



Corporate Asset Sub (Finance) Committee

Date: WEDNESDAY, 28 APRIL 2021
Time: 11.00 am
Venue: VIRTUAL PUBLIC MEETING (ACCESSIBLE REMOTELY)

Members:

Deputy Jamie Ingham Clark (Chairman)	Michael Hudson
James de Sausmarez (Deputy Chairman)	Jeremy Mayhew
Rehana Ameer	Deputy Philip Woodhouse
Randall Anderson	Sheriff Christopher Hayward
Dominic Christian	Shravan Joshi
Marianne Fredericks	Deputy Edward Lord
Alderman Alison Gowman	

Enquiries: Chris Rumbles
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Accessing the virtual public meeting

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

<https://youtu.be/8h2QgShA460>

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

John Barradell
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**

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

3. **MINUTES**

To agree the public minutes and summary of the meeting held on 18th January 2021.

For Decision
(Pages 1 - 10)

4. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

Report of the Town Clerk.

For Information
(Pages 11 - 12)

5. **WORK PROGRAMME FOR FUTURE MEETINGS**

Joint report of the Town Clerk and City Surveyor.

For Information
(Pages 13 - 14)

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

Report of the City Surveyor.

For Decision
(Pages 15 - 18)

7. **2020/21 ENERGY PERFORMANCE Q3 UPDATE**

Report of the City Surveyor.

For Information
(Pages 19 - 24)

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

Report of the City Surveyor.

For Information
(Pages 25 - 30)

9. **CITY SURVEYOR'S DEPARTMENTAL RISK REGISTER - UPDATE**
Report of the City Surveyor.
For Information
(Pages 31 - 34)
10. **GUILDHALL FACILITIES MANAGEMENT WORKS**
Report of the City Surveyor.
For Information
(Pages 35 - 38)
11. **GUILDHALL & WALBROOK WHARF 2021/22 BUDGET REPORT**
Report of the City Surveyor.
For Information
(Pages 39 - 42)
12. **THE CITY'S HERITAGE ESTATE - UPDATE**
Report of the City Surveyor.
For Information
(Pages 43 - 48)
13. **PUBLIC SECTOR DECARBONISATION SCHEME (PSDS) PROJECT APPROVAL AND GOVERNANCE**
Report of the City Surveyor.
For Information
(Pages 49 - 52)
14. **GATEWAY 2 REPORT: PUBLIC SECTOR DECARBONISATION SCHEME (PSDS) PROJECT PROPOSAL**
Report of the City Surveyor.
For Information
(Pages 53 - 62)
15. **SECURITY UPDATE**
Update of the City Surveyor.
For Information
(Pages 63 - 64)
16. **TOWER BRIDGE HV ELECTRICAL UPGRADE PROJECT G4C ISSUES REPORT**

Report of the City Surveyor.

For Information
(Pages 65 - 70)

17. **GUILDHALL COOLING PLANT REPLACEMENT & STEAM HUMIDIFICATION
PLANT REPLACEMENT GATEWAY 2 PROGRESS REPORT**

Report of the City Surveyor.

For Information
(Pages 71 - 76)

18. **GUILDHALL COOLING PLANT REPLACEMENT - DELEGATED AUTHORITY
REQUEST**

Report of the City Surveyor.

For Decision
(Pages 77 - 78)

19. **HUMIDIFICATION PLANT REPLACEMENT - DELEGATED AUTHORITY
REQUEST**

Report of the City Surveyor.

For Decision
(Pages 79 - 80)

20. **CYCLICAL WORKS PROGRAMME 18/19 OUTTURN & CARRY FORWARD**

Report of the City Surveyor.

For Decision
(Pages 81 - 84)

21. **BEMS UPGRADE PROJECT-CPG ESTATE - PHASE 1**

Report of the City Surveyor.

For Decision
(Pages 85 - 94)

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

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

24. **EXCLUSION OF THE PUBLIC**

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

Part 2 - Non-Public Agenda

25. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the meeting held on 18th January 2021.

For Decision
(Pages 95 - 102)

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

Report of the Town Clerk.

For Information
(Pages 103 - 104)

27. **REPORT OF NON-PUBLIC ACTION TAKEN BETWEEN MEETINGS**

Report of the Town Clerk.

For Information
(Pages 105 - 110)

28. **WOODREDON FARM (RIDING SCHOOL) DISPOSAL**

Report of the City Surveyor.

For Decision
(Pages 111 - 118)

29. **WEST HAM PARK NURSERY DISPOSAL OPTIONS**

Report of the City Surveyor.

For Decision
(Pages 119 - 134)

30. **CENTRAL CRIMINAL COURT - EXTERNAL AND INTERNAL FABRIC REPAIRS**

Report of the City Surveyor.

For Decision
(Pages 135 - 150)

31. **FACILITIES MANAGEMENT CONTRACT EFFICIENCY SAVINGS**

Report of the City Surveyor.

For Information
(Pages 151 - 156)

32. **GLA ROADS AND TRANSPORT FOR LONDON UPDATE**

Report of the City Surveyor.

For Information
(Pages 157 - 168)

33. **CITIGEN CONTRACT EXTENSION**

Report of the City Surveyor.

For Information
(Pages 169 - 174)

34. **MIDDLESEX STREET CAR PARK - CITY OF LONDON POLICE OCCUPATION UPDATE**

Report of the City Surveyor.

For Information
(Pages 175 - 180)

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

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

CORPORATE ASSET SUB (FINANCE) COMMITTEE **Monday, 18 January 2021**

Minutes of the meeting of the Corporate Asset Sub (Finance) Committee held as a Virtual Public Meeting on Monday, 18 January 2021 at 1.45 pm

Present

Members:

Deputy Jamie Ingham Clark (Chairman)
James de Sausmarez (Deputy Chairman)
Rehana Ameer
Randall Anderson
Marianne Fredericks
Alderman Alison Gowman
Michael Hudson
Jeremy Mayhew
Deputy Philip Woodhouse
Sheriff Christopher Hayward
Shravan Joshi
Deputy Edward Lord
Tom Sleigh

Officers:

Dianne Merrifield	- Chamberlain's Department
Paul Wilkinson	- City Surveyor
Peter Young	- City Surveyor's Department
Alan Bennetts	- Comptroller and City Solicitor's Department
Alison Bunn	- City Surveyor's Department
Peter Collinson	- City Surveyor's Department
Jonathan Cooper	- City Surveyor's Department
Natalie Evans	- Chamberlain's Department
Paul Friend	- City Surveyor's Department
John Galvin	- City Surveyor's Department
James Gibson	- Chamberlain's Department
Andrew Little	- Chamberlain's Department
Kieran Mackay	- Department of the Built Environment
Peter Ochser	- City Surveyor's Department
Amy Poole	- Remembrancer's Office
Dorian Price	- City Surveyor's Department
James Rooke	- City Surveyor's Department

In Attendance

Arnaud Flament	- Voltalia SA
Simon Holt	- Voltalia SA

1. **APOLOGIES**

Apologies were received from Dominic Christian.

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

The Chairman declared an interest in item 28 as Church Warden of St Lawrence Jewry Church. Alderman Alison Gowman declared an interest in item 26 relating to Central Criminal Court.

3. **MINUTES**

RESOLVED - That the public minutes and non-public summary of the previous meeting held on 18 November 2020 be approved as an accurate record.

Matters arising

Aborted Capital Projects – Discussion at the last meeting on a review of abortive project costs. Lessons learned would be captured in future reporting.

4. **TERMS OF REFERENCE**

The Sub-committee considered a report of the Town Clerk seeking approval to the Sub-committee's terms of reference for submission to Court of Common Council (as a sub- set of Finance Committee Terms of Reference).

The Chairman referred to an incident at Smithfield Market resulting in an internal audit of maintenance at the City Corporation and looking at how this was being carried out. The Chairman explained a final Internal Audit report was still awaited, but with there being a possibility of recommendations proposing this Sub-committee take on additional responsibilities. The Chairman proposed delegated authority be granted to allow an opportunity to put through any changes to terms of reference as a result of Internal Audit recommendations.

Resolved, that Members:-

- Approve the Terms of Reference of Corporate Asset Sub-committee for submission to Court of Common Council (as a sub-set of Finance Committee Terms of Reference)
- Delegate Authority to the Town Clerk, in consultation with the Chairman and Deputy Chairman, to allow an opportunity to put through any changes to terms of reference Internal Audit may recommend.

5. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

The Sub-committee received a report of the Town Clerk providing Members with information of outstanding actions from previous meetings.

The Chairman remarked on the actions having been around for a while, but with these awaiting the outcome of other processes at the City Corporation before they can be progressed.

RECEIVED

6. **WORK PROGRAMME FOR FUTURE MEETINGS**

The Sub-committee considered a joint report of the Town Clerk and City Surveyor which provided information on the work programme for future meetings.

RECEIVED

7. **POWER PURCHASE AGREEMENT FOR OFFSITE RENEWABLE ENERGY SCHEME**

The Chairman welcomed Arnaud Flament and Simon Holt of Voltalia, who were the City's partners in providing renewable energy as part of a power purchase agreement the City Corporation entered into in early December.

Members were provided with background to the agreement through the City Corporation experiencing very high energy prices leading to a review of the way energy was sourced and purchased. The City Corporation was looking to manage escalating prices, take out volatility in the pricing and also sourcing clean energy in response to the climate change emergency. The City Corporation wanted to find a solution to all of this, which resulted in a Power Purchase Agreement having been reached.

Simon Holt, UK Country Manager, provided Members with background on Voltalia explaining how it was independent operator, with it being hoped that similar operators become more commonplace as the green market continues to develop. Members were talked through the detail of the agreement. This included:-

The City Corporation were being supplied with renewable electricity produced from South Farm Solar Project for 15 years. This would be through use of the latest technology modules of around 500mw on site, covering 130 acres and delivering just shy of 50MW of capacity. It would be hoped to generate 55GWh each year on the site, which would be around half of the City Corporation's demand.

South Solar Farm was fourth generation farmland, with the current owner having a real interest in diversification and solar projects and looking to keep the farm in the family. During the tender process working with the City Corporation Voltalia were able to support Spetisbury Traffic Calming scheme, restore the local school car park and work would continue with the school and local area to promote energy efficiency. A local Project Manager has recently been appointed to help progress the project. Construction starts on-site in March of this year with expected delivery in early February 2022.

Members were also provided with an overview on the commercial benefits of the agreement.

The Chairman took the opportunity to highlight how he considered the agreement to be repeatable in other Local Authorities and he hoped it would be a blueprint. Following the press release there had been a great deal of interest shown including from other Local Authorities.

A Member commended officers for all their work on getting the City Corporation to this position, noting the key officer involved would be departing the City Corporation, but leaving a very good legacy. The City Corporation has been a leader in this area and it should look to build on this and all the other work around climate action.

The Chairman echoed these comments and acknowledged the immense effort and hard work of all involved, which it was hoped would be part of a stepping stone in a global story on progression to net zero.

The Chairman thanked Voltalia for their presentation that had allowed the Sub-committee a better understanding of what has been achieved.

8. **SUSTAINABILITY FORWARD PLANNING PROPOSAL**

The Sub-committee received a report of the City Surveyor presenting a summary of the Climate Action Strategy mobilisation plan.

A Member remarked on the plan being in outline at the moment and questioned how much more work there was to do and whether it was on track.

The City Surveyor responded and explained there was a cost plan in place with itemised costs, associated savings and programme rollout. A final plan was still to go through Building Chief Officers for approval with final budgets not yet having been agreed and there being potential for these to change. It would be hoped to be in a position to progress with resourcing very shortly.

A Member questioned where the extra revenue of £21m would come from and the Chairman clarified the position of funding having been approved as part of the Climate Strategy, with this element being taken from the overall £68m Climate Action Strategy budget already approved.

Resolved, that the Sub-committee note the report.

9. **SECURITY UPDATE**

The City Surveyor provided the Sub-committee with an oral update on a number of areas including:-

- Guildhall Security Manager being a finalist for the category of in-house security manager as part of the Outstanding Security Performance Awards taking place virtually on 25th February.
- Head of Security to returning to the role on 1st February.
- Bulk of work over the last few months has been preparation for 'Protect Duty' which would be part of Martyn's Law, with assessments having taken place at key sites and work expected to be completed by the end of January. Training programmes were being developed to support key areas e.g. Barbican Centre in advance of any reopening to the public post Covid-19.

- ACT E-Learning now being mandatory for all employees in customer facing roles, with HR Business Partners identifying people who fit into these roles within departments.
- All Security Teams are using the opportunity of the latest lockdown to refresh and retrain in preparation for the re-opening.
- Over the last two weeks eight positive cases of Covid-19 have been identified within the Guildhall Security Team. Correct processes and procedures have been followed. An exercise has been undertaken to prove that all cases have not been transmitted at work meaning it was not RIDDOR reportable to HSE.

