% more carbon intensive. As grid decarbonisation is largely out of the control of the Corporation, this identifies that additional energy efficiency and carbon reduction interventions are needed to mitigate the risk that the grid does not decarbonise quickly. Therefore, a focus of this Project Plan is to deliver carbon reduction interventions within the control of the Corporation to ensure achievement of CAS targets.

Against the background explained above, this Project Plan identifies Tasks that have been developed to address the following three aims:

- **Deliverable** – tasks can be completed within the identified timescales;
- **Affordable** – projects can be accommodated within the Corporation's current and future budget constraints; and
- **Impactful** – actions make expected carbon reductions towards both the 2027 and 2040 targets.

To achieve these aims the following high-level actions will be implemented, and these are split into individual Tasks in **Error! Reference source not found..**

#### Year 1-2

- Establish a comprehensive program to monitor energy consumption;
- Undertake MEES risk and boundary assessment at asset level to deliver portfolio cost and risk profile;
- Design an Operating Plan to identify emissions reductions achievable by 2040, identifying major milestones and investment strategy;
- Dovetailing of identified interventions into existing estates/asset strategy;
- Focus on the IPG assets that contribute to scope 1 and 2 emissions (considered a win-win).

#### Year 2+

- Focused procurement and delivery of capital works to achieve carbon reduction targets.

#### How to use this document

This document outlines the costs, benefits and overall approach to reducing emissions across the Investment Property Group to support delivery of the Climate Action Strategy. It is to be used as a baseline against which to monitor progress. It will be kept as a live document and will be updated periodically subject to the Change Control Procedure.

## Project Objectives

The Project Objectives for this Project Plan are:

- Improve building energy efficiency of the Investment Property Portfolio;
- Comply with energy efficiency regulations;
- Develop new 'green lease' agreements;
- Collaborate with tenants to achieve shared goals;
- Monitor and report on improving performance;
- Use the Investment Property Group portfolios to provide exemplars to the wider Square Mile.

Table 2 details key Tasks that will be completed to achieve the Project Aims. Further detail on each project can be found in Appendix 1. The focus of the 2021/22 plan will be to mobilise resource to address any current issues and data gaps, and identify and implement interventions in the short term, whilst allowing longer term action to be unlocked through capital works and relevant engagement activities.

It is vital that these Tasks interface with outcomes from the design standard and resilience Action Areas. This will make sure synergies to improve energy efficiency and reduce carbon (e.g. works to upgrade EPCs to B) are consistent with the outcomes from these CAS activities. The role of the Sustainability Director (detailed below) will be to co-ordinate across Action Areas to facilitate this.

Table 2 - Tasks and project objectives

Theme	Reference	Task	Rationale	Outcome	Key Actions in 21/22	Team Lead	Lead Support
<b>Minimum Energy Efficiency Standards (MEES) Risk Assessment</b>	1a	Undertake MEES risk and boundary assessment at asset level to deliver portfolio cost and risk profile	<ul style="list-style-type: none"> <li>• Legal compliance</li> <li>• Risk of stranded assets</li> <li>• Informing Operational Plan</li> </ul>	Portfolio Level Cost Plan	<ul style="list-style-type: none"> <li>• Undertake MEES risk and boundary assessment on some 150 assets under direct management.</li> </ul>	Investment Property Group Director	Sustainable Property Specialist
	1b	Identify costs required to upgrade major refurbishment works to EPC grade B between 2022 and 2030	<ul style="list-style-type: none"> <li>• Reducing Scope 3 emissions</li> <li>• Risk of stranded assets</li> <li>• Informing Operational Plan</li> </ul>		<ul style="list-style-type: none"> <li>• Identify costs required for major refurbishment to get some 150 assets to Grade B between 2022 and 2030.</li> </ul>	Investment Property Group Director	Sustainable Property Specialist
<b>Due diligence standards</b>	1c	Identify and agree environmental due diligence standards for new acquisitions	<ul style="list-style-type: none"> <li>• New acquisitions may negatively contribute to net zero targets</li> </ul>		<ul style="list-style-type: none"> <li>• Identify and agree due diligence standards for new acquisitions.</li> <li>• Use net zero risk assessment on new acquisitions.</li> </ul>	Investment Property Group Director	Sustainable Property Specialist
<b>Smart Metering</b>	2	Undertake a study to establish process, cost and benefit of an improved metering strategy	<ul style="list-style-type: none"> <li>• Understanding Scope 3 emissions</li> <li>• Address current data uncertainties</li> </ul>	Report detailing the cost and viability of installing smart metering systems	<ul style="list-style-type: none"> <li>• Undertake study</li> <li>• Use outputs to inform tenant engagement.</li> </ul>	Investment Property Group Director	Sustainable Property Specialist

<b>Green leases</b>	3	Undertake green lease Memorandum of Understanding (MOU) pilot to generate a working template for portfolio roll-out	<ul style="list-style-type: none"> <li>• Opportunity to engage with tenants</li> <li>• Helps to address the landlord / tenant split incentive</li> </ul>	Development of template for green lease clauses	<ul style="list-style-type: none"> <li>• Direct engagement with a pilot group of tenants to identify data sharing and carbon reduction opportunities.</li> <li>• Identify budget and resources for this piece of work.</li> </ul>	Investment Property Group Director	Sustainable Property Specialist
<b>Operations Plan</b>	4	Design an operating plan to identify a pathway to emissions reductions by 2040, identifying major milestones and investment strategy	<ul style="list-style-type: none"> <li>• Informed by previous work stages, action will need to be taken to meet the 2040 target.</li> </ul>	Operation plan with focus on at least 60% emissions reduction by 2040.	<ul style="list-style-type: none"> <li>• <i>Planned for 22/23 as dependent on other workstreams – see Project Schedule</i></li> </ul>	Investment Property Group Director	Sustainable Property Specialist
<b>Funding</b>	5a	Determine Capital Opportunities	<ul style="list-style-type: none"> <li>• Implementation of quick win interventions by portfolio.</li> <li>• Support delivery of Operations Plan by portfolio (Task 4)</li> </ul>	Funds directed to enable improvements to be applied to ongoing refurbishments and acquisitions.	<ul style="list-style-type: none"> <li>• Identification of quick win projects, based on current refurbishment/lifecycle replacements/lease breaks plans</li> </ul>	Investment Property Group Director	Sustainable Property Specialist
<b>Staff Resource</b>	5b	Sustainable Property Specialist - 1 FTE (outsourced)	<ul style="list-style-type: none"> <li>• Consultancy activities identified above will need to be managed</li> </ul>	Recruitment of specialist resource to manage work flow	<ul style="list-style-type: none"> <li>• Recruitment of specialist resource to manage work flow</li> </ul>	Investment Property Group Director	Sustainable Property Specialist
	5c	Capital PM resource (flexible)	<ul style="list-style-type: none"> <li>• PM Resource will be required to deliver capital projects</li> </ul>	Recruitment of PM resource	<ul style="list-style-type: none"> <li>• Recruitment of PM resource (flexible) as required</li> </ul>	Investment Property Group Director	Sustainable Property Specialist

## Team structure

The Teams involved in the delivery of this Project Plan are shown in Figure 1. How this integrates within the wider delivery approach and Buildings Centre of Excellence is explained in more detail in the Delivery Approach Section.

How additional resources are managed within the City Surveyors Department is shown in Figure 2.

The colour coding is as follows:

- Yellow boxes indicate areas of current activity that support the CAS;
- Green boxes show those additional activities required by this Plan that will be unlocked through additional resources;
- The grey boxes indicate additional staff resources either through outsourced team members (e.g. secondments) or third party flexible resource to be employed according to delivery need. As indicated by the legend this is not necessarily permanent employees.

The Team Structure has been developed to focus on the Year 1 and 2 priorities of addressing data quality, undertaking asset level assessments to deliver portfolio cost and risk profile and developing an Operating Plan that integrates interventions into existing estates and asset strategy. This will likely change as the programme progresses depending on identified procurement routes and service outcomes. For example, outsourced roles could be delivered as part of contracted services, with specific output requirements as part of the service (e.g. as part of an Energy Performance Contract). To make sure that the Team structure remains fit for purpose, the Senior Responsible Officers and Buildings Chief Officer Group will review and manage resource requirements instilling a flexible approach that allows the market to innovate and deliver The Corporation's requirements efficiently.