The Chairman remarked on being pleased to learn that in spite of the positive cases it had been possible for the City Corporation to cover its security requirements within existing resources. The Chairman questioned whether the City Corporation was at a stage where it was known whether anyone had been badly affected and the City Surveyor confirmed that all were now thankfully in the process of recovery and the initial cases now back at work, which the Chairman acknowledged was good to hear.

A Member asked for an assurance that Covid secure practices were being followed by all security staff e.g. wearing of masks and social distancing. The City Surveyor assured Members that Covid secure measures were in place and that these were being followed. These incidents of infection have presented a wake up call to the team and additional new measures have been introduced in and around Guildhall to offer additional protection. Guildhall remains a Covid secure building.

A Member questioned whether lateral flow tests could be made available to staff and also whether protocols were in place giving staff a clear line of communication when they needed to arrange extra support. There was also an issue in the Security Control Room of lack of ventilation.

The City Surveyor responded explaining access to lateral flow testing for the Security Team had been organised, with the team working on two shifts with cover being put in place as required to ensure no-one was put in a position of having to work on alone. The City Surveyor assured Members that the Security Control Room was being provided with adequate air needs for the space.

The Member referred to the Security Team having to travel in early and not being able to travel on public transport. A Member, also Chairman of Establishment Committee, confirmed he was in discussion with the Director of HR and that he would let the Chairman and Member know the outcome of these discussions.

The update was noted.

10. **GUILDHALL - NEW WAYS OF WORKING UPDATE REPORT**

Members received a report of the City Surveyor that offered a focus and update on new ways of working.

A Member noted reference within the report to the Guildhall Masterplan that offered an agile workforce and created an exemplar sustainable building through a reduction in estimated carbon emissions. The Member remarked on how staff working from home were generating carbon emissions and questioned how the figure arrived at had been accounted for.

The City Surveyor responded explaining that he did not have background information on the figures to be able respond at this point, but did acknowledge that displacement of staff would have an affect on carbon emissions. The Chairman suggested it would be helpful if officers could come back on the point of displacement of carbon emission and to link up with the Climate Action Strategy team so the impacts can be viewed in the round.

A Member referred to an issue he had recently raised with the Chair of Port Health of a need for the business community to consider the carbon impacts of their current working from home arrangements. Officers within Port Health were currently looking to develop a strategy it was suggested officers link up with the team.

The Member also highlighted how working from home was detrimental to race relations with it creating more divides to those within protected characteristics. It was proposed future reporting reflected the Corporation's equalities statement and the findings of the Tackling Racism Working Party. The City Surveyor acknowledged the importance of this point and confirmed this would be considered further by the Group taking forward this area of work and reflected in future reporting.

The Chairman thanked the City Surveyor for the update and suggested the next update would allow officers to pick up the point on standardised metrics and report back on these.

Resolved, that the report be received and its content noted.

11. LONDON WALL CAR PARK - PARTIAL REPURPOSING FOR LAST MILE LOGISTICS HUB

The Sub-committee received a report of the City Surveyor updating on the repurposing of 39 spaces in London Wall Car Park for their use as a last mile logistics hub to be operated by Amazon Logistics.

Resolved, that the report be received and its content noted.

12. BUSINESS PLAN 2020-25 QUARTER 2020/21

The Sub-committee received a report of the City Surveyor providing Members with details of progress in Quarter 2 2020/21 against the 2020-25 business plan as well as an update on the commercial property market and a financial statement.

Resolved, that the report be received, and its content noted.

13. CITY SURVEYOR'S DEPARTMENTAL RISK REGISTER - UPDATE

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

The City Surveyor explained that no significant changes had been made to the risk scoring at this point. Risks associated to Covid-19 were being closely monitored with frequent meetings with key leads and it remains a fluid situation. There has been no justification to date for a reduction in risk scoring on these items.

A risk relating to a Carbon Descent Plan has been included, but since the adoption of the Climate Action Strategy this risk would be reassessed and rephased to take account of the new strategy.

The Chairman referred to the Internal Audit report that may have a bearing on the risk register when the Sub-committee next sees it.

Resolved, that the report be received and its content noted.

14. DRAFT CITY SURVEYOR'S BUSINESS PLAN FOR 2021/22

The Sub-committee considered a report of the City Surveyor presenting a Business Plan for City Surveyor's Department for 2021/22.

A Member welcomed the Climate Action Strategy being mentioned within the plan, but suggested it could be given more prominence and also expressed concern that there was no reference to a KPI. It was the first year of the Climate Action Strategy, but it was important to have KPIs to meet and embed. This would allow for monitoring and benchmarking moving forward.

The City Surveyor acknowledged the importance of being able to quantify impacts against the Climate Action Strategy through a KPI and confirmed work was taking place on being able to assess these impacts, with this likely to on a simple floor by floor basis, with metrics set up in the first year and with a new piece of software being used to assist putting these in.

Resolved, that Members:-

- Note the factors taken into consideration in compiling the City Surveyor's Business Plan
- Approve, subject to the Incorporation of any changes sought by both Property Investment Board, the Departmental Business Plan for the City Surveyor's Department for 2021/22 (or the elements that fall within the Sub-committee's Terms of Reference)

15. WOODREDON FARM (RIDING SCHOOL), EPPING

The Sub-committee considered a report of the City Surveyor updating on the situation relating to Woodredon Farm, Epping Forest, and proposing delegated authority granted in seeking approval for a local agent to advise on the disposal strategy.

The City Surveyor updated the Sub-committee on a decision of Epping Forest Committee to declare Red Cottage and Woodredon Cottage surplus to requirements. Disposal options would now be considered and it was proposed granting a delegated authority to allow disposal to progress and for agents to be appointed in advance of reporting back to this Sub-committee in April.

A Member referred to the discussion at Epping Forest Committee and the belief that part of the funding would return to the Committee. The Chairman explained that funding would not be returning to Epping Forest Committee, but that the Chairman of Epping Forest Committee would be kept up to date with any proposal when the delegated authority was being exercised. The City Corporation needed to ensure it was achieving full value. The Chairman agreed to talk to the Chairman of Epping Forest Committee.

Resolved, that;-

- Delegated authority be granted to the Town Clerk, in consultation with the Chairman and Deputy Chairman, in respect of approving the appointment of an external agent to advise on the marketing and disposal strategy and options for the Woodroden Farm property.

16. GUILDHALL COMPLEX BUDGET PERFORMANCE 2020/21 UPDATE REPORT

The Sub-committee received a report comparing Guildhall Administration 2020/21 budget with performance to the end of Q2 and for the forecast year end.

The City Surveyor explained how this report highlighted the exceptional costs in responding to the Covid-19 pandemic, with these having been absorbed within existing budgets. A small underspend was forecast and, subject to Finance Committee approval, a more detailed report on Guildhall and Walbrook Wharf would follow at the April meeting of this Sub-committee.

Resolved, that the report be received and its content noted.

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

There were no questions.

18. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no additional items of business raised.

19. EXCLUSION OF THE PUBLIC

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

20. NON-PUBLIC MINUTES

RESOLVED, that the non-public minutes of the previous meeting held on 18th November be approved as an accurate record.

21. OUTSTANDING ACTIONS FROM NON-PUBLIC MINUTES OF PREVIOUS MEETINGS

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

22. LONDON WALL LAST MILE LOGISTICS

The Sub-committee received a non-public appendix to be read in conjunction with item 11 on the agenda.

23. CITY SURVEYOR'S DEPARTMENT RISK REGISTER

The Sub-committee received a non-public appendix to be read in conjunction with item 13 on the agenda.

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

The Sub-committee received a report of the Comptroller relating to First Registration of Freehold Titles.

25. PROPOSAL TO ASSIST CITY OF LONDON OPERATIONAL TENANTS FOR THE DECEMBER QUARTER 2020- WALBROOK WHARF AND SMITHFIELD COMMERCIAL OFFICES (REPORT TO FOLLOW)

The Sub-committee considered a report of the City Surveyor relating to City of London Operational Tenants for the December Quarter.

26. CENTRAL CRIMINAL COURT EAST WING GROUND MEZZANINE COOLING AND HEATING REPLACEMENT

The Sub-committee considered a report of the City Surveyor relating to the Central Criminal Court East Wing Ground Mezzanine cooling and heating system.

27. CITIGEN UPDATE

The Sub-committee considered a report of the City Surveyor relating to Citigen.

28. ST LAWRENCE JEWRY CHURCH GW5

The Sub-committee considered a report of the City Surveyor relating to St Lawrence Jewry Church.

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

There were no questions.

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

There were no items of urgent business.

The meeting ended at 3.27pm

Chairman

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christopher.rumbles@cityoflondon.gov.uk

Corporate Asset Sub-Committee – Carry Forward Public Actions

	Date	Item and Action	Officer responsible	To be completed/ progressed to next stage	Progress update
Page 11	NP01/2019	30.01.19	<u>Asset Management</u>	Paul Friend	<p>ONGOING</p> <p>AM recommendations approved by CASC / Finance Committee in April/May 2019, along with the establishment of an officer Operational Property Change Board (OPCB), with delegated responsibility to implement the approved recommendations.</p> <p>UPDATE: Put on hold pending outcome of Governance Review.</p>
	P05/2019	05.06.19	<u>Sub Committee Terms of Reference</u>	Peter Young	<p>At time of the Corporate Asset Management Strategy amendment to terms of reference to be considered.</p> <p>ONGOING:</p> <p>Officers to report back on whether the terms of reference provide for advising on all bids for Heritage Lottery funding – noted that any clarification of Sub Committee terms of reference could be made at time of other future amendments arising from outcome of Corporate Asset Management Strategy.</p> <p>UPDATE: On hold pending the outcome of the Governance Review.</p>

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Corporate Asset Sub-Committee: Work Programme April - November 2021

COMMITTEE DATE	28/04/2021	22/06/2021	27/07/2021	30/09/2021	24/11/2021
SUSTAINABLE MANAGEMENT OF THE CORPORATION'S OPERATIONAL PROPERTY PORTFOLIO					
Corporate Property Asset Management Strategy					Annual Report of Corporate Property Asset Management Strategy 2020/25
City Surveyor's Business Plan	Business Plan 2020/21 Q3 outcome report Guildhall Budget for 2021/22 report		Business Plan 2020/21 Q4 outcome report	Business Plan 2021/22 Q1 outcome report	Business Plan 2021/22 Q2 outcome report
City Surveyor's Risk Register	Risk Register 2020/21 Q3 report		Risk Register 2020/21 Q4 report	Risk Register 2021/22 Q1 report	Risk Register 2021/22 Q2 Report
Facilities Management	Security update	Security update	Security update FM Annual Update Report	Security update	Security update
Portfolio management information	GLA Roads and TfL update report			Annual report on Operational Property Portfolio	
Operational Property Review <i>(note individual assets will be reported as declared surplus by service committees) and other disposals</i>	Woodredon Farm, Epping disposal options report				
UPKEEP, MAINTENANCE AND FURNISHING OF OPERATIONAL PROPERTIES NOT WITHIN THE REMIT OF ANOTHER SERVICE COMMITTEE					
	Annual Backlog Maintenance – operational portfolio (excluding housing) report	CWP progress report		CWP 2022/23 Annual Bid Report	CWP Progress Report
RESPONSIBILITY FOR STRATEGIES, PERFORMANCE AND MONITORING INITIATIVES IN RELATION TO SUSTAINABILITY, CLIMATE ACTION and ENERGY/ CARBON REDUCTION					
	Energy Performance Q3 2020/21 Report Climate Action Strategy – update report	Energy Performance Annual 2020/21 Report	Climate Action Strategy – update report	Energy Performance Q1 2021/22 Report	Energy Performance Q2 2021/2022 Report Climate Action Strategy – update report
MONITORING AND ADVISING ON HERITAGE PORTFOLIO and BIDS FOR HERITAGE LOTTERY FUNDING					
	Heritage Areas of Focus for 2021/22	Heritage At Risk annual report			

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Committee(s)	Dated:
Corporate Asset Sub Committee	28 th April 2021
Subject: Year 1 plan for Climate Action	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 5, 7, 10, 11, 12
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	NA
What is the source of Funding?	CAS programme funding
Has this Funding Source been agreed with the Chamberlain's Department?	
Report of: Paul Wilkinson, City Surveyor	For Decision
Report author: Paul Wilkinson, City Surveyor	

Summary

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

- Design Standards
- Resilience in Buildings
- Net Zero in Corporate Property Group and Housing

Recommendations

The Corporate Asset Sub Committee is recommended to:

- Approve the year 1 programme plans for the delivery of CAS outcomes under the areas accountable to the CASC as included in the Y1 Implementation Plan in Appendices 1-3.
- Note the Y1 budget and action plan of the enclosed plans have been included in Y1 composite program approved by Policy and Resources Committee on 8th April 2021. Any dependencies with the wider CAS programme have been included.

Background and context

- 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. This was a major challenge, particularly during the first lockdown. We undertook an in-depth organisational and Square Mile carbon foot-printing assessment to create our pathway. 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 8th 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.

Current position

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

Corporate and strategic implications

6. 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.