Figure 1 – Delivery Teams - NZ4 Investment Property Group Project Plan

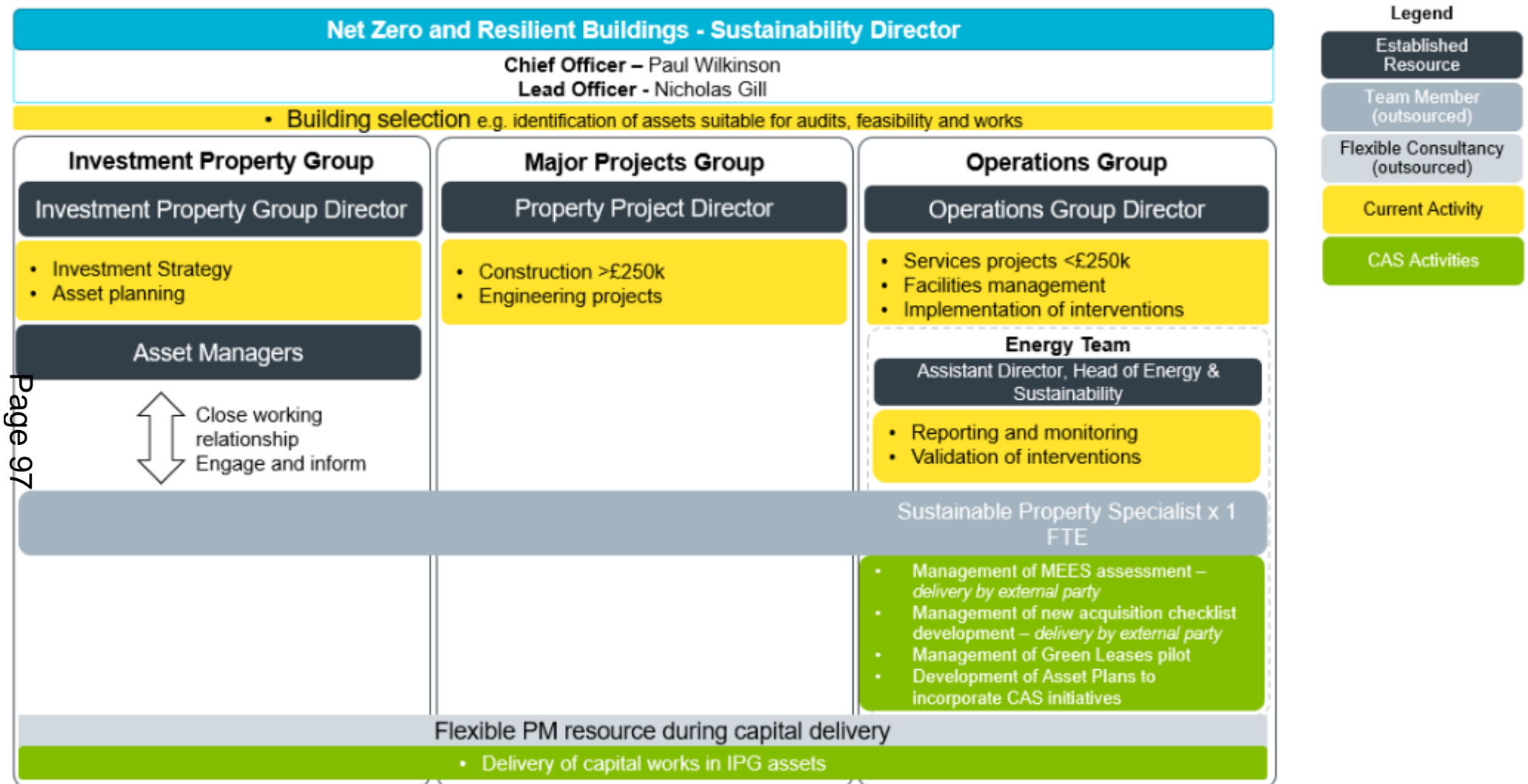
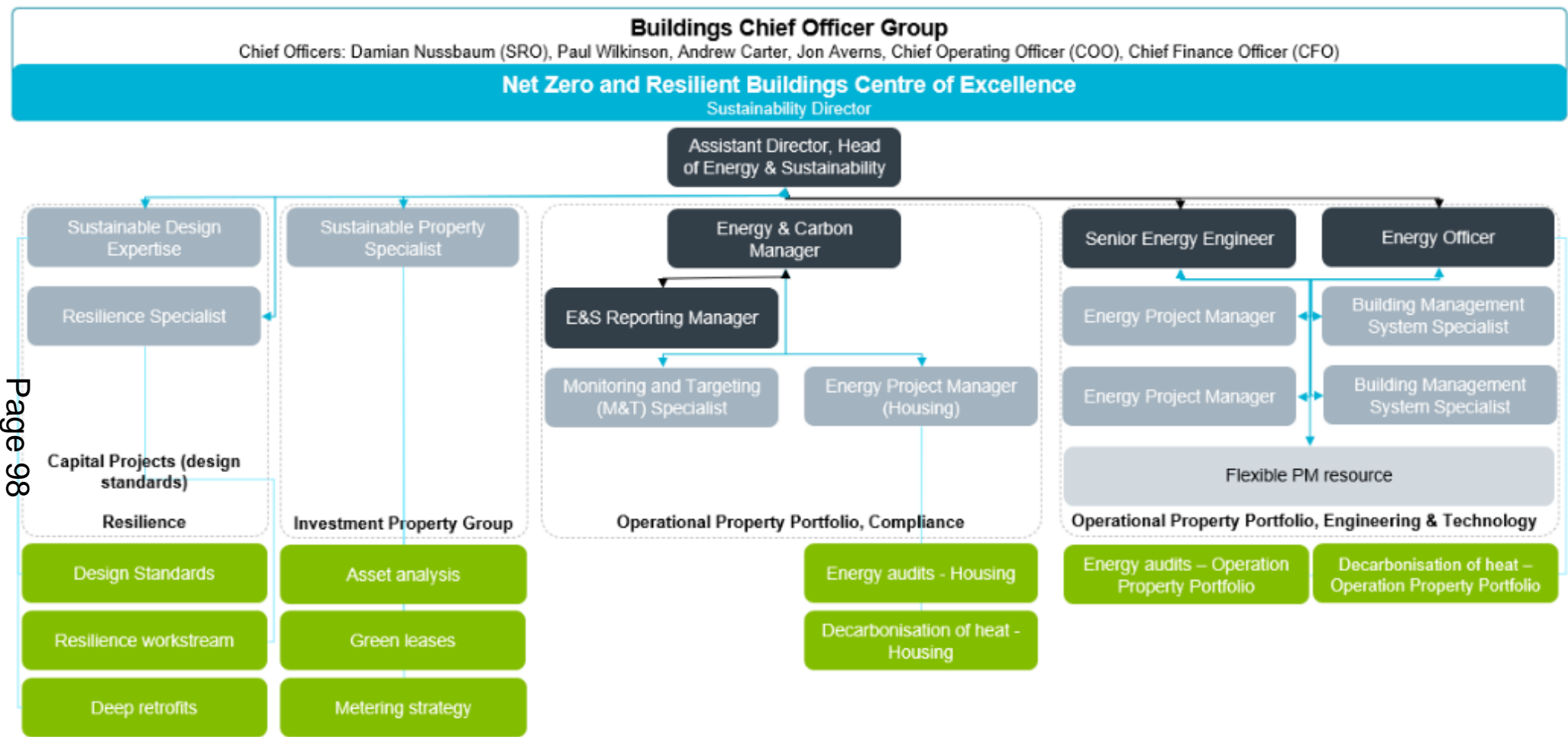


Figure 2 Team structure - NZ4 Investment Property Group



## Project Schedule & Gantt Chart

### Delivery Plan (Gantt chart)

Delivery Plan (Gantt chart)				FY 21/22				FY 22/23				FY 23/24				FY 24/25				FY 25/26				FY 26/27			
Task Number	Task Detail	Responsible	Completion (%)	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar
Net Zero and Resilient Buildings Centre of Excellence																											
CoE-1	Establishment of Net Zero and Resilient Buildings Centre of Excellence	Director of Innovation & Growth, City Surveyor	0%																								
CoE-2	Establish energy targets and intensity metrics where data gaps	Director of Innovation & Growth, City Surveyor	0%																								
NZ4 Investment Property Group Project Plan																											
	Selection of buildings for workstreams for IPG-1a	Investment Property Group Director	0%																								
IPG-1a	Undertake MEES risk and boundary assessment at asset level to deliver portfolio cost and risk profile	Investment Property Group Director	0%																								
IPG-1b	Identify costs required to upgrade major refurbishment works to EPC grade B between 2022 and 2026	Investment Property Group Director	0%																								
IPG-1c	Identify and agree environmental Due Diligence Standards	Investment Property Group Director	0%																								
IPG-2	Undertake a study to establish process, cost and benefit of improved metering	Investment Property Group Director	0%																								
IPG-3	Undertake Green lease MOU pilot group tenants to evolve a working template for portfolio roll-out	Investment Property Group Director	0%																								
IPG-4	Design an operating plan to work towards 60% emissions reduction by 2040	Investment Property Group Director	0%																								
IPG-5a	Capital Opportunity Budget	Investment Property Group Director	0%																								
IPG-5b	Appoint specialist resource	Investment Property Group Director	0%																								
IPG-5c	Capital PM Resource (outsourced - as required)	Investment Property Group Director	0%																								

## Project Business Case

### Project Costs

Total project costs for this Action Area have been identified as, on average, £3.49 million a year from 2020 to 2040. This has been ascertained based on marginal costs (additional cost beyond existing maintenance and upgrade budgets ) to achieve net zero in 2040 as per the Verco, City of London – Net Zero Cost Assessment completed in August 2020. A breakdown of this is provided in Table 3 (Note: areas have since changed due to purchase and sale of properties since August 2020). Capital opportunities are indicative only at the beginning of Y1; exact spend per portfolio will need to be determined once site level surveys have been completed. Decisions will need to be made on a site and portfolio basis through the relevant governance channels.

Table 3 – Cost to achieve net zero, Verco, City of London – Net Zero Cost Assessment, August 2020, costs indexed to Q3 2020 rates (unclear whether VAT has been applied)

Fund	Total floor area (m <sup>2</sup> )	Marginal cost per m <sup>2</sup> to achieve net zero (£/m <sup>2</sup> )	20 year cost	Cost per year
<b>City Estate</b>	146,798	216	£31,708,368	£1,585,418
<b>City Fund</b>	90,787	239	£21,698,093	£1,084,905
<b>Bridge House Estates</b>	44,687	241	£10,769,567	£538,478
<b>Strategic Estate</b>	24,592	228	£5,606,976	£280,349
<b>Total</b>	<b>306,864</b>		<b>£69,783,004</b>	<b>£3,489,150</b>

It is important to note that all costs for resource have been capitalised and therefore come out of this budget.. It is assumed that funding will be available to support workstreams to be mobilised in line with the Project Schedule.

The costs for individual Tasks have been ascertained by the Energy Team which, as Table 2 demonstrates, is made up of an initial focused period of project consultancy in Years 1 and 2. This will address current data uncertainties, identify costings and plans at the property level and implement quick wins. It is expected that these activities will determine capital spending from Year 2 onwards and subsequent carbon and cost savings towards 2040.

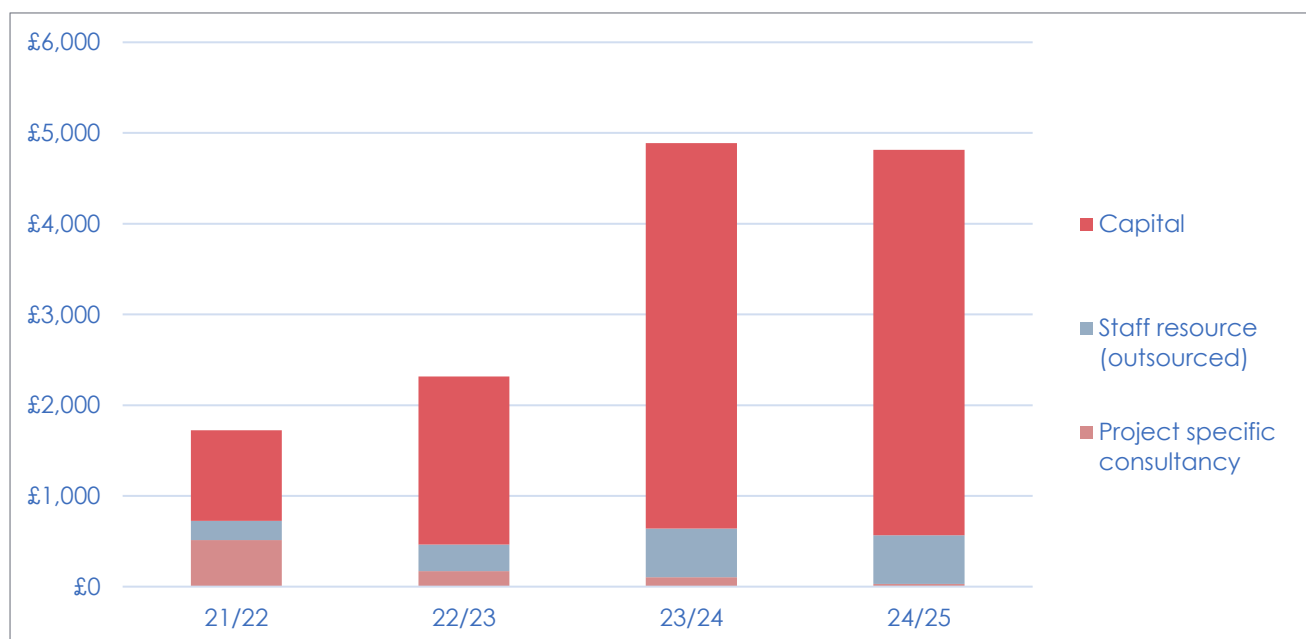
Over the four year period of this project plan, average costs are £3.4 million per year. Whilst this is in line with the Verco model, the spend profile is variable. This is because initial action will be on identifying interventions and dovetailing this within asset plans before completing capital works in line with investment strategy.