7. 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.
8. Resource Implications – This proposal requires approval of a budget of £10.48m to support the year 1 programme, from the total envelope for CAS of £68m as agreed by RASC and P&R in September 2020.
9. 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.
10. 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.
11. No new legal, security, climate implications arise from the recommendations in this report.

Conclusion

12. 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.

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Agenda Item 7

Committee(s)	Dated:
Corporate Asset Sub-Committee (CASC)	28 th April 2021
Subject: 2020/21 Energy Performance Q3 Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	5,11 & 12
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	£ n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	Yes
Report of: The City Surveyor	For Information
Report author: Graeme Low / James Rooke	

Summary

This report presents the 2020/21 quarter 3 energy performance for CoL operational sites.

The Q3 result for 2020/21 was a **14.3%** reduction in energy consumption from Q3 2019/20 when corrected for the impact of weather. Compared to the 2008/09 baseline the energy consumption reduced by **32.7%** in absolute terms.

Since 2008/9 the operational CO₂ emissions have reduced by **27,900** tonnes, through a combination of energy reduction in buildings and grid decarbonisation.

This continued reduction in 2020/21 was largely due to the reduction in building related activities and operations as a result of the coronavirus lockdown. Work by the Energy Team, particularly on Building Management Systems has enabled these savings to be secured.

Recommendation(s)

- Note the performance of Corporate building stock in quarter 3.
- Note the receipt of £9.4m from BEIS grant, covering 100% of capital investment needed for the PSDS project.

Main Report

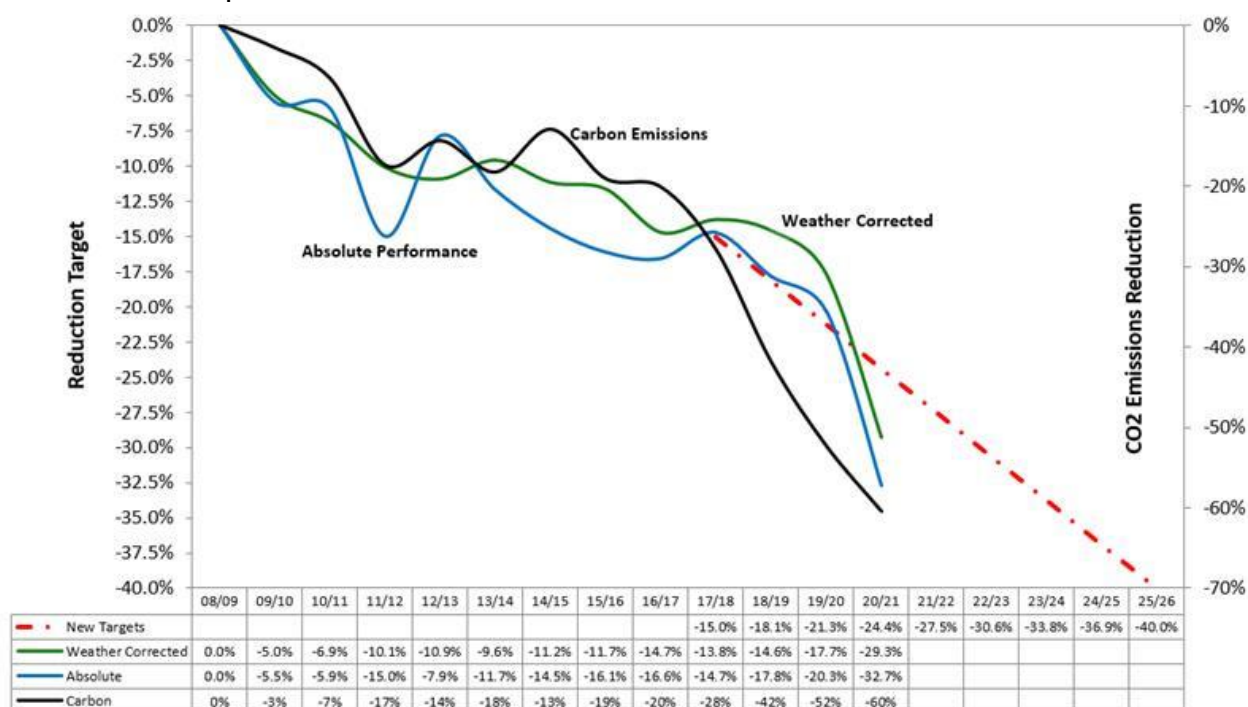
Background

1. At CAsC on 18/11/20 the Q2 Energy performance report was presented. This identified the Q2 Energy Performance as an 11.4% improvement on previous the same period in 2019/20. This significant saving was largely due to the closure of buildings due to the Covid-19 lockdown which occurred across this period. The Carbon Descent Plan aims to reduce our weather corrected energy consumption by 40% by 2025/26. Aligned to the aims of the Carbon Descent plan, the recently adopted Climate Action Strategy has a goal of reaching Net Zero Carbon for Operational emissions by 2027.

Current Position

Performance Update

Chart 1. Overall performance Q3



- Long term:** Chart 1 presents an update on the long-term performance against target, including the interim performance up to Q3 20/21. Compared to the 2008/09 baseline the performance up to Q3 2020/21 indicates a 32.7% reduction in absolute energy consumption, translating to a 29.3% reduction when corrected for the weather and a saving of 27,900 tonnes of CO₂ or a 60% reduction from 2008/9. Additionally, our CO₂ emissions have reduced by 31% or 8,187 tonnes since 2018/19.

These figures show we are ahead of the target for the year and we are also ahead of our target to reach a 40% reduction in energy consumption by 2025/26. The savings since 2018/19 demonstrate a positive start for the Climate Action Strategy 2027 Net Zero Carbon targets.

Whilst we have benefitted from energy reductions due to the pandemic, building stock changes and improved control of our energy usage within buildings has played an important role in capturing these savings. In 2021/22 Investment in Energy Saving Measures will be stepped up as we deliver the Public Sector Decarbonisation Scheme Project, aiming to reduce emissions at key buildings (Barbican Arts Centre, LMA, GSMD & The Guildhall) by an additional 1,500 tonnes of CO₂e per annum. It is anticipated that this investment alongside close control of Building Energy Management Systems (BEMS) will enable us to keep on track to meet the 40% reduction target by 2025/26.

Table 1. Overall performance Q3 Top 5 and bottom 5 sites.

Weather corrected rolling 12-month comparison: 12 months to Dec-20 (20/21) compared to 12 months to Dec-19 (2019/20)				
Site Name	Dec-19	Dec-20	kWh Diff.	Diff. %
Top 5				
Smithfield	15,118,674	10,761,844	-4,356,830	-29%
BAC	18,392,319	15,389,946	-3,002,373	-16%
Guildhall	17,380,631	15,202,156	-2,178,475	-13%
Central Criminal Court	7,273,167	6,208,101	-1,065,067	-15%
GSMD Milton Court	3,283,278	2,547,057	-736,221	-22%
Bottom 5				
Walbrook Wharf	1,657,364	1,924,723	267,359	16.1%
Animal Reception	700,796	785,276	84,480	12.1%
21 New Street	1,813,859	1,867,491	53,632	3.0%
Open Spaces Parliament Hill	263,365	304,933	41,568	15.8%
Open Spaces Epping Forest	612,979	654,197	41,218	6.7%

3. **Table 1** provides a snapshot of the highest energy reductions and the greatest increases within the top 30 buildings over the past 12 months to December when compared to the previous 12 months. The full list of the top 30 site performance and performance overview for bottom 5 increases can be found within Appendix 1. The Energy team are in contact with sites in the bottom 5 sites to rectify issues.

Energy Team Activity

Progress on Energy projects

4. **The PSDS Project** includes works (26 sub-projects) to upgrade M&E building services (heating, cooling, ventilation, and lighting) and improve building controls and energy metering across the following four sites: Guildhall, Barbican Art Centre, GSMD, and the LMA. We estimate the projects will deliver carbon savings of c.1.5 ktCO₂e/yr and energy cost savings of c.£875k/yr. Over a projected 15 year lifecycle the estimated cost benefit from the PSDS project is as follows:

Table 2. Total expected CO₂ savings and estimated total cost benefit from PSDS Project over 15-year life cycle.

Grant Income	Total Energy Cost	Cost benefit	Carbon savings (tCO ₂ e)
£9.4M	£13.1M	£22.5M	7,740

Additionally, the PSDS project is expected to reduce the burden on the Cyclical Works Programme and Forward Maintenance Plan.

Table 3 provides a summary of the key project figures relating to each site, and further details on the specific projects are provided in the Appendix. Please note, N/A relates to software packages to support metering/control across all sites.

This project is 100% funded by a BEIS Public Sector Decarbonisation Scheme grant.

Table 4. PSDS project breakdown by building showing projected cost and carbon savings.

Site	Total Project Cost	Energy Cost savings (£/yr)	Carbon savings (tCO2e/yr)
BAC	£3,545,957	£311,815	516
GSMD	£3,129,723	£211,023	456
GHC	£2,484,072	£341,917	570
LMA	£97,257	£10,001	8
N/A	£188,939	£0	0
Grand Total	£9,445,948	£874,756	1,549

5. **Energy Management system replacement:** The Energy Team have complete the procurement of a new Energy Management system for the replacement of the outdated Systemslink software. The new system called “Team Sigma” will be rolled out in the coming months and is budgeted at £50,000 with 100% of costs being met by PSDS grant funding. Key stakeholder engagement activities have begun. It is anticipated the new system will be operational by June 2021, the previous system will be maintained during the transition between systems. Once the system is operational we will be able to review future reporting and align with the Climate Action Strategy and it’s reporting dashboard.
6. **Pandemic Impacts:** The Energy Team remain proactive at managing the energy usage within our buildings during the Pandemic. In the 12 months to December 2020, we have seen a 14.3% reduction from the previous 12 months. This compares to a current reduction in UK power demand of approximately 6% based on pre-pandemic levels. The UK has seen a rise in demand, which we expect to continue as we exit lock-down restrictions. The Energy Team anticipate that as buildings are re-occupied, our recent gains will be eroded. Having said this, our plans to improve and upgrade our control systems at key buildings (e.g. Guildhall and Barbican Arts Centre), through state of the art building management systems and low energy lighting installations, will help to mitigate against rising energy consumption following the re-occupation of buildings. Some increases may be seen in areas and the Energy Team will closely manage those sites affected. Appendix 4 provides a chart on UK weekly Power Demand 2016-2020 for more detail.
7. **Energy Supply contract procurement:** Gas and Electricity Contracts have been procured for the period October 2021 -2025. The energy purchases will be made using agreed “*Purchase in Advance*” pricing strategy via a LASER framework. This will ensure that sufficient trading opportunities will exist before the commencement of the contract to reduce any short-term purchasing risks. Significant cost savings are anticipated. Additionally, we have procured a new Meter Operator Contract under the LASER framework for the period 2021 – 2025. Savings of £20k expected for the contract duration and will improve visibility to our energy data.
8. **PPA:** The PPA contract has now been agreed with Voltalia UK Ltd., Work on site at the South Farm Solar site near Blandford Forum has begun with foundation tests and welfare facilities being established in April. As we are seeing rising electricity prices in the market the current price of £50.7 MWh for grid electricity means that we have achieved increased financial benefit through the PPA with a unit price 26% lower than this.

9. **Markets:** We have completed the reporting for Climate Change Agreement target period 4 (2019-2020) for Smithfield Market. This has resulted in a financial benefit to the market of £103,574 through exemption from the Climate Change Levy. This will be passed onto the market tenants.

Corporate & Strategic Implications

10. **Strategic implications:** Energy performance is linked to resilience and helps ensure business continuity through reduced pressure on the energy infrastructure within the square mile. We support a thriving economy through ensuring environmental responsibility in this way. Our energy performance helps to shape outstanding environments through the reduction of CO₂ emissions and our commitment to procuring clean renewable energy. In this way our energy performance helps shape outcomes 5, 11 and 12 of the Corporate Plan.
11. **Financial implications:** The savings in this report largely arise because of reduced energy usage due to the pandemic rather than improvements in energy efficiency and will be eroded as staff return to work. For longer sustainable gains the focus needs to be on improving efficient use of energy which is why projects such as the PSDS project are key to this objective.
12. **Climate implications:** Energy performance has a direct impact on the Climate. As such performance improvements are a key metric in measuring our trajectory to meeting the ambitions of the Climate Action Strategy and reaching Net Zero Carbon.

Conclusion

13. The Energy performance within Q3 has seen a sustained reduction in consumption across the corporation. Whilst the impact of the pandemic has been positive in respects to the energy consumption over the last 12 months, we anticipated a bounce back in consumption as we reoccupy our building. We have in place measures and will be delivering significant projects over the next year, to ensure the savings we have made are secured for the longer term.

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

Summary

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

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

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

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

The amber indicators were the following:

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

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

Recommendation(s)

Members are asked to note the content of this report.

Main Report

Background

1. In line with the City Corporation's performance management system, this is a quarterly report on the progress made during quarter 3 (October to December) compared to the 2020-25 Business Plan.

Current Position

2. This report provides the latest budget information which is set out in Appendix A and performance indicator table in Appendix B. Furthermore, charts that your committee are particularly interested in are included in Appendix C.
3. This report is slightly updated from that presented to PIB on 17 March reflecting the availability of one additional data point, KPI. 2 – Energy Consumption. This was green for the period.
4. In addition, you receive regular monitoring reports covering rent reviews, lease renewals, arrears, vacancies and delegated decisions. These provide key information pertaining to the current market situation, particularly for directly managed properties.
5. A separate monitoring report on the risks within our department is also presented at this meeting. This includes a appendix on risks relating to Covid-19.

Financial statement

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

7. The City Surveyor is, however, forecasting that this overspend will reduce by year-end to £255,000 against the budget for the year of £32.55m (0.78%) mainly due to some of the savings made on the Guildhall Complex being utilised to fund works to make the complex more Covid-19 compliant. Further efforts are also being made to identify savings to bring the local risk budget back to breakeven by year-end.
8. The position on rental income, held under central risk is also being kept under close review due to the impact of the pandemic. In addition to the £3m increase in the bad debt provision required across the three estates, and included in the estimates report to Property Investment Board in December, a further increase of £2.7m was identified in a recent review based on the debt at the end of the December quarter. The anticipated provision required for the year for all three estates has therefore increased to £11m.

Market commentary

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

date investment turnover to £4.36bn, across 105 transactions, down 61% on the long-term average turnover volume for a January – September period. During October – December, in a sign of continued liquidity and sustained investor appetite for core, well located assets, quarterly turnover reached £5.7bn. This was the highest volume for the quarter since 2015's £6.0bn. We also saw a return of international investors during the second half of calendar 2020 with overseas investors accounted for 78% of the overall volume.

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

Quarter 3 2020/21 update Coronavirus

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

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

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

Performance

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

Status¹	Green	Amber	Red	TBC	N/A or No RAG
Corporate Asset Sub Committee	5	5		1	2
Property Investment Board	3	3		1	5
Overall ²	5	5		2	5

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

19. The amber indicators were the following:

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

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

B. KPI. 3 – Space utilisation (CAsC)

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

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

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

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

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

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

The wireless telecommunications concession contractor has been progressing discussions with the infrastructure provider to deploy new smart poles, and a pilot scheme is being explored.

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

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

Strategic implications

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

Conclusion

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

Appendices

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

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

Summary

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

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

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

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

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

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

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

- SUR CB 003 – City Bridges: Substantial vessel strike
Current risk score 16 (Red)
- SUR CB 006 – City Bridges: Wanton damage / terrorism

- Current risk score 16 (Red)
- SUR CB 007 – City Bridges: Tunnelling for the Thames Tideway Tunnel
Current risk score 16 (Red)

Recommendation(s)

Members are asked to:

- Note the report, and the actions taken within the City Surveyor Department to effectively monitor and manage risks arising from our operations.

Main Report

1. The Risk Management Strategy of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department. The Property Investment Board (PIB) and Corporate Asset Sub (Finance) Committee (CAsC) has determined that they will receive the City Surveyor's risk registers on a quarterly basis.
2. This report separates the overall departmental risk register (Appendix 1), the departmental responsibilities in relation to Covid-19 (Appendix 2), and the repairs and maintenance items in relation to the City Bridges (Appendix 3). There is a further departmental risk which has been included separately due to being non-public (Appendix 4).
3. Risks are reviewed regularly by the department's Senior Management Team (SMT) in line with the organisation's Risk Management Framework (RMF). Risks are assessed on a likelihood-impact basis, and the resultant score is associated with a traffic light colour.

Current Position

4. The City Surveyor departmental risk register currently contains four amber risks. The details of each of these are included in Appendix 1.
5. The City Surveyor continues to monitor its risks associated with Covid-19 reporting to the thematic governance group. The department has three risks being monitored by the group (Appendix 2). Risks relating to Covid-19 are regularly reported through to the Audit and Risk Management Committee.
6. The department also manages the repairs and maintenance risks associated with the City Bridges, of which there are currently three red risks. The details for these risks are included in Appendix 3.
7. Members should note that the department presented its risks through to the Informal Risk Challenge (IRC) session of Audit and Risk Management Committee on 24 March. There was considerable useful feedback at this meeting, and the department is working through the suggestions raised. This will improve risk capture and better codify existing internal processes.

Changes since last review

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

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

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

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

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

Heatmap

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

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

Table 1: December 2020 Risk Heatmap

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

Table 2: February 2021 Risk Heatmap

Conclusion

13. Members are asked to note the recent changes to the departmental risk register. The department continues to ensure that it manages its risks in line with best practice and the organisation's RMF.

Appendices

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

Background Papers

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

John Galvin

Faith Bowman

Business Performance and Improvement

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Committee	Dated:
Corporate Asset Sub-Committee	28 th April 2021
Subject: Guildhall Facilities Management Works	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: City Surveyor	For Information
Report author: Peter Ochser, Guildhall Complex Buildings and Hospitality Manager, City Surveyors	

Summary

The following report gives an update on the key workstreams which have been undertaken by the Guildhall Facilities Management team during the Covid-19 pandemic. It is important to highlight to Members that whilst the Complex has been working at a reduced capacity for over a year, the team have taken the opportunity to complete much needed maintenance during this period of reduced occupation.

Recommendation(s)

Members are asked to:

- Note the contents of this report

Main Report

The works have been categorised into three main areas:

Improvements

1. Repair and decoration throughout North and West Wings back of house areas for example, stairwells, kitchenettes, toilet lobby's, the Gild restaurant
2. Replacement of 10-year-old fridges and dishwashers in North Wing and West Wing kitchenettes
3. Refurbishment of North Wing staff shower rooms, including new transactional lockers
4. Increased number of cycle spaces from 90 to 110. Introduced 26 folding bike storage lockers in the car park and in addition 12 scooter spaces have been created

5. Declutter of North Wing and West Wing office space – removal of erroneous posters/signage, pedestals, furniture and photocopiers
6. Full audit of the condition of fire doors throughout the entire Complex
7. Installed new filtered drinking water taps into Guildhall Yard East across all floors
8. Electrical car chargers – safety works undertaken, and standard operating procedures produced, ready for increased usage in Q2 of 2021
9. Loading bay floor demarcation and layout improvements
10. Members Car park – removal of rubbish and clutter to make spaces available
11. New recycling bins throughout the Guildhall, consolidation of confidential waste bins, consolidated cleaning consumables
12. Completion of select CWP works, for example Art Gallery sprinkler 25-year testing and preparation pending funding being released April 1st 2021 and data gathering and surveying in regard to 5-year electrical fixed wire testing project for entire Guildhall complex
13. Maintenance programme works including wholesale servicing of sink mixing valves; disabled toilets emergency assistance cords; hand dryers; toilet extract fans; etc
14. Full audit - and subsequent improvement programme - for North Wing, West Wing and Guildhall Yard East fire prevention equipment, i.e. automated fire shutters/curtains/dampers
15. Deep cleans North Wing, West Wing, GYE, Event Spaces - including carpets, kitchens, back of house areas

Events Space (Great Hall; Old Library; Livery Hall)

16. Development of a Joint Operating Plan, including the creation of a single profit and loss (P&L) account showing the full direct and indirect cost of events; further supporting the collaboration between the City Surveyor and the Remembrancer
17. Standard Operating Procedures agreed with Remembrancer's for maintenance, to ensure 5* standard of support to events
18. Revision of the asset register covering all elements of event spaces (fabric, lighting, fixtures, audio-visual, electrical)
19. Review of event kitchen layouts, removal of redundant equipment, addition of equipment as required
20. Checking and testing of all event spaces e.g. lighting, floor sockets
21. Event Catering changing rooms renovation – new lockers, decoration

Covid Specific

22. Support Members Services; Libraries; Art Gallery in re-opening safely last summer
23. Continued support for Guildhall buildings that have remained open; Mayors Court, Guildhall Yard East; St Lawrence Jewry Church; North Wing
24. Aided the Testing Centre get up and running and ongoing interaction to ensure smooth operation
25. Enabled the Gild to be set up for the City of London School for Girls to use for student lunches

26. Creating the Covid secure risk assessment for the Guildhall and installing signage, sanitisers, one-way system, social distancing measures, providing 100% fresh air in the building to ensure that people using the building feel safe and secure

Conclusion

27. The Guildhall Facilities Management team have ensured that when the Guildhall Complex opens more fully the preparation, planning, maintenance, cleaning and administration has been completed already, as far as possible. This also includes proactive improvement activities and minor CWP projects. The team has recently been working with stakeholders like Remembrancers, the Art Gallery and the Libraries to ensure the relevant buildings and services are ready for efficient occupation/reactivation, at the points allowed in the Government roadmap.

Appendices

- None

Report author

Peter Ochser

Guildhall Complex Buildings and Hospitality Manager – City Surveyor's Operations Group

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Committee:	Dated:
Corporate Asset Sub Committee	28 April 2021
Subject: Guildhall & Walbrook Wharf 2021/22 Budget Report	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1,2,5,7,9,10,11,12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	Y
Report of: The City Surveyor	For Information
Report author: Dorian Price, Guildhall Manager	

Summary

Further to Finance Committee approval of Operational Budget Estimates 2021/22, the purpose of this report is to provide an explanation of how the proposed reduction in costs at Guildhall Complex and Walbrook Wharf are to be delivered and the assumptions that were made.

This report also presents a summary of how Guildhall complex and Walbrook Wharf 2021/22 budgets have been realigned to meet the new budget available, shown in Appendix 1 and 2.

Guildhall Complex - £2,069m reduction – comprising:

- £720k local risk reduction in security operational overtime costs, energy, cleaning and building, repairs and maintenance costs due to a lesser anticipated requirement after the Covid-19 pandemic.
- £473k central risk reduction – consisting of a £338k rates reduction which will now be met by a third party occupying 20/21 Aldermanbury, £135k reduction in catering due to removal of the catering subsidy following the termination by the supplier of the catering provision in the Gild.
- £876k for the rephasing of the cyclical works programme (CWP) over a four-year period to smooth expenditure.

Walbrook Wharf - £619k reduction – comprising:

- £72k local risk reduction in building, repairs and maintenance costs due to a lesser anticipated requirement after the Covid-19 pandemic.
- £302k central risk reduction in rates as a new tenant is meeting the office costs as part of the lease agreement.
- £245k for the rephasing of the cyclical works programme (CWP) over a four-year period to smooth expenditure.

The City Surveyor intends to deliver the reduction of costs with little or no effect to the operation of Guildhall complex and Walbrook Wharf, informed by our covid

experience and new ways of working. However, these are significant approved savings amounting to a 15% budget reduction for Guildhall and 34% budget reduction for Walbrook Wharf. Officers will continue to monitor local delivery of these reductions with any changes to the 2021/22 budgets that may have an effect on the operating services, standards and upkeep to be reported back to Members.

Subject to the completion of the Target Operating Model and any further departmental savings required to meet this target; the City Surveyor proposes to reinvest any further efficiencies into the buildings and will also report back to Members.

Recommendations

Members are asked to:

- i) Note the approved Guildhall complex and Walbrook Wharf budget reductions for 2021/22.
- ii) Note that the City Surveyor intends to deliver the budget reductions with little or no effect to the operation of Guildhall complex and Walbrook Wharf, informed by our covid experience and new ways of working.
- iii) Note that subject to completion of the ToM the City Surveyor proposal that any further efficiencies identified will be reinvested into the buildings and reported back to Members.

Main Report

Background

1. This report highlights the 12% reduction required across Corporation budgets in 2021/22, made at Guildhall Complex and Walbrook Wharf and the budget reductions, summarised in Appendix 1 and 2.
2. Members should note that all the budget reductions assume a lower workplace capacity due to new ways of working, and hence less wear and tear on the buildings. It also assumes that the cost to the Guildhall of providing events will be largely recovered through the trading account currently under discussion.

Current Position

3. It is the intention of The City Surveyor to deliver these budget reductions with little or no effect to the operation of Guildhall complex and Walbrook Wharf.
4. However, there are potential risks of overspend and officers will continue to monitor local delivery of these reductions and any changes to the 2021/22 budgets that may have an effect on the operating services, standards and upkeep will be reported to Members.

Proposals

5. The City Surveyor proposes that if any further efficiencies are identified that they will be reinvested into the relevant building and officers will report back to Members.

Corporate & Strategic Implications

- **Strategic implications** – Guildhall Management at the City supports the following objective in the City Surveyors Business Plan:
 - **Property assets and facilities management:** We will ensure buildings are fit for purpose, sustainable, safe and secure, providing access for all, meeting service needs and community expectations and delivering value for money through enhancing our efficiencies; this includes asset management plans, facilities management including hard (planned and reactive maintenance) and soft services (cleaning, security, etc.), cyclical projects and minor improvements and delivery of major capital projects for refurbishments and new builds.
- **Financial implications** - These are significant savings amounting to a 15% budget reduction for Guildhall and 34% reduction for Walbrook Wharf. The City Surveyor will therefore need to monitor the budgets closely. He will continue to review current budget lines and identify how Guildhall Complex and Walbrook Wharf services can be delivered more smartly and efficiently, informed by our COVID experience and new ways of working in order to deliver 2021/22 revenue reductions.
- Members should note that it is planned to spend, after the reductions made, an estimated total of £1.995m at Guildhall Complex and £350k at Walbrook Wharf in 2021/22 from the Cyclical Works Programme (CWP) to tackle the backlog of cyclical repairs. This expenditure is required to prevent further deterioration of the building; and the expenditure is in addition to the City Surveyor's Local Risk budget.