Table 4 - Costs by Task (£k/annum)

Tasks	Category	21/22	22/23	23/24	24/25
1a - Undertake MEES risk and boundary assessment at asset level to deliver portfolio cost and risk profile	Project specific consultancy	£365	£60	£75	£75
1b - Identify costs required to upgrade major refurbishment works to EPC grade B between 2022 and 2030					
1c - Identify and agree environmental Due Diligence standards					
2 - Undertake a study to establish process, cost and benefit of an improved metering strategy	Project specific consultancy	£40	-	-	-
3 - Undertake green lease MOU pilot group tenants to evolve a working template for portfolio roll-out	Project specific consultancy	£50	-	-	-
4 - Design an operating plan to identify a pathway to 60% emissions reductions by 2040, identifying major milestones and investment strategy	Project specific consultancy	£60	£60	-	-
5a – Indicative Capital Budget	Capital	£1,000	£1,850	£4,250	£4,250
5b - Sustainable Property Specialist - 1 FTE (outsourced)	Staff resource (outsourced)	£110	£110	£110	£110

5c - Capital PM resource	Staff resource (outsourced)	£100	£185	£425	£425
<b>Total</b>	<b>Project specific consultancy</b>	<b>£515</b>	<b>£170</b>	<b>£105</b>	<b>£30</b>
	<b>Staff resource (outsourced)</b>	<b>£210</b>	<b>£295</b>	<b>£535</b>	<b>£535</b>
	<b>Capital</b>	<b>£1,000</b>	<b>£1,850</b>	<b>£4,250</b>	<b>£4,250</b>
	<b>Total</b>	<b>£1,725</b>	<b>£2,315</b>	<b>£4,890</b>	<b>£4,815</b>

Figure 3 - Costs breakdown by Category (£k/annum)



## Project Benefits

The main quantitive project benefits are expected to be cost and carbon savings, asset re-sale value and protection of rental yields. The Project Initiation Document for this Action Area quantify carbon savings as 2.25 ktCO<sub>2</sub>e and cost savings as £2.5 million each year over the four year Project Plan period. However, due to limited information currently available on the Investment Portfolio Group, an intensive workstream of asset-level assessment needs to be undertaken prior to quantifying these benefits fully.

In addition, given the nature of landlord/tenant lease arrangements there will be instances where reducing energy consumption may not necessarily result in realisable savings back to the Corporation. This is where tenants are responsible for energy supplies.

Work in Year 1 will look at opportunities to address this split incentive, in particular the green lease MOU Pilot which will look at commercial mechanisms where co-investment could occur between The Corporation and tenants.

Additional, non-quantifiable savings (at this stage) include:

- Improved access to energy data and understanding of energy performance;
- Improved air quality where gas boilers are avoided or removed;
- Understanding and positioning for innovative and emerging technologies;
- Assisting tenants in meeting their own ESG requirements;
- Improved occupant comfort and internal environment.

## Delivery Approach

Figure 4 – Net Zero and Resilience Buildings Centre of Excellence, Delivery Model



To drive and direct leadership, best practice, research, support and training to all areas of building decarbonisation and resilience work to deliver the CAS, a Net Zero and Resilient Buildings Centre of Excellence will be established. This will sit outside of the regular reporting structure to drive strategic level targets into mobilisation and delivery across departments. Through this approach it will provide a view across all Tasks and Project Plans to control and package up service requirements based on the outputs of feasibility studies, energy audits etc. maximising value from the market based on clear desired outcomes and a programme level view.

Its role will include concentrating knowledge from across all activity areas to attain and sustain high performance and value, capture lessons learnt and provide a feedback loop for continuous improvement.

The benefits of this approach will be:

- Member-buy in and confidence;
- Limiting “single points of failure”;
- Development of a cross-discipline team;
- Share resources and learning across workstreams;
- Ability to flex staff resource to meet need;
- Ability to draw in a wide range of expertise and experience from the private sector.

### Net Zero and Resilient Buildings Sustainability Director

To manage and lead the Net Zero and Resilience Buildings Centre of Excellence, a Sustainability Director will be resourced. This will allow The Corporation to utilise the third party expertise of someone with extensive experience of delivering large, complex programmes across net zero, resilience and energy in buildings to drive delivery across the four buildings workstreams.

Their role will comprise:

- Managing and leading the Net Zero and Resilience Buildings Centre of Excellence;
- Reporting progress to CAS Senior Responsible Officers;
- Coordinating and identifying synergies between workstreams;
- Aligning strategy and policy with delivery;
- Managing the transition from project definition to mobilisation and implementation;
- Facilitating reach back to private sector expertise and best practice.

### Delivery model

The delivery model for the Net Zero and Resilient Buildings Centre of Excellence is illustrated in Figure 4. This shows how all four workstreams across buildings will come together, identifies the key officers and illustrates the role of additional resource capabilities to support existing teams.

For this Project Plan the key resources are:

- Net Zero and Resilient Buildings Centre of Excellence Sustainability Director
- Chief Officer – Paul Wilkinson
- Senior Accountable Climate Lead – Peter Collinson
- Lead Officer – Nick Gill

The team structure for the Investment Property Group Action Area is detailed above.

### Approach to staff resourcing

The diagram above shows how the proposed Net Zero and Resilient Buildings Centre of Excellence Sustainability Director would relate to the four workstreams, including this one.

Whilst this plan identifies staff resource requirements, it is not expected that this will be delivered through new internal hires. This will be delivered through project specific consultancy, outsourced staff and/or flexible project management resources allowing The Corporation to drive value from the supply chain through competitiveness, contractual measures to secure outcomes, flexibility, reach back support and market innovation. This will also inform plans under the current Target Operating Model.

At present, staff resourcing has been developed to address the initial need to identify interventions, complete feasibility studies, deliver quick wins and identify, specify and deliver procurement solutions. As the CAS progresses (informed by Year 1) a key review point will be to evaluate resourcing requirements as this may change depending on the identified procurements routes and service outcomes. This review will be managed and guided by the Senior Responsible Officer and the Buildings Chief Officer Group.

### Approach to selecting buildings

When determining which buildings should be taken forward for the identification and implementation of carbon reduction interventions there are a number of criteria that need to be considered. These are broadly divided into two categories as detailed below:

#### Pre-survey

- Does the building offer sufficient scale (in terms of energy use) to warrant intervention?
- Is there sufficient data and metering infrastructure to support the identification and implementation of interventions?

- Are there existing planned activities in the near term (e.g. next 3 years) that offer the opportunity to integrate carbon reduction interventions e.g. major upgrades, lease breaks, refurbishments?
- Are there existing planned refurbishments, reconfigurations or divestments that would make any survey redundant in the near term?
- Is the building of sufficient importance that it is considered meritorious to implement works here?
- How much of the savings could be returned back to The Corporation rather than to tenants?

### **Post survey**

#### Achievability

- Are interventions considered technically and financially viable?
- Are there potential procurement routes available?
- Are there any heritage implications?
- Can the works be scheduled and sequenced with any other planned works in a realistic timeframe?

#### Affordability

- What is the scale of the investment?
- Are the commercial outcomes acceptable to The Corporation?

#### Benefits optimisation

- What is the scale of potential carbon savings and when are they achieved?
- Are cost savings realisable to The Corporation?

In order to support the selection of which buildings are to be taken forward for energy audits a set of selection criteria have been developed to assess buildings both pre and post survey to ascertain those which are suitable for taking forward to implementation. This is provided in Appendix 3.



## Risk Management

Table 5 illustrates the key risks identified for this Project Plan. It is recognised that some of these will be universal across the four building Action Areas. Therefore, it is important that mitigations and solutions are matched up to ensure they are addressed at the programme level.

It is expected that the role of the Sustainability Director will be to manage these risks across the four Action Areas so that comparative risk analysis can be completed, risks can be stress tested to quantify their impact on meeting carbon targets and mitigations aligned to ensure a holistic approach.

Table 5 - Risk Management, RAID analysis

Ref:	Description	Type (RAID)	Criticality	Proposed mitigation
R-1	Delays in Governance and sign off result in carbon savings being realised later than planned across 15 Scope 1 and 2 IPG assets	Risk	Critical	<ul style="list-style-type: none"> <li>Stakeholder Engagement approach detailed below.</li> <li>Internal Governance requirements for each Task to be mapped.</li> <li>Reporting cycles for each Task to be identified.</li> </ul>
R-2	Interventions are not developed and organised into a deliverable programme which when presented to committees result in delays to action and slippage in the Project Schedule.	Risk	Critical	<ul style="list-style-type: none"> <li>Links to Risk 1.</li> <li>Project Schedule developed (see above).</li> <li>This Project Plan is the Framework against which interventions will be delivered and presented as a whole programme.</li> <li>Mobilisation Phase to support organisation of a deliverable programme.</li> </ul>
R-3	Delays during mobilisation mean Tasks are implemented later than planned.	Risk	High	<ul style="list-style-type: none"> <li>Delivery Approach identified above.</li> <li>Programme Management Approach to be considered.</li> <li>Stakeholder Engagement approach detailed below.</li> </ul>
R-4	Current procurement routes are too slow causing project delay.	Risk	Medium	<ul style="list-style-type: none"> <li>Procurement routes to be considered at mobilisation: this could include Frameworks and existing arrangements.</li> <li>Delivery approach to consider delegated authority allowing rapid release of budget where needed to support rapid procurement.</li> </ul>
A-1	Scope 3 footprint for IPG is based on benchmarks/proxy data at present.	Assumption	Medium	<ul style="list-style-type: none"> <li>Task 2 to look at improved metering.</li> <li>Sustainability Director to develop and oversee implementation of a data maturity strategy</li> </ul>
D-1	Grid decarbonisation occurs at sufficient pace to achieve net zero target.	Dependency	Critical	<ul style="list-style-type: none"> <li>Grid decarbonisation to be tracked by Energy Team.</li> <li>Ongoing risk management approach to be incorporated in Delivery Approach.</li> </ul>
D-2	Tenants are not willing to engage with the programme.	Dependency	Critical	<ul style="list-style-type: none"> <li>Dedicated tenant engagement workstream to be developed (see Stakeholder Engagement).</li> <li>Use of additional metering to target key tenants.</li> </ul>
D-3	Data quality is of sufficient accuracy and robustness to allow measurement and monitoring of interventions.	Dependency	Critical	<ul style="list-style-type: none"> <li>Task 2 to look at improved metering.</li> <li>Sustainability Director to develop and oversee implementation of a data maturity strategy</li> </ul>

D-4	Lifecycle works up to 2027 will support achievement of the Scope 1 and 2 net zero carbon target e.g. life expired system will be replaced with energy efficient/low carbon alternatives.	Dependency	Medium	<ul style="list-style-type: none"><li>Mitigated through actions in Design Standards/Resilience Project Plan.</li></ul>
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## Stakeholder Engagement

The following table outlines the key stakeholders, how and when we intend to interact with them and what channels will be used.