Conclusion

6. The City Surveyor has realigned the proposed new 2021/22 budgets available at Guildhall Complex and Walbrook Wharf in order to meet the 12% savings target.
7. It remains the intention of the City Surveyor to deliver these reductions with little or no effect to the operation of Guildhall complex and Walbrook Wharf, informed by our covid experience and new ways of working. However, officers will continue to monitor local delivery of these reductions and any potential risks to the 2021/22 budgets that may have an effect on the operating services, standards and upkeep will be reported to Members.

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Committee(s) Corporate Asset Sub Committee	Dated: 28 April 2021
Subject: The City's Heritage Estate - Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 3, 7, 10,12
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of: City Surveyor	For Information
Report author: Fiona McKeith, City Surveyor's Department Julian Kverndal, City Surveyor's Department	

Summary

The report provides an update on the key activities undertaken by the City Surveyor in 2020/21 to improve the asset management, maintenance and awareness of the City of London's (CoL) extensive and unique Heritage Estate of over 870 assets, and looking forward the focus for the year ahead.

Recommendation

Members are asked to note the contents of this report.

Main Report

Background

1. Officers provided Corporate Asset Sub committee with an overview of the Heritage Estate in September 2020. This was in order to broaden Members' understanding beyond the annual report on those CoL assets listed or at risk of listing on Historic England's Heritage at Risk Register. CoL is responsible for over 800 listed assets as described by Historic England below.

'The City of London Corporation own a unique and fascinating collection of heritage assets spanning nearly two thousand years of history. It is amongst the most diverse and extensive historic estates of all UK landowners.'

Jane Sidell, Inspector of Ancient Monuments, Historic England.

2. The following strategic risks were identified in that report.
 - Availability of resourcing and limited cross-City heritage expertise
 - Poor heritage estate visibility resulting in lack of organisational support/awareness
 - Climate change and extreme weather conditions accelerating fabric deterioration
 - Health and safety issues which are difficult to predict
 - Reputational risk

3. Heritage assets are currently covered within the City Surveyor's Corporate Property Asset Management Strategy.
 - Maintain Heritage assets through investment and prevent their inclusion on the Heritage at Risk Register wherever possible (subject to available budget)
 - Ensure where Heritage assets are not in the sole ownership of the City to drive the collective responsibility to maintain and prevent their inclusion on the Heritage at Risk Register
 - Ensure operational assets are maintained to a good, safe and statutory compliant condition

Strategic Objectives and Outcomes

4. Following on from the risks articulated in last year's report, officers have developed a new framework of strategic objectives and respective outcomes to support an on-going review and improvement of the management, maintenance and visibility of the City of London's Heritage Estate.
5. The framework is simply a tool in order to put structure around the service and support it toward an end objective which is captured very well by the opening statement in the BSI guide for the Conservation of Historic Buildings

'The immediate objective of building conservation is to secure the protection of built heritage, in the long-term interest of society.'

See Appendix 1 for the objectives and full list of outcome indicators.

Key Achievements in 2020/21 towards Objectives

Objective 1 - HE staff and budgetary resources utilised effectively and appropriately

6. **New Heritage Estate Database** A key piece of infrastructure critical to being able to manage the portfolio was the development of a new single data base. It required identifying and consolidating six historic databases into one, an exceptionally involved process given none of the pre-existing data bases were compatible. Assets previously not listed were recorded and a number of assets such as the Barbican Estate were broken down to better align with the City Surveyor's properties database. As a result there are now listed 874 heritage related assets. See appendix 2.
7. The new database categorises assets in terms of reputational significance; it has embedded links to the surveys, conservation management plans and other key records; every asset has eastings and northings enabling all the data to be uploaded on to the public GIS, with associated descriptions and photos.
8. Most importantly it has allowed us to see the portfolio for the first time in its entirety and see how well it is understood in relation to surveys etc. However, it has also helped identify some gaps, such as the need to renew quinquennial survey data and the lack of a current Conservation Management Plan for key assets.
9. **Procurement** With the exception of the statutory cleaning and maintenance contract providing services for 104 statues in the Square Mile, appointing contractors for works to individual assets has been a fragmented process historically. To address this, two new bundles, CWP funded, have been identified and the procurement strategy agreed.
 - Five year contract for routine inspections of historical monuments and non-building heritage assets, including review of Conservation Management Plans
 - £16,000 pa.

- Five year contract for routine maintenance of all Scheduled Monuments and archaeological sites - £20,000.
10. **Non heritage Asset Management functions moved out of service** The Blue Plaque applications approval process has been passed over to Cultural & Visitor Development team in Town Clerks, given the process of approving applications is subject to assessment of the historic context, therefore not an asset management function. The City Surveyor will retain the responsibility to install and maintain.
 11. **Staff time process efficiencies** To eradicate the need to apply for schedule monument consent every time works are required on the City Roman Wall, a new five year Management Agreement for annual inspection, de-vegetation and minor repairs has been established with Historic England for work on the City Wall (from Noble Street to All Hallows-on-the-Wall).
- Objective 2 – Heritage Estate assets, building and non building structures are maintained to mitigate H&S risk and impacts due to climate change**
12. **Identifying H&S concerns** – Reactive works were required at St Mary Aldermary and Christchurch Greyfriars. 18 locations, including eight churchyards have been identified by officers through surveys as having railings or retaining wall issues that need addressing to mitigate future H&S issues. Officers will be including CWP bids to address these works.
 13. A review of the current quinquennial surveys in respect to gaps, scope, frequency (as in if undertaken when intended), funding, contract, is underway to mitigate future H&S matters.
 14. The Guildhall Great Hall Stonework H&S major project was significantly delayed due to Covid. According to drone footage there are few areas of concern with regard the stonework. However, what has emerged is a concern regarding the degree of electrics and event debris observed at high levels. The major project will seek to address this by surveying the electrics and removing redundant wiring together with cleaning. The drone footage has highlighted the need to revisit protocols with services and their respective contractors to ensure that going forward the situation is not repeated.

Objective 3 – Heritage Estate assets are removed and or not added to HARR

15. A separate report to members on the HARR (Heritage At Risk Register) will be provided at the June committee meeting, but we can confirm that conservation works to the Roman Fort Gate House and the Roman wall in the London Wall car park were successfully completed to Historic England's satisfaction, last November, which ensures that these parts of the City Wall are not added to the HARR.

Objective 4 – Improve understanding and awareness of CoL Heritage estate among officers and members and its significance as within the top 5 prominent UK Heritage asset owners

16. One of the key objectives of establishing the database was to share knowledge. To begin this process officers conducted a workshop last December attended by 25 officers from across CoL. It was very well received and has generated potential collaboration between the CS Heritage Estate, Culture and Open Space colleagues.

Heritage Estate – Looking forward 2021/22 Work Programme

17. **Objective 1 - HE staff and budgetary resources utilised effectively and appropriately**
 - Further promotion of the new database and making accessible to service departments as appropriate to support with local heritage asset decision making.
 - Procurement of contracts for bundled services/works and using data base to identify further procurement efficiencies.

- Establish New Diocese Faculty five year agreement to reduce time consuming faculty approvals currently required for works on churchyards.
- Move Lord Mayors Show event staff co-ordination, 2 - 3 days/per week from August to December, out of City Surveyor to Lord Mayors Show Company or Remembrancers, and secure reimbursement to Heritage Estate asset management costs related to the event from Remembrancer's Lord Mayors Show budget.

18. Objective 2 – Heritage Estate assets, building and non building structures are maintained to ensure H&S and mitigate impacts due to climate change

- Clarify roles and responsibilities across CSD and other service departments within which heritage assets are owned including third parties re: Diocese.
- Consolidate 'types' of non building H&S concerns that could be bundled into a capital bid or funded through CWP as appropriate.
- Secure funding to ensure all quinquennial surveys are programmed.

19. Objective 3 – Heritage Estate assets are removed and or not added to HARR

- Review of the 125 CMP's or 20 year Forward Maintenance Plans for the whole of the Heritage Estate.
- Identify assets at risk of being added to HARR.
- Develop business case for intervention to mitigate assets being added to HARR and support services to bid/secure funding – internal and/or external.
- Establish protocol in place for heritage management and a control mechanism for repair and adaptation to the CoL's heritage assets.

20. Objective 4 - Improve understanding and awareness of CoL Heritage estate and its significance as within the top 5 prominent UK Heritage asset owners

- Encourage City Surveyor inter-departments to enable staff involved with repair and adaptation to heritage assets to undertake heritage asset conservation training.
- Establish periodic cross CoL member and Chief Officer heritage insight days – walkabouts.
- Undertake annual cross CoL officer workshop to share lessons learnt, gaps in knowledge and inform future Heritage Estate management.

Funding and Resourcing

21. The following conservation projects are currently in progress 2021 – 2022/2023

Service Delivery	No of projects	Value
Heritage Estate	36	703,800
Operations	89	4,714,500
Property Projects	1	297,892

The majority of activity is funded via the CWP with only a small number breaching the major projects threshold. Other funding includes the S106 and Crossrail. In addition, Property Projects are delivering the Main House major project at the Freeman's School of circa £22m.

22. A key issue with the CWP prioritisation process has been that the quinquennial surveys required to inform the works, would often not score sufficiently high to be put forward as priority works. The new approach to the CWP approved by Members on 15 September 2020, will now mean that these should get funded.

23. As part of the on-gong review of the service, officers are exploring how the CoL heritage asset management compares to other organisations with comparable portfolios. While this work is still underway, an emerging theme is that the curatorial/expertise role appears very clearly separate to project management. Another is that where project managers have no conservation qualifications, they are proactively

trained in conservation matters. The table below summarises the number of staff who have heritage training existing within the City Surveyors.

Service	Conservation Qualification	Conservation training (short courses etc.)
Heritage Estate	2 (of 2)	Postgraduate
Operations	2	Degree and SPAB*
Property Projects	1	SPAB

*Society of Protection of Ancient Buildings

24. There are also a number of officers in Operations who may not have had training but have considerable conservation experience. However overall, there has been a loss of conservation expertise more broadly across CoL over the last 10 years.

Corporate & Strategic Implications

25. The portfolio density of heritage assets in the Square Mile is comparable to York City, Edinburgh or Bath. These cities utilise their heritage past as a unique selling point to significantly drive visitor engagement supporting the local economy and placemaking. There is a clear opportunity through cross CoL service collaboration for the City's heritage to contribute to the CoL's aspiration to reactivate the Square Mile post Covid and drive visitor numbers.

Conclusion

26. Good progress is being made to provide the service with management tools, increase awareness of the service and also address issues such as access to funding to ensure surveys are undertaken in a timely manner to mitigate H&S risks.
27. Broadening the heritage skillset within the City Surveyors would enable more direct project delivery in support services, allowing the Heritage Estate team more focus on curatorial and strategic asset management.
28. The new data base will be used as a tool to help clarify roles and responsibilities for asset management particularly where multiple services/stakeholders are involved, internal and external, e.g. Churchyards.
29. As noted above, City of London's Heritage Estate is significant on a number of fronts. There is an opportunity to explore promoting it to support the visitor economy.

Committee(s)	Dated:
Policy & Resources Committee for DECISION under DELEGATED AUTHORITY CASC for Information Project-Sub (Finance) for Information Procurement-Sub (Finance) for Information	11 Mar 2021 28 Apr 2021 24 Mar 2021 12 Apr 2021
Subject: PSDS Project Approval and Governance	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	Climate Action Strategy
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£9.445m
What is the source of Funding?	Government Grant
Has this Funding Source been agreed with the Chamberlain's Department?	Yes
Report of: The City Surveyor	For decision
Report author: James Rooke	

Summary

The City of London have been awarded c.£9.445m in government grant funding toward carbon saving projects at a few sites. This report presents the basis for establishing the Public Sector Decarbonisation Scheme (PSDS) Project to deliver these projects, and the project governance arrangements.