Table 6 – Stakeholder engagement

Category:	Department / Who	Message	Channels	When
<b>Internal Stakeholders - Department</b>	Chamberlains (Financial) Chamberlains (Procurement) PMO City Surveyors (Chief Officer, CPG, PPG, Energy, Resilience, Climate Team, Building Services Engineers Team and Technical Advisory Group Team) Legal Possibly DBE	Engage, Inform, Consult, Validate	Tried and tested  Climate Chats  Interviews  Team meetings  1:1 meetings	Needs minimum 6 week lead in time before referring to Committee.    Internal liaison through programme and project lifecycles
<b>Internal Stakeholders - Committees</b>	Corporate Project Board Project Sub Committee P&R Committee RASC Court (where complex) Proposed Extraordinary Board Cyclical Works Board Housing Board	Seek Approval	Tried and tested  Committees  Meetings	Gateways 1, 2, combined 3 & 4 (4b where relevant), 5 and 6
<b>External</b>	Funders	Seek Offers, Inform	Regular partnership meetings  Funding opportunities	Concurrent with gateway 4 (RIBA Stage 2, 3, 4, 5 & 6) At required times gateway 2-6
<b>External</b>	Residents Building Users Tenants	Specific section provided below.		
<b>External</b>	Building Managers Facilities Managers	Engage, Seek information, Validate, Inform	Interviews  1:1 meetings	(At required times in RIBA stage 2, 3 and 4) At required times gateways 3-6
<b>External</b>	Supply Chains	Engage, Seek information, Inform	Consultation  1:1 meetings	RIBA Stage 1, 2, 3, 4, 5 and 6 At required times gateways 2-6
<b>External</b>	External Consultants (design) and Contractors (surveys, design and works)	Engage, Seek Information, Collaborate, Commission	Consultation  Partnership meetings	RIBA Stage 1, 2, 3, 4, 5 and 6 At required times gateways 1-6
<b>External</b>	Distribution Network Operator	Engage, Consult, Collaborate	Regular partnership meetings  Engaged through decarbonisation of heat Tasks.	Concurrent with gateway 4 (RIBA Stage 2, 3, 4, 5 & 6) At required times gateway 2-6

## Tenant engagement

A key stakeholder for implementing action across IPG are the building tenants of which there are some 650 with varying terms of lease lengths. In order to support the delivery of net zero and resilience interventions in IPG, a clear strategy will be developed specifically for this stakeholder group highlighting how and when we intend to interact with them and what channels will be used.

This will be mapped against tenant groups based on characteristics including level of concern/engagement to date, their expectations, opportunities to implement action (e.g. via lease breaks, planned refurbishments, etc.) and opportunities to share benefits. It is expected that the Sustainable Property Specialist will be responsible for developing a tenant engagement strategy in Year 1 to facilitate this, working with the relevant portfolio managers. Prior to mobilising resources and building capacity for successful engagement, they will identify the current level of engagement. This will be facilitated through tasks identified in this plan e.g. Green leases and MOU, improved metering and development of Operating Plans.

After carrying out any tenant engagement initiatives, it is essential to evaluate the effectiveness of the engagement to look for areas of improvement and to guide management decisions. In addition to comparing year-over-year changes in data, a holistic system of regularly collecting and analysing tenants' feedback and comments such as circulating tenant satisfaction surveys and convening focus group interviews will support this process where needed.

## Reporting cycle

It is assumed that projects will evolve from the master programme of works. It is envisaged that projects will, in the majority, follow the 'regular' project route but some may fall under the 'complex' route. The table below identifies reporting envisaged along with intended reporting benefits:

Table 7 – Reporting cycle

Category:	When	Benefit Realised
<b>Internal Stakeholders (Internal Departments)</b>	Throughout project lifecycle, Gateways	Obtaining advice and feedback. Output monitoring Governance Checks
<b>Internal Stakeholders (Buildings Chief Officer Group (BCOG))</b>	Throughout project lifecycle, Gateways via the Programme Function and progress to KPIs via the CAS Dashboard	Commitment 2: To support the creation of a consistent format and content for effective progress reporting at monthly Chief Officer Group and quarterly Committee meetings from 1 April 2021.
<b>Internal Stakeholders (Committees)</b>	Gateways 1, 2, combined 3 & 4 (4b where relevant), 5 and 6	Tracking and monitoring of project outputs and objectives. Escalation of issue management. Seeking project direction required. Governance Checks
<b>External (Funding)</b>	Concurrent with gateway 4 (RIBA Stage 2, 3, 4, 5 & 6) At required times gateway 2-6	Known funding outcomes. Progress reporting against funding elements incl. tracking of progress Lessons learned from other projects or best practice
<b>External (Tenants &amp; Users)</b>	(At required times in RIBA stage 3 and 4 and 5) At required times gateways 3-5	Keeping all informed and engaged Informing of methodologies and outputs intended – Involving residents and user's ideas Informing of methodologies and outputs intended – Involving residents and users by allowing people to voice their views Informing of methodologies and outputs intended – how people can play their part. Positive reputational image

<b>External (Building Managers and FM)</b>	(At required times in RIBA stage 2, 3 and 4) At required times gateways 3-6	In-depth knowledge sharing Lessons learning – what works and what works less than envisaged Watch Points sharing - Specific building usage / information that could help or hinder projects.
<b>External (Supply chains)</b>	RIBA Stage 1, 2, 3, 4, 5 and 6 At required times gateways 2-6	Gathering market intelligence and information Complying with Statutory consents
<b>External (Consultants &amp; Contractors)</b>	RIBA Stage 1, 2, 3, 4, 5 and 6 At required times gateways 1-6	Obtaining advice. Receiving specialist design knowledge and sharing. Specific technological information and expertise. Additional resource to assist existing teams.
<b>External (Distribution Network Operator)</b>	Concurrent with gateway 4 (RIBA Stage 2, 3, 4, 5 & 6) At required times gateway 2-6	Identify the viability of proposed interventions and any required enabling works. Understanding of impact on project timescales and costs. Specific technological information and expertise.

## Project Controls

The following Key Performance Indicators (KPIs) will be defined and tracked by this Project in order to judge its overall delivery success. Each will be tracked on a quarterly basis for qualitative (initially) and move toward quantitative progress reporting and will be reported formally in the Annual Report each year starting FY22/23.

### Project-level Key Performance Indicators (KPIs)

The below table sets out the principal KPIs that will track the delivery of the four CAS headline targets listed below. A trajectory and set of milestone target dates are to be developed for each.

1. Net zero by 2027 in the City Corporation's operations
2. Net zero by 2040 across the City Corporation's full value chain
3. Net zero by 2040 in the Square Mile
4. Climate resilience in our buildings, public spaces and infrastructure

Reporting KPIs are intended to be refreshed as part of the annual cycle of baseline re-assessment work beginning in FY22/23. The Management KPIs will be refreshed more regularly and will be reported via the Corporate Performance Framework to committees from FY21/22.

Table 8 – Key performance indicators (KPI)

Theme	KPI name	Definition	Relevant CAS target	Regularity of reporting
<b>Carbon</b>	IPG Scope 1 & 2 emissions	Reduction in Scope 1 & 2 emissions GHG Protocol operational control	Net zero by 2027 in the City Corporation's operations Net zero by 2040 in the City Corporation's operations	Quarterly
	IPG Scope 3 emissions	Reduction in Scope 3 emissions.	Net zero by 2040 across the City Corporation's full value chain Net zero by 2040 in the Square Mile	Annually
<b>Energy</b>	Energy consumption kwh/m <sup>2</sup> floor area*	Energy use in kilowatt hours per unit of gross internal floor area	Net zero by 2027 in the City Corporation's operations Net zero by 2040 in the City Corporation's full value chain Net zero by 2040 in the Square Mile	Quarterly

	Energy Performance Certificates (EPC)*	Weighted average EPC for whole portfolio	Net zero by 2027 in the City Corporation's operations  Net zero by 2040 in the City Corporation's full value chain  Net zero by 2040 in the Square Mile	Annually
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\*Once reporting processes have been established for these KPIs it is intended that additional targets will be developed to help drive improvement. Where possible this will be split out by building archetype/use to provide more focused targets where needed. Responsibility for this is expected to fall under the role of the Sustainability Director who will manage a data maturity strategy (see below).

### Key Data and Information

Documentation and process controls will be improved to allow for future audit and quality assurance measures such as alignment to best practice international standards on climate reporting.

The Sustainability Director will develop a data maturity strategy to increase data accuracy and completeness, ensure integration of key data across key workstreams and provide clear data governance and performance management going forward. This will also include data and information requirements that will extend to any outsourced work to provide assurance on quality. For example, this could include that energy audits are aligned against ISO 50002:2014/ BS EN 16247-1:2012 standards.

As this project progresses data will be generated as to the effectiveness of carbon reduction interventions. Further KPIs and targets may be periodically linked to the efficacy of measures and their overall contribution to the CAS. This will be subject to the Change Control Procedure.

The data generated by this project will be collated and displayed through Power BI dashboards to improve accessibility and understanding for a range of audiences.

### Internal Governance

- Net Zero and Resilient Buildings Centre of Excellence to report to Buildings Chief Officer Group;
- Action Area Chief Officers and Senior Accountable Climate Leads to report to Buildings Centre of Excellence;
- Lead officers to report to Action Area Chief Officer and Senior Accountable Climate Lead;
- Proposed Project Board (Extraordinary Board) where required for cost and progress updates under the holistic Capex cost allowance;
- Internal Stakeholders (all gateway reports) - informal project updates and formal gateways reports ahead of submission to Committees. Property Investment Board and Bridge House Estates Broad will be main governance committees for the IPG planned activities.

## APPENDIX 1: Task Breakdowns

<b>Task</b>	<b>1a – Undertake MEES risk and boundary assessment at asset level to deliver portfolio and risk profile</b>			
<b>Outcome</b>	Development of portfolio level cost plan			
<b>Responsible officer</b>	Investment Property Group Director			
<b>Description</b>	<p>Minimum Energy Efficiency Standards (MEES) require that a landlord must not grant a new tenancy (including a renewal tenancy) of a property after 1<sup>st</sup> April 2018 or continue to let any property after 1<sup>st</sup> April 2023 where the property has an EPC Rating of F or G. Furthermore, the Government is currently consulting on whether this should be extended to require all properties to achieve a minimum energy efficiency standard of EPC band B by 2030.</p> <p>This task will undertake a MEES risk and boundary assessment at the asset level to deliver a portfolio and risk profile. This will initially be undertaken in Year 1 on some 150 buildings under direct management to identify where the risks lie and the costs of implementing action to address these risks. This will be informed by on site surveys and technical energy assessments at each property including looking at refrigerants and water consumption. Further review of assets not directly under control, subject to lease arrangements will be completed in subsequent years.</p> <p>It is expected that all audits will be completed in a standardised fashion, e.g. aligned against ISO 50002:2014/ BS EN 16247-1:2012, to allow outcomes to be compared across Tasks and Project Plans. This should also include a standardised, consolidated table of all interventions to provide a portfolio-wide view which will inform potential procurement and commercialisation approaches.</p>			
<b>Timescales</b>	<p><b>Year 1</b> – Undertake MEES assessment on some 150 buildings under direct management, with the priority being multi-let buildings followed by those on FRI leases.</p> <p>Note: It is important that this Task links with the planned changes to EPC emissions factors.</p> <p><b>Year 2-4</b> – Further roll out of MEES assessment across IPG assets, noting that the head leaseholder controls the property where buildings have been sold on ground leases.</p> <p>For further breakdown see Gantt Chart (Project Schedule).</p> <p><u>Key dependencies</u></p> <p>Tasks 1a, 1b and 1c are part of a combined outcome to develop a portfolio level cost plan.</p>			
<b>Costs</b>		<b>Year</b>		
	<b>Cost - £k</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>
	Project specific consultancy	£365	£60	£75
	Staff resource (outsourced)	-	-	-
	<b>Resource</b>	-	-	-
	<b>Capital</b>	-	-	-
	<b>TOTAL</b>	<b>£365</b>	<b>£60</b>	<b>£75</b>
<b>Benefits</b>	<p>Support legal compliance.</p> <p>Minimise risk of stranded assets.</p> <p>Informs Operational Plan.</p> <p>Enabling action which will contribute towards future savings realised in Tasks 5a and 5b.</p>			
<b>Assumptions</b>				
<b>Task</b>	<b>1b – Identify costs required to upgrade major refurbishment works to EPC grade B between 2022 and 2030</b>			

Outcome	Development of portfolio level cost plan				
Responsible officer	Investment Property Group Director				
Description	This task will build upon the work in Task 1a to identify asset level costs to achieve EPC grade B between 2022 and 2030 and any potential exemption paths.				
	A report produced by Verco estimates total costs of upgrading EPCs to B by 2030 are ~£59 million (absolute) or ~£55 million (marginal – e.g. additional cost beyond existing maintenance and upgrade budgets which includes bringing all properties to EPC ‘E’ by 2023). Whilst useful, these costs were identified based on high level analysis of the IPG portfolio which included detailed EPC for 76% of the total portfolio. This will need to be further scrutinised and refined before being incorporated into a portfolio level cost plan.				
Timescales	<b>Year 1</b> – Asset level cost assessment to achieve EPC Grade B and any potential exemption pathways. Year 1 will focus on the some 150 buildings under direct management, with the priority being multi-let buildings followed by those on FRI leases.				
	<b>Year 2-4</b> – Further roll out of cost assessment across IPG assets noting that the head leaseholder controls the property where buildings have been sold on ground leases.				
	For further breakdown see Gantt Chart (Portfolio Schedule).				
	<u>Key dependencies</u>				
Costs	Tasks 1a, 1b and 1c are part of a combined outcome to develop a portfolio level cost plan				
		Year			
	Cost - £k	21/22	22/23	23/24	24/25
	Project specific consultancy	Identified in costs for Task 1a			
	Staff resource (outsourced)	-	-	-	-
	Resource	Identified in costs for Task 1a			
	Capital	-	-	-	-
	TOTAL	Identified in costs for Task 1a			
Benefits	Informs Operational Plan.				
	Enabling action which will contribute towards future savings realised in Task 5a and 5b.				
Assumptions					

<b>Task</b>	<b>1c – Identify and agree environmental due diligence standards</b>			
<b>Outcome</b>	Development of due diligence standards for new IPG acquisitions.			
<b>Responsible officer</b>	Investment Property Group Director			
<b>Description</b>	<p>There is a risk that new IPG acquisitions will negatively impact the achievement of net zero carbon targets. This Task will identify and agree a full set of environmental due diligence standards which can be used to assess the carbon risk of new acquisitions. This should be aligned with an industry standard such as the Better Buildings Partnership <a href="#">Acquisitions Sustainability Toolkit</a>.</p>			
<b>Timescales</b>	<p><b>Year 1</b> – Identification, development and agreement of environmental due diligence standards.</p> <p>For further breakdown see Gantt Chart (Project Schedule).</p> <p><u>Key dependencies</u></p> <p>Tasks 1a, 1b and 1c are part of a combined outcome to develop a portfolio level cost plan.</p>			



Costs		Year			
	Cost - £k	21/22	22/23	23/24	24/25
	Project specific consultancy	Identified in costs for Task 1a			
	Staff resource (outsourced)	-	-	-	-
	Resource	Identified in costs for Task 1a			
	Capital	-	-	-	-
	TOTAL	Identified in costs for Task 1a			
	Benefits	Support legal compliance.			
Minimise risk of stranded assets.					
Informs Operational Plan.					
Enabling action which will contribute towards future savings realised in Task 5a and 5b.					
Assumptions					

Task	<b>2 – Undertake a study to establish process, cost and benefit of an improved metering strategy</b>				
Outcome	Report detailing the cost and viability of installing smart metering systems.				
Responsible officer	Investment Property Group Director				
Description	At present, Scope 3 emissions from the IPG portfolio are based on EPC, benchmark and/or proxy data. This has resulted in some queries with regards to its accuracy (see page 3). Therefore, in order to robustly establish Scope 3 emissions related to these assets, as well as identify tenants to engage with (e.g. based on the scale/impact of their emissions), it has been identified that the installation of additional and improved smart metering technology will be necessary.				
	Given the size of the IPG portfolio, it is unlikely that it will be viable to install metering across every asset and tenants may already have submeters. Therefore, this Task will establish the cost and viability of installing smart metering systems at tenant sites and where this will provide most benefit to addressing current uncertainties, supporting tenant engagement and providing visibility on progress towards net zero targets.				
Timescales	<b>Year 1 – Metering strategy study.</b>				
	For further breakdown see Gantt Chart (Project Schedule).				
	<u>Key dependencies</u>				
Costs	None.				
		Year			
	Cost - £k	21/22	22/23	23/24	24/25
	Project specific consultancy	£40	-	-	-
	Staff resource (outsourced)	-	-	-	-
	Resource	£40	-	-	-
	Capital	-	-	-	-
	TOTAL	£40	-	-	-
Benefits	Understanding and verification of Scope 3 emissions.				
	Address current data uncertainties.				
	Identify tenants to target for other Tasks (e.g. green leases).				
	Enabling action which will contribute towards future savings realised in Task 5a and 5b.				

<b>Assumptions</b>	
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<b>Task</b>	<b>3 – Undertake green lease Memorandum of Understanding (MOU) with pilot group of tenants to evolve a working template for portfolio roll-out</b>			
<b>Outcome</b>	Development of a template for green lease clauses			
<b>Responsible officer</b>	Investment Property Group Director			
<b>Description</b>	<p>The major purpose of a green lease is for landlords and tenants to agree specific responsibilities and obligations with regards to the sustainable operation and occupation of a building. This may also include action to overcome landlord/tenant split-incentives, in which improvements that produce energy savings often result in one party paying for improvements while the other party receives the benefits of reduced energy costs.</p> <p>This task will involve direct engagement with a pilot group of tenants to identify data sharing and carbon reduction opportunities. This will include an assessment of which tenants should be engaged including mapping of key considerations (e.g. lease breaks) to identify which assets are most suitable for inclusion in the pilot.</p> <p>The output will identify the potential for collaboratively delivered reduction initiatives recognised in a non-binding MOU. If successful this could be rolled out as an option for wider tenants as a lease option, either MOU or green lease. This may also identify new commercial models for benefit sharing which will be explored during the pilot.</p>			
<b>Timescales</b>	<p><b>Year 1-2 – Green lease MOU pilot</b></p> <p>For further breakdown see Gantt Chart (Project Schedule).</p> <p><u>Key dependencies</u></p> <p>Task 2 – sufficient metering may be required to ensure benefits can be measured.</p>			
<b>Costs</b>		<b>Year</b>		
	<b>Cost - £k</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>
	<i>Project specific consultancy</i>	£50	£50	-
	<i>Staff resource (outsourced)</i>	-	-	-
	<b>Resource</b>	<b>£50</b>	<b>£50</b>	-
	<b>Capital</b>	-	-	-
	<b>TOTAL</b>	<b>£50</b>	<b>£50</b>	-
<b>Benefits</b>	<p>Opportunity for tenant engagement.</p> <p>Opportunity to identify commercial models for benefit sharing.</p> <p>Enabling action which will contribute towards future savings realised in Task 5a and 5b.</p>			
<b>Assumptions</b>				

<b>Task</b>	<b>4 – Design an operating plan to identify a pathway to 60% emissions reductions by 2040, identifying major milestones and investment strategy</b>
<b>Outcome</b>	Development of an operating plan to identify a pathway towards 60% emissions reductions by 2040.
<b>Responsible officer</b>	Investment Property Group Director
<b>Description</b>	To enable delivery, it is critical that identified interventions are implemented in such a way as to dovetail with existing asset strategy. This will maintain continuity of service, avoid tenant disruption and embed net zero considerations into the daily activities of Asset Managers. To support this an Operating

	<p>Plan will be developed to identify a pathway to 60% emissions reductions potential by 2040, major milestones and how action will be integrated within investment strategy. 60% has been identified as the target reduction by the Climate Action Strategy Team in recognition that residual emissions will be sequestered by planned natural capital projects.</p> <p>The Operating Plan is expected to identify varying scales of intervention e.g. non-invasive upgrades, such as changing lighting fittings to LED's, opportunities where upgrades can occur during refurbishment of vacant floors where the business plan for the building is to hold for income, or during major refurbishment at a specific vacant possession date. It is also expected to address buildings on long leases, ensuring that any opportunities to reduce emissions up to 2040 are identified and taken where there is a lease expiry before 2040 and the business plan is to take back possession rather than extend the lease in return for a premium for reinvestment. It should be noted that where ground leases expire beyond 2040, the head leaseholder controls the property.</p> <p>This Task is reliant on the previous Tasks, which will be brought together to inform the Operating Plan.</p>				
<b>Timescales</b>	<p><b>Year 2</b> – Development of Operating Plan.</p> <p>For further breakdown see Gantt Chart (Project Schedule).</p> <p><u>Key dependencies</u></p> <p>Tasks 1-3.</p>				
<b>Costs</b>		<b>Year</b>			
	<b>Cost - £k</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>
	<i>Project specific consultancy</i>	£60	£60	£30	£30
	<i>Staff resource (outsourced)</i>	-	-	-	-
	<b>Resource</b>	<b>£60</b>	<b>£60</b>	<b>£30</b>	<b>£30</b>
	<b>Capital</b>	-	-	-	-
	<b>TOTAL</b>	<b>£60</b>	<b>£60</b>	<b>£30</b>	<b>£30</b>
<b>Benefits</b>	<p>Identification of route to net zero for IPG assets by 2040.</p> <p>Enabling action which will contribute towards future savings realised in Task 5a and 5b.</p>				
<b>Assumptions</b>	Additional costs have been included in Years 3 and 4 to update the Operating Plan as new buildings and data become available.				