Recommendations

Members are asked to:

1. Authorise the PSDS Project, at an estimated cost of £9.445m wholly funded by a Government Grant, whose scope is defined by the *Grant Offer Letter* and *MoU*, attached to this report.
2. Note the separate paper, 'Gateway 2 Report: PSDS Project Proposal' and separate recommendations.
3. Approve the formation of a new 'PSDS Project Board' to provide governance, leadership, and sponsorship to the PSDS Project in accordance with the draft *PSDS Board Terms of Reference*.
4. Instruct that the PSDS Project Board to first meet no later than 31st March 2021.
5. The PSDS Project Board meets at least fortnightly, or more frequently if appropriate thereafter, and that at each meeting receive details from the Senior Responsible Officer of the progress of works committed to date, the spend incurred, any further proposed commitments, and early warning of any delays or other issues.
6. Note the draft *PSDS Board Terms of Reference* and approve authority for the PSDS Project Board Chairman to finalise these and report back for confirmation.
7. Agree that any revenue savings arising from this project should be credited to the Build Back Better Funds in either City's Cash or City Fund as appropriate, so that Members can target savings to fund specific priorities and authorises the Chamberlain to adjust departments' budget according.
8. Authority to be delegated to the City Surveyor to make all decisions related to the gateway approval process, including future gateway and other project reports related to the PSDS Project, in consultation with the PSDS Project Board.

9. Notes the potential overlap with the City's wider Climate Action programme and instructs the board to coordinate activities with the wider team to ensure there is no duplication and the City achieves value for money.

Main Report

Background

1. The UK government wishes to inject significant financial stimulation and associated job generation into the UK economy through green re-growth in advance of Conference of the Parties (COP) 26. There is therefore a desire for extreme pace on releasing funds for carbon reduction projects in the public sector, with the goal to create economic activity in the near term. The Department for Business, Energy and Industrial Strategy (BEIS) launched the £1b Public Sector Decarbonisation Scheme (referred to as the Grant Scheme) in October 2020, open to public sector bodies to apply for capital funding towards carbon reduction projects for non-domestic buildings. The scheme is administered by Salix:
<https://www.salixfinance.co.uk/PSDS>.

Securing the grant funding

2. We applied to the Grant Scheme on 11th January 2021 for £9.445m. Our application covers projects to upgrade M&E building services (heating, cooling, ventilation, and lighting) and improve building controls and energy metering across the following sites: Guildhall, Barbican Art Centre, GSMD, and the LMA. We estimate the projects will deliver savings of c.1,5 ktCO₂e/yr and c.£875k/yr. These projects have been developed over the last few months by the Energy Team, with external grant funded consultancy support, and in consultation with Facilities Management. Further details on the specific projects are provided in Appendix 1.
3. We were initially informed the scheme was over-subscribed, however on 4th of Feb 2021 we were advised that funding could be awarded but only in the form of a Section 31 grant. On 19th February we were informed that our application (value: £9,445,944) had passed the technical assessment, in accordance with the *Grant Offer Letter* (Appendix 2) and *Memorandum of Understanding* (Appendix 3).
4. Following consultation with senior officers it was agreed that the City of London could accept the full section 31 grant funding for all the projects and sites applied for and the Grant Officer Letter was signed and issued to the Salix on 26th February.
5. All grant funding (£9.445m) must be received by CoL no later than 31st March 2021.
6. It is recommended that any revenue savings arising from this project should be credited to the Build Back Better Funds in either City's Cash or City Fund. This will allow members then allow Members to allocate these savings to fund particular projects or priorities.

Approving the project

7. In accordance with the grant conditions, the project must be approved by City of London and commence before 31st March 2021. Commencing the project can be demonstrated by having an agreed procurement plan and kick-off project board meeting.
8. We recommend the proposed 'PSDS Project' is formally approved, in accordance with the Project Proposal which is set out in Appendix 4.

Delivering project

9. This is an excellent opportunity to advance the aims of the Climate Action Strategy without increasing capital burden on the City's finances. It will, however, require wide senior sponsorship, delegated authority and additional resources to unlock this significant opportunity within challenging timeframes.
10. A condition of the funding award is to commit to completion by 30th September 2021 and as part of the application process we have set out a very ambitious project programme to meet this deadline, see Appendix B. Salix have informed us that where reasonable justification can be made, they are able to consider an extension. Any funding unspent by the agreed end date would need to be returned to BEIS and they would not be liable for any costs for works or

services delivered after this date. This represents a significant financial risk for the City which will need to be carefully managed.

11. Given the scope of this project there is a high risk to achieving completion by 30th September 2021 through the standard project approval and procurement routes. This can be mitigated by:
 - a) a request to Salix for an extension, and;
 - b) curtailing spend commitments beyond the agreed completion date. We propose that our tender return for the works would require a programme attached to it, and prior to awarding we will verify with Salix that the programme is acceptable, including any need for an extension. We will also seek to transfer the risk of any delay onto the contractor under the contract.
12. Even if an extension is approved by Salix there would remain a high risk of programme slippage beyond this date. To further mitigate this risk we propose:
 - a) a Gateway 2 Project Proposal for the PSDS Project is received under Delegated authority (see Appendix 4).
 - b) a new Project Board specifically to support the delivery of the PSDS project (see below); and
 - c) an expedient gateway approval process (see below).

Project Governance

13. We recommend a Project Board is established, responsible for the development and delivery of the project, in line with City of London guidance, to provide leadership, governance and risk management, communication and support.
14. The draft *Terms of Reference* for the Project Board are presented in Appendix 5. It is recommended that these are approved in principle, and that delegated authority is provided to the Chair of the PSDS Project Board to finalise them and report back.
15. The scope of the remit for the Project Board is limited to the PSDS Project. The proposed membership includes senior officer and stakeholder representation with Member oversight to provide governance, and sponsorship for the development and delivery of the projects.
16. We recommend the Project Board first meets mid-March to both expediate the project mobilisation and to meet the grant condition requirement for the project to commence prior to 31st March 2021.
10. We recommend the PSDS Project Board meets at least fortnightly, or more frequently if appropriate, and at each meeting receive details from the Senior Responsible Officer of the progress of works committed to date, the spend incurred, any further proposed commitments, and early warning of any delays or other issues.
11. There is the possibility of overlap with the City's wider Climate Action programme and therefore the PSDS Project Board will need to work closely with the wider Climate Action team to ensure there is no duplication and to ensure that the City achieves value for money.

Project approval process

17. We have developed a project programme (see Appendix 6) which shows that approval to start the tender process needs to begin in March-21 to meet a Sep-21 completion deadline, or latest by the end of Apr-21 to meet an extended Mar-22 deadline.
18. The PSDS Project represents a large programme of works, which although not technically complex, do cover multiple sites and due to the overall value would be classified as a 'Complex' project under the Project Procedure requiring approval of the Court of Common Council. Under the normal sequence of gateway approvals this would mean approval to go out to tender would not be granted until a Court of Common Council meeting in Jul-21. This would mean completion by Sep-21 is not possible, and even if an extension was granted completion by Mar-22 would still be at high risk.

19. The Project Procedure states (paragraph 23) the following, and therefore the circumstances of this external grant funding may warrant a deviation from the normal project approval procedure.

“To allow projects to proceed at the appropriate speed and to ensure that the City Corporation is able to take advantage of circumstances as they arise, Standing Orders authorise the Town Clerk, in consultation with the Projects Sub- Committee, or the Chairman and Deputy Chairman thereof as appropriate, to vary the Gateway Approval Process in relation to individual projects in cases when it is deemed appropriate to do so (e.g. to take advantage of external funding sources).”

20. We have identified two options which could expedite the process:

- a. Not recommended: some or all further gateway papers to be taken under urgency where required.
- b. Recommended: delegated authority given to the City Surveyor to make decisions for all further gateway papers and issue reports, but only in consultation with the PSDS Project Board. All further gateway papers and issue reports to be issued to the relevant committees for information only.

21. Appendix 7 presents the relevant committee and board dates and the timelines for the normal project procedure, under urgency, and via delegated authority in consultation with the Project Board.

22. We recommend option b, but alternatives can be discussed on Member request. This could allow for approval to go out to tender be achieved in Mar-21. We believe under the circumstances; this option could provide effective scrutiny over the approval process while allowing decision making to take place at the pace required of these specific grant conditions. The PSDS Project Board meetings would provide a forum for a range of members, senior officers and key stakeholders to discuss any concerns and provide informed recommendations on which the City Surveyor can make decisions. We recommend the recorded minutes along with regular progress reports are produced by the PSDS Project Board and presented to the relevant committees on a timely basis, for information.

Conclusion

23. This is an excellent opportunity to advance the aims of the Climate Action Strategy without increasing capital burden on the City's finances. It will, however, require wide senior sponsorship and delegated authority to streamline the approval process to realise this significant opportunity within challenging timeframes.

Background papers:

- Appendix 1. PSDS Projects
- Appendix 2. Grant Offer Letter
- Appendix 3. Memorandum of Understanding
- Appendix 4. Gateway 2 Report: PSDS Project Proposal
- Appendix 5. PSDS Project Board ToR
- Appendix 6. High-level programme via Retrofit Accelerator framework procurement route
- Appendix 7. Gateway approval timeline

Report author

James Rooke

Assistant Director, Head of Energy & Sustainability

City Surveyor's Department

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Committees: Policy & Resources Committee under for DECISION under DELEGATED AUTHORITY CASC for Information Project-Sub (Finance) for Information Procurement-Sub (Finance) for Information Corporate Projects Board for Information	Dates: 11 Mar 2021 28 Apr 2021 24 Mar 2021 12 Apr 2021 10 Mar 2021
Subject: Gateway 2 Report: PSDS Project Proposal Unique Project Identifier: TBC	Gateway 2: Project Proposal Complex
Report of: City Surveyor Report Author: James Rooke	For Decision
<h1>PUBLIC</h1>	

Recommendations

1. Next steps and requested decisions	<p>Project Description: the City of London have been awarded c.£9.4m of grant funding through the government's Public Sector Decarbonisation Scheme (PSDS) to deliver projects to achieve carbon savings through upgrading building services (heating, cooling, ventilation, and lighting) and improve building controls and energy metering across the following four sites: Guildhall, Barbican Arts Centre, Guildhall School of Music and Drama (GSMD), and the London Metropolitan Archives (LMA).</p> <p>Funding Source: A grant under s.31 Local Government Act 2003 from the Department for Business, Energy and Industrial Strategy (BEIS) to cover 100% of the project costs set out in the approved City of London application to the PSDS.</p> <p>Next Gateway: Gateway 3 - Outline Options Appraisal (Complex) for the bulk of the PSDS projects and Gateway 3/4 - Options Appraisal (Regular) for some of the PSDS projects.</p> <p>Next Steps: Commence the PSDS Project before 31st March 2021. Present either a Gateway 3 and Gateway 3/4 papers under urgency, or in accordance with alternative approved arrangements. Commission consultancy services to support project development and delivery.</p> <p>Requested Decisions:</p> <ol style="list-style-type: none"> 1. Note the total estimated cost £9,445,943 for the PSDS Project, which is funded from the PSDS grant awarded. 2. Approval to proceed to the next Gateway stage.
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	<div>3. Approval to proceed to the next stage for engaging with the Retrofit Accelerator framework.</div> <div>4. Approval for a budget allocation of £500k, from the available PSDS grant funding, for the procurement of consultancy services to mobilise and support the PSDS Project.</div>			
2. Resource requirements to reach next Gateway				
	Item	Reason	Funds/ Source of Funding	Cost (£)
	Consultancy services and technical surveys	To mobilise the PSDS Project	Awarded PSDS grant funding	£500,000
	Total			£500,000
	<div>The project costs as set out in the approved grant application includes an estimated budget of £1.28m for the costs of design, engineering and project delivery. Of these costs we have budgeted for £595k for client-side project management and engineering consultancy support. This additional resource is required to support City Surveyor’s to deliver the project due to the scope of works and challenging deadline.</div> <div>Costed Risk Provision requested for this Gateway: £95,000</div> <div>For expenditure on additional consultancy services as required to support reaching the next gateway.</div>			
3. Governance arrangements	<div>The governance arrangements and recommendations are set out in a separate committee paper, titled ‘PSDS Project Approval and Governance’, see Appendix 1. This separate paper recommends a Project Board is established, responsible for the development and delivery of the project, in line with City of London guidance, to provide leadership, governance and risk management, communication and support. The proposed membership includes senior officer and stakeholder representation, with Member oversight to provide governance, and sponsorship for the development and delivery of the projects. The paper also recommends an expediated project approval process through either delegated authority or urgency.</div>			