<b>Task</b>	<b>5a – Capital Opportunity Budget - Developed by Fund</b>				
<b>Outcome</b>	<p>Fund to enable improvements to be applied to ongoing refurbishments and acquisitions.</p> <p>Delivery of tangible energy and carbon reduction interventions informed by previous workstreams.</p>				
<b>Responsible officer</b>	Investment Property Group Director				
<b>Description</b>	Following on from delivery of the Tasks identified above, this Task will involve the deployment of carbon reduction interventions across the IPG estate by fund. This includes the implementation of quick win interventions as they are identified.				
<b>Timescales</b>	<p><b>Year 1</b> – Employment of PM resource and implementation of projects identified in Tasks 1-4 (including quick wins).</p> <p><b>Year 2-6</b> – Rolling capital programme of interventions based on Tasks 1-4.</p> <p><u>Key dependencies</u></p> <p>Findings and outputs from Tasks 1-4.</p>				
<b>Costs</b>		<b>Year</b>			
	<b>Cost - £k</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>
	<i>Project specific consultancy</i>	-	-	-	-
	<i>Staff resource (outsourced)</i>	-	-	-	-

<b>Benefits</b>	<b>Resource</b>	-	-	-	-
	<b>Capital</b>	£1,000	£1,850	£4,250	£4,250
	<b>TOTAL</b>	£1,000	£1,850	£4,250	£4,250
	Carbon savings Cost savings Visibility on progress to net zero by 2027 and 2040.				
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>£1 million k in Year 1 (capital) is likely to be spent at the end of the year following / dependant on the identification of quick wins (subject to completion of Tasks 1a, 1b, 1c and 2).</li> </ul>				

<b>Task</b>	<b>5b – Sustainable Property Specialist - 1 FTE (outsourced)</b>				
<b>Outcome</b>	Recruitment of 1 FTE Energy Project Specialists				
<b>Responsible officer</b>	Investment Property Group Director				
<b>Description</b>	Recruitment of additional expertise will form the core of the extended team to lead Tasks identified above, co-ordinate consultancy activity and support departments in the delivery of carbon reduction interventions. See: APPENDIX 2: Job role – Sustainable Property Specialist				
<b>Timescales</b>	<b>Year 1 – Employment of 1 x FTE Sustainable Property Specialist</b> <u>Key dependencies</u> None.				
<b>Costs</b>		<b>Year</b>			
	<b>Cost - £k</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>
	<i>Project specific consultancy</i>	-	-	-	-
	<i>Staff resource (outsourced)</i>	£110	£110	£110	£110
	<b>Resource</b>	<b>£110</b>	<b>£110</b>	<b>£110</b>	<b>£110</b>
	<b>Capital</b>	-	-	-	-
	<b>TOTAL</b>	<b>£110</b>	<b>£110</b>	<b>£110</b>	<b>£110</b>
<b>Benefits</b>	Enabling action for identifying and managing future capital and operational projects. Enabling action for savings realised in Task 5a and 5b.				
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Assumed average cost of £110k/annum/FTE for this resource level.</li> </ul>				

<b>Task</b>	<b>5c – Capital PM Resource (flexible)</b>				
<b>Outcome</b>	PM Resource to support deliver projects as per Tasks 5a and 5b				
<b>Responsible officer</b>	Investment Property Group Director				
<b>Description</b>	Procurement of flexible PM resource to produce and manage a Project Gateway Dashboard, displaying key performance indicators pertaining to specific Tasks and projects as well as overall performance, milestone and resource tracking and risks and issues.				
<b>Timescales</b>	<b>Year 1 – Employment of PM resource (flexible)</b> <u>Key dependencies</u> All previous Tasks. Related to capital expenditure as per Tasks 5a and 5b.				

		Year			
		21/22	22/23	23/24	24/25
Costs	<b>Cost - £k</b>				
	<i>Project specific consultancy</i>	-	-	-	-
	<i>Staff resource (outsourced)</i>	£100	£185	£425	£425
	<b>Resource</b>	£100	£185	£425	£425
	<b>Capital</b>	-	-	-	-
	<b>TOTAL</b>	£100	£185	£425	£425
Benefits	Delivery of carbon savings.				
	Delivery of cost savings.				
	Visibility on progress to net zero by 2027 and 2040.				
Assumptions	<ul style="list-style-type: none"> <li>PM resource at 10% of total capital cost.</li> </ul>				

## **APPENDIX 2: Job role – Sustainable Property Specialist**

The role of the Sustainable Property Specialist will be to lead on, and support, activities to deliver carbon reduction. They will provide technical expertise to inform work programmes, co-ordinate consultancy activity and work closely with management and officers within The Corporation's directorates, providing specialist expertise in the operational application of energy/carbon reduction interventions and engagement with tenants (where required).

### **Main duties and responsibilities**

- Support delivery of the Climate Action Strategy.
- Initiate, develop, manage and support design and delivery of projects which enable decarbonisation of The Corporation's energy and buildings.
- Provide climate change and sustainability technical support on buildings and energy projects to other officers across The Corporation's directorates.
- Project manage the development and implementation of specific project work packages, adopting project management practices and engaging with internal and external partners and stakeholders as required.
- Set up and maintain systems for controlling and updating project and programme documentation, ensuring information is up to date and can be readily retrieved.
- Ensure project and programme management information is produced in a clear, concise and timely fashion for internal and external bodies.
- Monitor and control expenditure, employing financial systems to monitor spend for projects leading on.
- Work with the Energy Team, partners and internal stakeholders to share data and insight that enables others to act on the Climate Action Strategy.
- Build relationships, awareness and support for energy and buildings decarbonisation initiatives, projects, and campaigns within The Corporation and with key external stakeholders (particularly tenants).

### **Qualifications**

1. A degree level qualification in a relevant discipline and evidence of continuing professional development, or experience and evidence of professional development where no degree is held.
2. A deep understanding of sustainability issues relevant to real estate.
3. Member of appropriate professional body e.g. IMEA, Energy Institute (desirable).

### **Experience**

1. Experience of producing and implementing technical solutions to decarbonise buildings, improve energy efficiency and install renewables.
2. An excellent understanding of the commercial property sector and the key sustainability issues.
3. A strong understanding of the role of managing agents in the property cycle.
4. Confidence with data analysis & interpretation in order to inform strategic decision-making and market interventions.
5. Experience of working within a project team to implement defined projects to agreed outputs and agreed deadlines.
6. Experience of managing external consultant teams to deliver projects.
7. Excellent interpersonal skills, with experience of occupier engagement across large portfolios of assets.

## APPENDIX 3: IPG Assets – Scope 1 and 2 emissions

Building ID	Floor area GIA (m <sup>2</sup> )	Property use	Asset in Arup baseline	Assets identified by IPG as Scope 1 and 2 in March 2021
Eldon Street (15 - 17) [New Liverpool House]	2,860	Business	✓	✓
Worship Street (31/41)	2,356	Business	✓	
New Bridge Street (35-38)	3,281	Business	✓	✓
Cannon Street (116-126) [Candlewick House]	2,595	Business	✓	✓
Alfred Place (1-2) /Tottenham Court Road (220-226)	6,447	Shops/ Financial and prof. services	✓	
Eastcheap (6 - 8)	4,143	Business	✓	
Finsbury Circus (23) [Finsbury House]	2,619	Business	✓	✓
Garlick Hill (21-26)	2,160	Business	✓	
London Wall (65)	2,865	Business	✓	
Temple Avenue (3/7) [Temple Chambers]	4,697	Business	✓	
Bonhill Street (9)	1,554	Business	✓	
Worship Street(43)	0	Business	✓	
Alfred Place (8-10)/Tottenham Court Road (216-219)	4,050	Shops/ Financial and prof. services	✓	✓
Whitefriars (21)	1,185	Business	✓	
Worship Street (15)	2,869	Business	✓	
Moorgate (74)	3,200	Business		✓
Moorgate (84)	8,200	Business		✓
Glen House/Tottenham Court Road (200-208)	4,630	Shops/ Financial and prof. services		✓
New Bridge Street (30-34)	3,136	Business		✓

## APPENDIX 3 – Building Scoring Criteria



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coringCriteria.xlsx



<b>Committee(s)</b> Property Investment Board	<b>Dated:</b> 26 May 2021
<b>Subject:</b> Culture Mile Business Partnership	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	7, 10
<b>Does this proposal require extra revenue and/or capital spending?</b>	Yes
<b>If so, how much?</b>	£20,000 across 2 years,
<b>What is the source of Funding?</b>	City Fund
<b>Report of:</b> Damian Nussbaum, Director of Innovation & Growth	<b>For Decision</b>
<b>Report author:</b> Tim Jones, Culture Mile Manager	

## Summary

In December 2019 the Property Investment Board considered and approved a BID Strategy and agreed to consider requests to become joint funding partner for the life of a voluntary partnership only where significant assets managed by Property Investment Board are in the partnership area, and where its involvement will aid the establishment of a BID for the area. This report presents for agreement a request for the Property Investment Board to contribute £10k per annum for a maximum of two years (21/22 & 22/23) to become an active member of the newly established Culture Mile Business Partnership. The City Corporation would have Member and Officer representation on the Board established to run the partnership. The Business Partnership will, in the first instance, engage with property developers and business occupiers who are keen to become involved within and influence the transformation of the Culture Mile area. The City Corporation is asked to consider being an active paying member given its significant land holdings inside the cultural district (see Appendix 1).

The Board of the new Business Partnership will comprise of circa 15-16 members. Its initial focus will be on developing an Action Plan which sets out key themes and priorities for the area and delivering several Demonstration Projects around the key actions identified. It is anticipated that, during this two-year period, the partnership will advocate for the creation of a Business Improvement District (BID) for Culture Mile, with the City as BID Proposer. The ballot would be held in Q1 2023 and if successful the BID's first 5 year term would begin in April 2023.

## **Recommendation(s)**

Members are asked to:

- Agree, in principle to fund a total contribution of £10k over the next two financial years (£10k for 2021/22 and £10k for 2022/23) from the City Surveyors' local risk budget.
- Nominate a Member of PIB to sit on the Culture Mile Business Partnership Board.

## **Main Report**

### **Background**

1. In December 2019 your Committee approved a report that outlines a strategy framework for considering BIDs. Part of the strategy outlined that the Property Investment Board will consider requests to become a joint funding partner for the life of the voluntary partnership only where it holds significant assets and where its involvement will aid the establishment of a formal BID for the area. The Property Investment Board agreed to make financial contributions to both the Fleet Street Quarter Partnership and EC Partnership (£40k each) in 2019 over a two-year period, to support the development of BIDs for both areas. Both Partnerships will be seeking to go to ballot in Q1 2022
2. In autumn 2020, the City Corporation commissioned specialist BID consultants Primera to explore the feasibility of developing a formalised business partnership for the Culture Mile district. Primera currently manage the Aldgate Connect and Cheapside Business Alliance BIDs and are supporting the Fleet Street Quarter and EC Partnerships as these partnerships advocate for the potential of establishing BIDs in these other areas of the Square Mile. Primera also manage multiple Business Improvement Districts and business led partnerships across other parts of Central London.
3. The City Corporation's aim in commissioning Primera to carry out this work has been to explore the appetite to bring together a range of business stakeholders to create a voluntary business partnership which could align with the Culture Mile vision, identify the key areas of focus for any such partnership, and support the transition of Culture Mile to a mixed economy model which is understood as a key priority by Members.

## Current Position

4. With the support of the Culture Mile team, which has developed sustained relationships with local businesses since 2017, Primera has engaged with multiple businesses and property developers since the autumn and has verified that there is broad consensus that a new business partnership of this kind would be a positive development for the Culture Mile area.
5. There is awareness of, and appreciation for, Culture Mile's activities to date among the business community that has been engaged to date, and a broad sense that a BID that puts culture and creativity at the heart of its approach would be very appropriate and exciting for the area. Given that Culture Mile also has an established brand, comms and marketing expertise and a track record of delivering high quality programme in the area, there is confidence that the new business partnership will be "jumping on a moving bus" and can convene a ballot on BID status 2 years after the partnership is established.
6. Given Culture Mile's focus on bringing commerce and culture together in new and innovative ways within the City, the new business partnership would be an opportunity to build upon the recent recommendations of the *Square Mile: Future City* report by the Recovery Taskforce, the *Fuelling Creative Renewal* report by the Lord Mayor's Culture and Commerce Taskforce and the *London Recharged* report. Each of these have highlighted the necessity and potential for the City to harness its cultural assets and relationships in strategic ways, synthesising these with the post-COVID economic recovery and destination re-building agendas and encouraging workers, visitors and residents to re-engage with the City.
7. The Culture Mile area will be significantly transformed in the next few years through initiatives that include the opening of the Elizabeth Line, the Museum of London's relocation to West Smithfield, the Barbican renewal project, the Barts Heritage project, the transformation of Smithfield public realm, and the City Corporation-led redevelopment of the Smithfield East & West markets and the existing Museum of London site. Many businesses in and around the area are aware of Culture Mile as an idea - and in many cases as a brand and programme of activities - and they are keen to become more directly involved in ways that enable them to influence the initiative in ways that benefit their businesses and the experience of their employees.
8. In January 2021 the Policy & Resources Committee approved Culture Mile's Core Revenue Budget which including recommendations of a move towards BID status as a principal part of the project's development over the next 2 years. The Culture Mile Working Party, which is led by the Policy Chair and enables Member oversight of Culture Mile's development, unanimously endorsed the establishment of a new Culture Mile Business Partnership at their meeting in March 2021.

9. Initial areas of interest expressed by the businesses that Primera have approached are very aligned with Culture Mile's areas of activity and include:
  - Placemaking
  - Events and activities programmes
  - Networks
  - Education and learning
  - Innovation and creativity
  - Equality and diversity
  - Culture and Commerce
10. 9 businesses have already confirmed their willingness to contribute 10k per annum for the next 2 years and a further 6 are in final discussions with Primera. The Culture Mile team are also recommending businesses so all efforts are made to gather 15-16 organisations to the Board. For previous business partnerships (e.g. Fleet Street Partnership) a core group of six partners was felt to be enough to kick start the partnership, so there is already some positive momentum behind the Culture Mile partnership.
11. However, post the Covid-19 pandemic, businesses are controlling their outgoings on projects of this nature and in recognition of this have been asked to make a contribution of £10k for each of the 2 years (rather than the £20k which has been the case for the other business partnerships in the City). This means that though business engagement is high the total resources to support the partnership's activities are proportionally lower.
12. Given the City Corporation's significant property interest in the area (see Appendix 1) it is proposed that the City Corporation should join the Board as a full paying member with a place on the board for a nominated Member and the Culture Mile Manager. If the City Corporation agrees to be a paying member it will reassert the City Corporation's leadership of and investment in the Culture Mile project to date, and it will ensure that other businesses would commit, so providing a significant enough budget to take the business partnership forward.
13. A not-for-profit company limited by guarantee has been set up by Primera as a vehicle for the partnership to hold the funds. Quarterly meetings of the partnership will be set once there is clear support for the initiative. As with other BIDs in the City, the pace of financial commitment to the partnership may vary depending on the need of some organisations to secure board approvals from overseas offices.
14. The leaders of the cultural institutions that have partnered with the City Corporation on Culture Mile to date will be represented on the Board. This will maintain the 'culture meets commerce' dynamic of the project and to ensure that the learning and relationships that have supported the success of Culture Mile to date are not lost.
15. In the first instance funding will go towards developing a delivery plan for the Board to approve that identify the partnership's objectives and priorities.

## **Proposals**

16. It is proposed that your Committee agree in principle to fund a total contribution of £20k over the next two financial years (£10k for 2021/22 and £10k for 2022/23).
17. The Strategy Framework report recommended that where possible the boundaries of BIDs and Partnerships should be aligned so they are contiguous with other the other boundaries. Appendix 2 maps out the boundaries of the two established BIDs and the Fleet Street Quarter and EC Partnership and identifies a proposed boundary for the new Culture Mile Partnership that is contiguous with both the Fleet Street Quarter and Cheapside Business Alliance boundaries. The final boundary will be agreed as part of the formal BID Proposal.
18. Your Committee is asked to nominate a Member representative to sit on the Board of the Culture Mile Partnership that would support its ongoing development as it moves towards BID status. The Culture Mile Manager will provide ongoing Officer support to the Partnership. Appendix 3 identifies the existing BIDs and Partnerships and Member representatives and where relevant the PIB contributions to the Partnerships. Member representatives of the BIDs has been drawn from the elected Members of the Wards within the footprint of the BID area.

## **Corporate & Strategic Implications**

19. The proposal to develop a business partnership for Culture Mile is strongly aligned with these two objectives of the Corporate Plan 2018-2023:
  - Outcome 7. We are a global hub for innovation in finance and professional services, commerce and culture.
  - Outcome 10. We inspire enterprise, excellence, creativity and collaboration.
20. The proposal will accord with top line objective number 4 of the City Surveyors Business Plan 2021-2022 to “support and promote the City as a business location” The Plan recognises that one of the key major workstreams for the year will be “providing support to the wider business and property communities in the Square Mile in partnership with emerging Business Improvement Districts”.
21. The new business partnership supports the Target Outcomes of the Recovery Taskforce and the Culture and Commerce Taskforce.

## **Financial implications**

22. The £10,000 annual contribution can be met from the budgetary provision for professional fees within the City Surveyor’s local risk budget for City Fund Estate

## **Conclusion**

23. The Covid-19 pandemic has accelerated the need for Culture Mile to transition to a mixed economy model and has focussed the its strategic work around the culture/commerce interface, and the role it can play in supporting businesses based in the area to recover after the pandemic. Primera is reporting that businesses are really keen to be involved, though are confident to commit no more than 10k per annum to a new business partnership, as opposed to the 20k per annum that they were able to contribute to other business partnerships in Fleet Street Partnership and the EC Partnership. Given the likely pressure on the available finances to pursue this work at an important time, an agreement from the City Corporation to be one of the paying partners would signal to businesses its historic leadership of and ongoing commitment to Culture Mile and ensure there would be sufficient budget to deliver the Demonstration Projects, and the campaign towards BID status, at a time when local businesses would welcome the inspiration and confidence that this provides. The formation of a business partnership will be a precursor to establishing a more formal BID for the area.