Project Summary

<p>4. Context</p>	<p>4.1 The City of London is committed to targets for reducing energy consumption and, in support of its Climate Action Strategy, achieving net zero carbon emissions for its operational properties by 2027.</p> <p>4.2 The Department for Business, Energy and Industrial Strategy (BEIS) launched the £1b Public Sector Decarbonisation Scheme in October 2020, open to public sector bodies to apply for capital funding towards carbon reduction projects for non-domestic buildings. The scheme is administered by Salix: https://www.salixfinance.co.uk/PSDS.</p> <p>4.3 The City of London applied to the Grant Scheme on 11th January 2021 and on 26th February accepted an offer for £9,445,944 of grant funding</p>
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	<p>to cover 100% of the anticipated costs for the projects set out in our application.</p> <p>4.4 The conditions of the grant funding are set out in the <i>Grant Offer Letter</i> and <i>Memorandum of Understanding</i>, copies of which are included in Appendix 1.</p>																												
5. Brief description of project	<p>5.1 The PSDS project includes works (26 sub-projects) to upgrade M&E building services (heating, cooling, ventilation, and lighting) and improve building controls and energy metering across the following four sites: Guildhall, Barbican Art Centre, GSMD, and the LMA. We estimate the projects will deliver carbon savings of c.1.5 ktCO₂e/yr and energy cost savings of c.£875k/yr.</p> <p>5.2 Financial savings that are made will accrue back to the City as a contribution to the Build Back Better Fund held in City Fund or City's Cash as appropriate. As a consequent departmental local risk budgets will be adjusted accordingly. The PSDS Project Board will need to receive a regular report on these savings to allow appropriate budget adjustments to be made</p> <p>5.3 These projects have been developed over the last few months by the Energy Team (in consultation with Facilities Management) through fully grant funded consultancy support.</p> <p>5.4 The below table provides a summary of the key project figures relating to each site, and further details on the specific projects are provided in Appendix 2. Note: N/A relates to software packages to support metering/control across all sites.</p> <table><tr><th>Site</th><th>Total Project Cost</th><th>Energy Cost savings (£/yr)</th><th>Carbon savings (tCO₂e/yr)</th></tr><tr><td>BAC</td><td>£3,545,957</td><td>£311,815</td><td>516</td></tr><tr><td>GSMD</td><td>£3,129,723</td><td>£211,023</td><td>456</td></tr><tr><td>GHC</td><td>£2,484,072</td><td>£341,917</td><td>570</td></tr><tr><td>LMA</td><td>£97,257</td><td>£10,001</td><td>8</td></tr><tr><td>N/A</td><td>£188,939</td><td>£0</td><td>0</td></tr><tr><td>Grand Total</td><td>£9,445,948</td><td>£874,756</td><td>1,549</td></tr></table>	Site	Total Project Cost	Energy Cost savings (£/yr)	Carbon savings (tCO ₂ e/yr)	BAC	£3,545,957	£311,815	516	GSMD	£3,129,723	£211,023	456	GHC	£2,484,072	£341,917	570	LMA	£97,257	£10,001	8	N/A	£188,939	£0	0	Grand Total	£9,445,948	£874,756	1,549
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N/A	£188,939	£0	0																										
Grand Total	£9,445,948	£874,756	1,549																										
6. Consequences if project not approved	<p>6.1 A specific condition of the grant funding is that the project is approved and commenced before 31st March 2021. Approval of the gateway 2 Project Proposal would support meeting this condition.</p> <p>6.2 Without approval to commence the project and the recommendations set out in this paper there is a high risk that the awarded funding will need to be returned to BEIS. The PSDS grant represents a significant opportunity to accelerate the delivery of energy and carbon reduction projects through grant funding, hence reducing the burden on the City's finances if such projects were to be financed locally.</p> <p>6.3 The majority of the projects include the replacement/refurbishment of existing building services which would currently require cyclical replacement, and hence investment, within 5-10 years.</p> <p>6.4 Missed opportunity to reduce the carbon emissions of the City of London Corporation by c.1.5ktCO₂e/yr which represents a significant proportion of the reduction requirements to meet the City of London's net zero carbon target.</p>																												

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	6.5 Missed opportunity to reduce the energy costs to the City of London Corporation by c.£875k/yr.
7. SMART project objectives	7.1 The project commences before 31 st March 2021. 7.2 The project (and all associated works/sub-projects) are complete by 30 th September 2021, unless an extension is agreed by Salix. 7.3 Each project achieves specified performance and design parameters. 7.4 Each project achieves high levels of stakeholder and user satisfaction. 7.5 Minimise disruption to the site's occupants and services. 7.6 Energy cost savings of c.£875k/year. 7.7 Carbon emission savings of c.1.5ktCO ₂ e/yr.
8. Key benefits	8.1 Compliant and high-quality building services which satisfies needs. 8.2 Lower energy and maintenance costs for the City of London Corporation. 8.3 Energy and carbon emission savings contribute towards City of London Corporation targets.
9. Project category	7a. Asset enhancement/improvement (capital)
10. Project priority	B. Advisable
11. Notable exclusions	None.

Options Appraisal

12. Overview of options	12.1 The initial scope of the PSDS project is set out in our approved application. The scope is limited to four sites: Guildhall, Barbican Arts Centre, GSMD, and the LMA. The PSDS project represents a programme of works which includes 26 individual projects as set out in Appendix 2. 12.2 As the projects are developed in consultation with stakeholders, and through the tendering process, the scope and budget of the individual projects within the four sites will be refined to meet the project objectives, grant conditions, while maximising value-for-money. 12.3 Significant changes to the scope and outcomes from any individual projects would need to be agreed with Salix. It is a requirement for an updated application form, post tender, to be provided to Salix.
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Project Planning

13. Delivery period and key dates	Overall project: Mar-21: Project Board established Mar-21: Mobilisation and support resources procured. Apr-21: Procurement started for Principal Contractor Jun-21: Contract award
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	<p>Jul-21: Commencement of work on-site</p> <p>Sep-21: Project completion (primary target date)</p> <p>Mar-22: Project completion (fall-back latest possible date)</p> <p>Key dates: Project commence before 31st March 2021, Procurement start before 30th April 2021, main construction contract start by 30th June 2021, works completed and paid for by 30th September 2021 (unless an extension is approved by Salix).</p> <p>Other works dates to coordinate: None.</p>
14. Risk implications	<p>Overall project risk: Medium</p> <p>14.1 The Risk Register is presented in Appendix 3. A costed risk register, and hence the estimation of the costed risk post-mitigation, will be produced at the next Gateway, informed by further project development work undertaken by the requested consultancy resource.</p> <p>14.2 There is a high risk to achieving completion by 30th September 2021 through the standard project approval and procurement routes. In addition, the current level of internal staff resource is insufficient to mobilise and support the project delivery.</p> <p>a) a request to Salix for an extension. We propose that our tender return for the works would require a programme attached to it, and prior to awarding we will verify with Salix that the programme is acceptable, including any need for an extension; and</p> <p>b) curtailing spend commitments beyond the agreed completion date.</p> <p>14.3 Even if an extension is approved by Salix there would remain a medium/high risk of programme slippage beyond this date. To mitigate this risk we propose:</p> <p>a) the formation of a new Project Board (see box 3).</p> <p>b) procurement of additional project management and technical consultancy services, wholly funded through the PSDS grant, to accelerate project delivery (see box 2).</p> <p>c) That the PSDS Board meet at least fortnightly, or more frequently if appropriate, and at each meeting receive details from the Senior Responsible Officer of the progress of works committed to date, the spend incurred, any further proposed commitments, and early warning of any delays or other issues.</p> <p>14.4 The PSDS grant funding awarded is anticipated to cover for 100% of the project costs. At this pre-tender stage there is a risk that the actual project costs could exceed the available grant funding. To mitigate this risk, the application included a contingency cost of c.£1m (c.11% of the total application value). A costed risk register will be developed to ensure sufficient contingency funds are held in reserve throughout the project delivery to manage any known risks (such as asbestos management) as they rise.</p> <p>14.5 In the event of any anticipated overspend beyond this contingency, Salix will be consulted to explore (in line with the terms of the MoU) whether to: request an increase to the Grant, or agree an adjustment to the project scope to be within budget. If neither is agreed, then one or more of the individual 26 projects will need to be cancelled and the grant funding returned for those specific projects.</p>

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15. Stakeholders and consultees	Chamberlains: Finance	John James, Sonia Virdee Hazel Lerigo, Dianne Merrifield
	Chamberlains: Procurement	James Carter, Michael Harrington
	IT	TBC
	HR	TBC
	Communications	TBC
	Corporate Property	Pete Collinson, Alison Bunn, Richard Chamberlain, Jonathan Cooper, Paul Friend
	Property specific stakeholders	See Appendix 4.

Resource Implications

16. Total estimated cost	<p>Likely cost range (excluding risk): £8,418,953</p> <p>The PSDS grant funding awarded is anticipated to cover for 100% of the project costs. At this pre-tender stage there is a risk that the actual project costs could exceed the available grant funding. To mitigate this risk, the application included a contingency cost of c.£1m (c.11% of the total application value). A costed risk register will be developed to ensure sufficient contingency funds are held in reserve throughout the project delivery to manage any known risks (such as asbestos management) as they rise.</p> <p>The Senior Responsible Officer will develop for the PSDS Project Board a strategy to utilise the funds earmarked for the costed risk towards the end of the project should the costed risk items not ultimately be required, in agreement with Salix and the conditions of the grant funding.</p> <p>Likely cost range (including risk): £8,418,953 - £9,445,943</p>								
17. Funding strategy	Choose 1:	Choose 1:							
	All funding fully guaranteed	External - Funded wholly by contributions from external third parties							
	<table><tr><th>Funds/Sources of Funding</th><th>Cost (£)</th></tr><tr><td>Public Sector Decarbonisation Scheme grant</td><td>£9.46m</td></tr><tr><td>Total</td><td>£9.46m</td></tr></table>		Funds/Sources of Funding	Cost (£)	Public Sector Decarbonisation Scheme grant	£9.46m	Total	£9.46m	
	Funds/Sources of Funding	Cost (£)							
Public Sector Decarbonisation Scheme grant	£9.46m								
Total	£9.46m								
<p>On 19th February we were informed that our application to the PSDS had passed the technical assessment and the City of London were offered the full applied for value of £9.46m which covers 100% of the anticipated project costs to deliver the PSDS projects in accordance with the terms set out in the <i>Grant Offer Letter</i> and <i>Memorandum of Understanding</i>. The funding was offered in the form of a section 31 grant from BEIS, which was signed by the authorising officer (section 151 officer) on 25th February 2020. The funding is to be received by the City of London no later than 31st March 2021. A condition of the grant is for the funding to be spent by 30th</p>									

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	September 2021 unless an extension is agreed. Any unspent funding is to be returned to BEIS. Risks associated with the funding are detailed in box 14.
18. Investment appraisal	<p>18.1 The projects are to be funded 100% through external grant funding in accordance with our PSDS application. The application sets out the estimated capital costs, anticipated energy cost savings, and project life-time carbon savings. Compliance with the grant funding requires most of the projects collectively achieve a life-time carbon cost of under £500/tCO₂e, and the application sets out a target for achieving £290/tCO₂e.</p> <p>18.2 It is not a condition of the grant funding to achieve particular financial savings or a particular payback period, but these are estimated to be c.£875k/year with an overall payback of 9-10 years.</p> <p>18.3 The Chamberlain have recommended (see appendix 1) that financial savings that are made will accrue back to the City as a contribution to the Build Back Better Fund held in City Fund or City's Cash as appropriate. As a consequent departmental local risk budgets will be adjusted accordingly. The PSDS Project Board will need to receive a regular report on these savings to allow appropriate budget adjustments to be made</p> <p>18.4 The majority of projects are for the repair and replacement of existing building services with more energy efficient equivalents, such as LED lighting. This will result in a reduction in the outstanding maintenance liabilities and future cyclical replacement costs to the City of London.</p> <p>18.5 As the PSDS project develops we shall seek to maximise the cost benefit alongside the carbon benefit and achieving value-for-money.</p> <p>18.6 The estimated costs and savings set out in our application will be regularly reviewed and reported throughout the project. A post-project verification exercise will be carried out, aided by the additional metering equipment and software upgrades included within the project. Energy and carbon savings will be monitored for a period of at least 3-years post-completion, as per the grant conditions.</p>
19. Procurement strategy/route to market	<p>19.1 The total value of the design and build works is c.£9.5m which consists of c.£600k design/engineer costs, and c.£8.8m build (supply & install) costs (including contingency).</p> <p>19.2 PT4 Committee Procurement Report has been completed in consultation with Procurement, see Appendix 5. This recommends a procurement through the Retrofit Accelerator framework through the framework's partner approach.</p> <p>19.3 We anticipate the bulk of the works will be procured through this framework, which includes for a degree of the design element. Alongside this, we anticipate some of the works will be procured through existing CoL frameworks or incorporated into existing contracts of planned procurements where desired.</p> <p>19.4 The Greater London Authority's (GLA) Retrofit Accelerator framework should allow for these works to meet the tight timescale required for project completion and also has the following advantages:</p> <ul style="list-style-type: none"> • A single contract which can deliver the bulk of the projects as required. This simplifies the required procurement activity, and associated contract management.