## **Appendices**

### Appendix 1

Schedule of City Corporation investment properties in the Culture Mile footprint

### Appendix 2

Map of BID and Partnership boundaries

### Appendix 3

City of London Business Partnership / BIDs representatives and funding

**Tim Jones**, Culture Mile Manager

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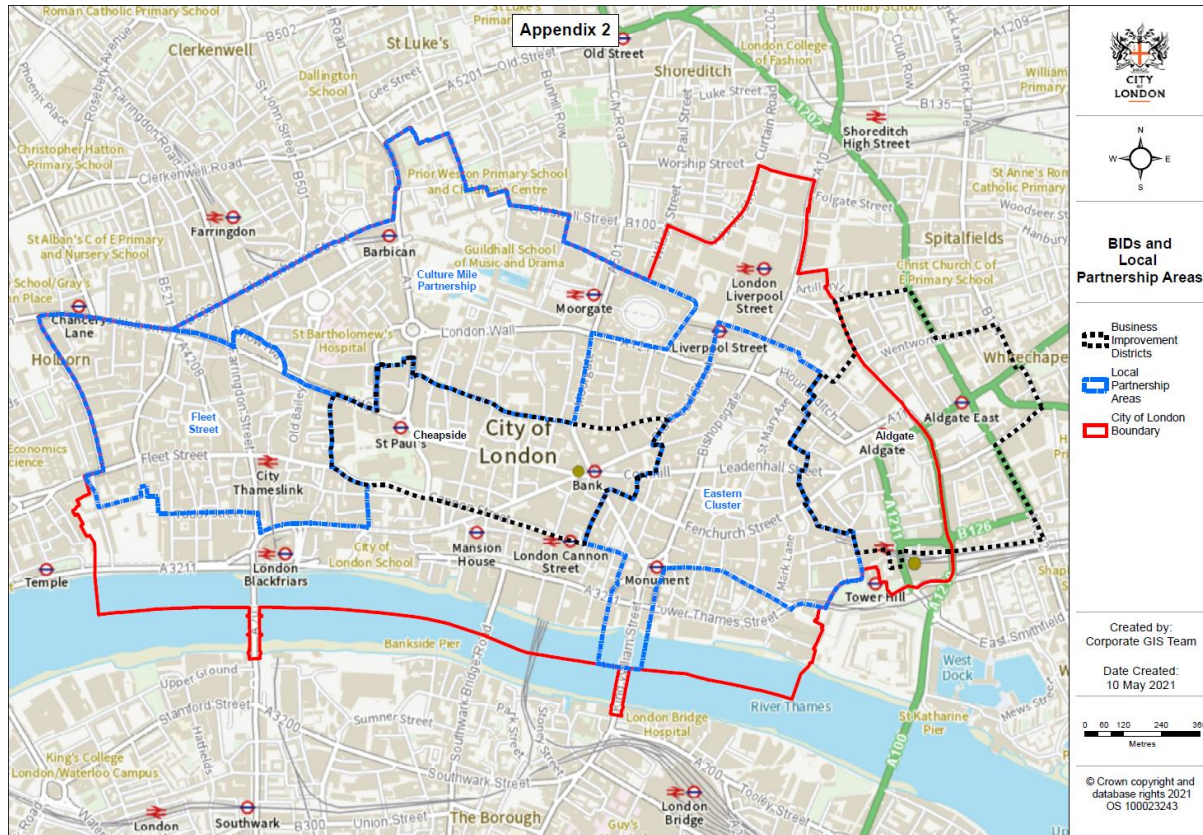
## Appendix 1

### Schedule of CoL investment properties in Culture Mile Partnership footprint

City Fund	City's Estates	Bridge House Estates
<ul style="list-style-type: none"> <li>• 5 Aldermanbury Square</li> <li>• 140, 150, 160 &amp; 200 Aldersgate Street</li> <li>• 34-37 Bartholomew Close</li> <li>• City Tower, 40 Basinghall Street</li> <li>• City Place House, 55 Basinghall Street</li> <li>• One Coleman Street</li> <li>• 2 Fann Street (Blake Tower)</li> <li>• 43 Golden Lane (Denizan)</li> <li>• 1 &amp; 2 London Wall Place</li> <li>• 1 London Wall</li> <li>• Moor House, 120 London Wall,</li> <li>• Alban Gate, 125 London Wall</li> <li>• Bastion House, 140 London Wall</li> <li>• Museum of London, 150 London Wall</li> <li>• 18-21 Middle Street</li> <li>• Monkwell Square (land adjacent)</li> <li>• 7-8 Newbury Street</li> <li>• Shelley House, 3 Noble Street</li> <li>• 12 Smithfield Street (30-38 Hosier Lane)</li> <li>• West Smithfield ambulance station</li> </ul>	<ul style="list-style-type: none"> <li>• 1-4 Giltspur Street</li> <li>• 5 Giltspur Street</li> <li>• 143 -163 Moorgate (Moorgate Hall)</li> <li>• Smithfield <ul style="list-style-type: none"> <li>– General Market &amp; Annexe</li> <li>– Poultry Market</li> <li>– East and West Markets</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Electra House, 84 Moorgate</li> <li>• Tower Chambers, 74 Moorgate</li> </ul>

## Appendix 2

### Map of Boundaries of City BIDs and Partnerships





## **Appendix 3**

### **City of London Business Partnership / BIDs representatives and funding**

#### **Fleet Street Quarter**

PIB representative – Tom Sleigh

Total PIB funding: £20,000 for 2019-20, £20,000 for 2020-21 from City Fund Estate General

Anticipated BID start date April 2022

#### **EC Partnership**

PIB representative - Shravan Joshi

Total funding: £20,000 for 2020-21, £20,000 for 2021-22 from City Fund Estate General

Anticipated BID start date April 2022

#### **Cheapside Business Alliance**

Member representative – Alastair Moss

Total PIB funding – Nil

Second Term commenced April 2020

#### **Aldgate Connect BID**

Member representative – Henry Jones

Total PIB funding – Nil

First Term commenced April 2020

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<b>Committee(s)</b> Investment Committee	<b>Dated:</b> 19/05/2021
<b>Subject:</b> Bridge House Estates	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	<b>N/A</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>N/A</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>

## Summary

With the constitution of a new Bridge House Estates Board (as approved by the Court in March 2021), that Board will now discharge all the functions of the City of London Corporation as the charity Trustee of Bridge House Estates (charity no. 1035628), except where they have been expressly reserved to the Court of Common Council. Within the functions transferred to the Bridge House Estates Board is responsibility for the property and non-property investments of Bridge House Estates (BHE), including the Bridge House Estates Social Investment Fund.

At the first meeting of the Bridge House Estates Board, it was agreed that references should be made to other Committees of the Court of Common Council seeking their assistance in the discharging of relevant functions by drawing on their experience and expertise, to help ensure seamless delivery of BHE's administration. This report presents a resolution of the newly constituted Bridge House Estates Board to the Investment Committee in respect of the property and non-property investments of BHE for the Committee's consideration.

## Recommendation:

- That Investment Committee consider the resolution of the Bridge House Estates Board on 4 May 2021, as set out in the appendix to this report.

## Main Report

1. With the constitution of a new Bridge House Estates Board (as approved by the Court in March 2021), that Board will now discharge all the functions of the City of London Corporation as the charity Trustee of BHE, except where they have been expressly reserved to the Court of Common Council.
2. Within the functions transferred to the Bridge House Estates Board is responsibility for the property and non-property investments of Bridge House Estates, including

the Bridge House Estates Social Investment Fund. Specific changes have been made to the Terms of Reference of the Investment Committee to reflect the transfer of functions to the Bridge House Estates Board, which were reflected in the Order of the Court of Common Council.

3. At the Special Meeting of Investment Committee on 6 May 2021, revised Terms of Reference for the Property Investment Board and Financial Investment Board reflecting the transfer of functions to the Bridge House Estates Board were agreed. Furthermore, due to the transfer of responsibility for the Bridge House Estates Social Investment Fund, there was no need for the Committee to appoint a Social Investment Board for the ensuing year.
4. At its inaugural meeting on 4 May 2021, the Bridge House Estates Board considered a report proposing that the Board resolves to proactively consult with, and seek the advice of, other Committees of the Court of Common Council, drawing on their experience and expertise, to help ensure seamless delivery of BHE's administration, facilitate delivery of existing workstreams and to better inform the Board's decision-making on certain matters.
5. The process of formal inter-committee consultation is described within the City Corporation's governance framework as a 'reference' from one committee to another. It was acknowledged that there will be on-going consultation between the Board and other Committees on a case-by-case basis as strategic, operational and corporate governance matters arise which affect the common interests and governance of the City Corporation, for itself and as trustee of BHE. Furthermore, it is recognised that considerations on the Board's governance arrangements are likely to evolve over the next 12-months.
6. It was agreed that the BHE Board formally make references to several Committees of the Court seeking their advice in relation to their relevant functions and duties. It should be noted that in referring a matter to a Committee it may be considered by a Sub Committee of that Committee in accordance with the Sub Committee's terms of reference and delegated authority.
7. The report proposed that Investment Committee's advice be sought on strategic investment matters to assist the Bridge House Estates Board in taking related decisions for BHE, as appropriate. This proposal was agreed, and the terms of the agreed reference are presented to this Committee in the form of a resolution, which is appended to this report.
8. It is recommended that Investment Committee agree to advise on the matters set out in the resolution, as appropriate, and that it be delegated to the Property Investment Board and the Financial Investment Board to consult and advise on matters in respect of property and non-property investments respectively.

## **Conclusion**

9. Ongoing consultation between the Bridge House Estates Board and other Committees on a case-by-case basis as strategic, operational and corporate governance matters arise which affect the common interests and governance of

the City Corporation, for itself and as trustee of BHE, will be of significant benefit and it is recommended that the Investment Committee, through the Property Investment Board and Financial Investment Board, agree to be consulted and provide advice as appropriate to the Bridge House Estates Board on investment matters.

## **Appendices**

Appendix 1 – Resolution of the Bridge House Estates Board on 4 May 2021

### **Joseph Anstee**

Town Clerk's Department

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**To: Investment Committee**

**19 May 2021**

**From: Bridge House Estates Board**

**4 May 2021**

## **17. REFERENCES TO OTHER GRAND COMMITTEES**

The Board considered a report of the Managing Director of Bridge House Estates setting out matters for decision which will support the newly established Bridge House Estates Board in the effective administration and governance of Bridge House Estates (BHE) (charity no. 1035628) consistent with the City Corporation's legal obligations as trustee to administer the charity effectively. To help ensure seamless delivery of BHE's administration, the report proposes that the Board resolves to proactively consult with, and seek the advice of, other Committees of the Court of Common Council, drawing on their experience and expertise, to facilitate delivery of existing workstreams and to better inform the Board's decision-making on certain matters.

**RESOLVED** – That the Bridge House Estates Board in the discharge of functions for the City Corporation as trustee for Bridge House Estates (charity no. 1035628), and solely in the charity's best interests with a view to supporting the charity's effective administration:

1. Approve the following references to the named Committees of the Court of Common Council:

### Investment Committee

- (i) IT IS RESOLVED THAT the Investment Committee's advice be sought on strategic investment matters to assist the Bridge House Estates Board in taking related decisions for Bridge House Estates, as appropriate.
- (ii) IT IS RESOLVED THAT the Investment Committee's advice be sought on management of investment matters relating to property within the Bridge House Estates investment property portfolio in accordance with the charity's management plans and investment strategies, having regard to the delegations to the City Surveyor (and in particular to the Investment Property Director, who was appointed as agent for Bridge House Estates in a deed of appointment approved by the Policy & Resources Committee on 13th January 2011), as appropriate.
- (iii) IT IS RESOLVED THAT the Investment Committee's advice be sought on management of investment matters relating to assets within the Bridge House Estates financial investment portfolio in accordance with the charity's management plans and investment strategies, having regard to the delegations to the Chamberlain (and in particular to the Corporate Treasurer), as appropriate.
- (iv) IT IS RESOLVED THAT the Investment Committee's advice be sought on matters within the purview of that Committee relating to the implementation of the Climate Action Strategy which has been adopted for Bridge House Estates and the City Corporation acting in its other capacities, to assist the Bridge

House Estates Board in taking its decisions independently for Bridge House Estates, as appropriate.

- (v) IT IS RESOLVED THAT authority be delegated to the Managing Director of Bridge House Estates, the City Surveyor and the Chamberlain, to prepare a summary of the existing Bridge House Estates investment portfolio and the parameters of the charity's current Transitional Investment Strategy to be presented to the Investment Committee with resolutions 1. (c)(i)-(iv).



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