	<ul style="list-style-type: none"> • Designed for delivering these types of projects. • Well established framework with successful record. • Combined design and build contract. • Schedule of rates ensures fair value. • Provides an energy performance guarantee. <p>19.5 We have signed a non-binding partnership agreement with the Retrofit Accelerator programme and are completing the preparation stage of the tender process. The following sets out how approval will be requested at the different gateways for this procurement route:</p> <ul style="list-style-type: none"> • GW2: approval for: <ul style="list-style-type: none"> ○ Mini competition conducted, and framework partner (supplier) selected. ○ Partner conducts high level appraisal (short process) to verify their interest in delivering the proposed PSDS projects. • GW3/4: approval for: <ul style="list-style-type: none"> ○ Partner conducts Investment Grade Proposal (IGP). ○ Based on a satisfactory IGP, a works contract is drawn up. • GW5: approval for: <ul style="list-style-type: none"> ○ Enter works contract with partner. ○ Partner proceeds to deliver the projects (supply, install etc.). <p>19.6 We recommend approval is given to proceed to the next stage, which includes a mini-competition and selection of framework supplier, followed by a high-level appraisal by the supplier of the proposed PSDS projects.</p>
20. Legal implications	<p>20.1 The grant has offered under the conditions set out in the <i>Grant Determination Letter</i>, <i>Grant Offer Letter</i>, and <i>Memorandum of Understanding</i>.</p> <p>20.2 We have consulted with legal on the use of the Retrofit Accelerator framework and due diligence has been mostly completed, with two remaining actions under enquiry.</p>
21. Corporate property implications	<p>21.1 The PSDS projects represent a significant scope of works within the Barbican Arts Centre, GSMD, and Guildhall (the works at the LMA are of a lower scope).</p> <p>21.2 All stages of these projects will require close consultation with: Facilities Management, site management, and managing/occupying departments. Works to building services need to meet service performance needs and meet occupant satisfaction. Installation needs to be carefully managed to minimise the disruption which will be caused to an acceptable level.</p> <p>21.3 PSDS projects will need to be aligned with other planned building work project to avoid duplication or increased disruption.</p> <p>21.4 PSDS projects will need to be informed by potential changes to buildings to provide confidence that the installed works will persist for the foreseeable future.</p> <p>21.5 Planning approval and listed building consent may be required for some of the works, especially the lighting at Barbican Arts Centre and GSMD Silk Street.</p>

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22. Traffic implications	22.1 The proposed PSDS project for the replacement of the Guildhall East Wing office ventilation fans/motors which are located at roof level, are is likely to require cramage and a traffic management plan to be approved well in advance.
23. Sustainability and energy implications	23.1 The main aims of these projects are to improve energy efficiency as set out in the Project Summary above.
24. IS implications	24.1 None.
25. Equality Impact Assessment	An equality impact assessment will be undertaken.
26. Data Protection Impact Assessment	The risk to personal data is less than high or non-applicable and a data protection impact assessment will not be undertaken.

Appendices

Appendix 1	Committee Paper - PSDS Project Approval and Governance
Appendix 2	PSDS Projects
Appendix 3	Risk Register
Appendix 4	PSDS Stakeholders RACI
Appendix 5	PT4 – PSDS Project

Contact

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Telephone Number	07725 636975

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Committee Corporate Asset Sub Committee	Date 28 April 2021
Subject: Security Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 10
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: City Surveyor	For Information
Report author: Simon Causer – Head of Security	

Summary

The following report gives an update on the key security issues ongoing across the Corporate Estate.

Recommendation

Members are asked to:

- Note the report.

Main Report

Protect Duty

1. On 26 February 2021 the Home Office began a public consultation of the Protect Duty that if enacted could apply in three main areas
 - Public venues (e.g. entertainment & sports venues, tourist attractions, shopping centres)
 - Large organisations (e.g. retail or entertainment chains)
 - Public spaces (e.g. public parks beaches, thoroughfares, bridges, town / city squares and pedestrianised areas)

The closing date on this consultation is 2 July and the Corporation's response will go via Senior Security Board on 8th June

2. In preparation for the enactment of the Protect Duty and as part the Corporation's security quality management system, the National Counter Terrorism Security Office (NaCTSO) Protective Security Improvement Action (PSIA) process is now in place at
 - Mansion House
 - Central Criminal Court
 - Barbican (pending)

- Guildhall
- Leadenhall Market
- Tower Bridge

This process provides a comprehensive assessment of the physical security that is in place at each of the sites (appendix 1) and creates a proportionate action plan for improvement (appendix 2). The PSIA plans are monitored through the Protect Security Advisory Board.

3. This approach has put in place effective and proportionate security measures that will deliver Government advice with regards to Protect, Prepare, Deter, Detect and Delay. The Corporation can be confident of the measures in place which protect its assets from the threat of terrorist attack of all guises.

Appendices:

Appendix 1: Protective security summary

Appendix 2: Protective Security Improvement Action Plan (summarised version)

Agenda Item 16

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<p>Committees: Corporate Projects Board [for information] Planning and Transportation Committee <i>[for decision]</i> Project Subs Committee <i>[for decision]</i> Corporate Asset Sub Committee [for information] Bridge House Estate Board [for information] Finance Committee</p>	<p>Dates 31 March 2021 13 April 2021 14 April 2021 28 April 2021 5 May 2021 11 May 2021</p>
<p>Subject: Tower Bridge HV System Replacement and Increasing Resilience</p> <p>Unique Project Identifier: 11520 CS 109/21</p>	<p>Gateway 4c Complex Issue Report</p>
<p>Report of: City Surveyor</p> <p>Report Author: Navdeep Bhal</p>	<p>For Decision</p>
<p style="text-align: center; font-size: 2em;">PUBLIC</p>	

<p>1. Status update</p>	<p>Project Description: Refurbishment of the High Voltage (HV) and Low Voltage (LV) electrical infrastructure at Tower Bridge and increasing its power resilience (i.e. the secondary source of power in the event of a power failure).</p> <p>RAG Status: Green (Green at last report to Committee)</p> <p>Risk Status: Medium (Medium at last report to committee)</p> <p>Total Estimated Cost of Project (following approval of this report): £6,076,293 (<i>excl. risk</i>)</p> <p>Total Estimated Cost of Project at Previous Gateway: £5,687,003 (<i>excl. risk</i>)</p> <p>Change in Total Estimated Cost of Project: Increase of £389,290 since the last Gateway report for CRP drawdown and proposed SCADA change)</p> <p>Spend and Committed to Date: £890,450.</p>
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	<p>Costed Risk Provision Approved: £335,000 (of which £43,290 has been utilised and £291,710 remaining)</p> <p>Funding Source: Bridge House Estates Bridges Repair Designated Fund</p>										
2. Requested decisions	<p>Next Gateway: Gateway 5 - Authority to Start Work (Complex)</p> <p>Requested Decisions:</p> <ol style="list-style-type: none">1. That a 99-year lease of the existing Diesel Generator room is granted to UKPN for installation of their sub-station, in order to significantly reduce the risk of power failure to the bridge and to the income generating exhibition2. Finance Committee be asked to approve the grant of a 99-year lease of the former Diesel Generator Room on St Katherines Way to UKPN delegating the agreement of final lease terms to the City Surveyor in consultation with the Comptroller & City Solicitor.3. That a project cost increase of £346,000 is approved for a change to the project scope following an opportunity to implement a known HV control system whilst improving the network resilience and future proofing the existing bridge lift system. Please note that this additional budget will be requested as part of the Gateway 5 budget.4. Note the revised total estimated cost of the project at £6,076,293 (excluding risk) if the change in scope is approved.5. Note the revised total estimated cost of the project at £8,238,003 (including risk) if the change in scope is approved.6. That option 1 is approved. Option 1 seeks approval for the partial integration of the existing bridge lifting and new HV SCADA systems and approval to grant a 99-year lease for a sub-station to UKPN.										
3. Budget	<p>The table below indicates the increase to the overall project estimated cost if the proposed change in scope is approved. It should be noted that this cost is currently indicative based on the design and will be confirmed as part of the tender for the main works contractor. This budget will not be requested until Gateway 5. The full project budget is documented in the Cost Book in Appendix 2.</p> <table><tr><th>Item</th><th>Reason</th><th>Funds/ Source Funding</th><th>of</th><th>Cost (£)</th></tr><tr><td colspan="5">Construction Fees</td></tr></table>	Item	Reason	Funds/ Source Funding	of	Cost (£)	Construction Fees				
Item	Reason	Funds/ Source Funding	of	Cost (£)							
Construction Fees											

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	<table><tr><td>Supervisory Control and Data Acquisition (SCADA) works</td><td>To provide a new HV Power intake</td><td>Bridge House Estates Bridges Repair Designated Fund</td><td>£346,000</td></tr></table>	Supervisory Control and Data Acquisition (SCADA) works	To provide a new HV Power intake	Bridge House Estates Bridges Repair Designated Fund	£346,000
Supervisory Control and Data Acquisition (SCADA) works	To provide a new HV Power intake	Bridge House Estates Bridges Repair Designated Fund	£346,000		
	<p>The revised total estimated project cost (excl. risk) = £6,076,293 if proposed change of scope is approved. This element will be included as part of the competitive tender exercise to ensure it is market tested.</p> <p>Costed Risk Provision requested in this report: £0 however the remaining £291,710 costed risk provision is to be retained</p>				
4. Issue description	<ol style="list-style-type: none">1. In order to significantly reduce the risk of power failure to the bridge and to the income generating exhibition, UK Power Networks (UKPN) will need to lease an area of land from the City of London and construct an HV sub-station so that they can provide the required power supply to the new North shore HV intake. Detailed lease terms are yet to be agreed however, UKPN have requested a lease term of 99 years, which this report seeks approval for. Members are asked to note that a lease renewal will likely need to be agreed with UKPN prior to the 99 years and also that as detailed lease terms are to be agreed, any additional maintenance costs affecting the City will be the subject of a future report. If required, this will be funded from the Bridge House Estate Repairs Designated Fund.2. The report also seeks approval for delegated authority to the City Surveyor to negotiate final lease terms in consultation with the Comptroller & City Solicitors3. It has been proposed that UKPN lease the Diesel Generator room on St Katharine’s Way for this purpose. The existing generator is being removed as part of this project and being replaced by a generator plug-in point, therefore the space will be vacant. The construction of the sub-station is being funded as part of this project and is included in the overall estimated project cost.4. During the feasibility stage of the project, a standalone Building Management System (BMS) was allowed for in the				

	<p>scope to control / monitor the new electrical equipment. However, as the project progressed it was recognised that, due to complex nature of the new electrical infrastructure being installed, a more advanced local Supervisory Control and Data Acquisition (SCADA) system would be more appropriate for controlling / monitoring the new HV equipment.</p> <p>5. Working with the Tower Bridge operations team and the incumbent SCADA contractor, that installed the controls system for bridge lifting, an opportunity to improve network resilience and future proof the existing bridge lifting system was then recognised and explored. It was considered that by implementing a partial integration of the existing and new system, whereby the bridge lift operations and HV equipment share a common network but have separate programmable logic controllers (PLC), resilience would be increased whilst allowing further hardware works to the bridge lifting system to be easily implemented. The Tower Bridge operations team and the Project Board have confirmed that this is their preferred approach and have asked to include this upgrade into the current HV Electrical Upgrade project scope. This change of scope is detailed in Change Control Notice 02 (Appendix 3) and will increase the overall project cost by £346,000</p>
<p>5. Options</p>	<p><u>Option 1:</u> Approve the 99-year lease term for the UKPN sub-station and approve the request to add the partial integration of the existing bridge lift and the new HV equipment SCADA systems to the project scope of works. This option is recommended as it importantly ensures the required power can be provided to the new North Shore HV supply and it explores an opportunity to increase the resilience of the existing bridge lifting SCADA system.</p> <p><u>Option 2:</u> Reject the 99-year lease term for the UKPN sub-station and reject the request to add the partial integration of the existing bridge lift and the new HV equipment SCADA systems to the project scope of works. This option is not recommended as it would prevent the required power from being provided to the new North Shore HV supply and the opportunity to increase the resilience of the existing bridge lifting SCADA system would be lost.</p> <p>Recommendation: Option 1 to importantly ensure UKPN can provide the required power to the new North shore HV supply that is to be installed. Also it will reduce the number of SCADA systems in operation on the bridge whilst increasing the resilience of the existing bridge lift SCADA system.</p>

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Appendices

Appendix 1	Project Coversheet
Appendix 2	Cost Book
Appendix 3	Change Control Notice 002
Appendix 4	Risk Register

Contact

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Committees: Projects Sub <i>[for information]</i> Corporate Asset Sub-Committee <i>[for information]</i>	Dates: 23 February 2021 28 April 2021
Subject: Guildhall Cooling Plant Replacement & Steam Humidification Plant Replacement Unique Project Identifier: 12214 & 12213	Gateway 2 Progress Report Complex
Report of: City Surveyor Report Author: Edwin Birch	For Information CS 026/21
<h1>PUBLIC</h1>	

1. Status update	<p>Project Description: Guildhall Cooling Plant Replacement & Steam Humidification Plant Replacement which were considered separately but combined during the delivery stage.</p> <p>Please note these works are funded under two separate projects:</p> <ol style="list-style-type: none"> 1) 12214 - West Wing Chiller replacement - Replace the West Wing chillers and consider options to consolidate chiller plant across the Guildhall site to provide a resilient, more efficient long-term solution. 2) 12213 - Humidification Plant replacement - Provide a long-term solution to meet the humidification needs of the Guildhall Complex in the most cost-effective and environmentally beneficial way <p>However, to provide the best options for design and value for money (VFM), they are being progressed by the same project delivery team.</p> <p>RAG Status: Amber (Green at last report to Committee (Gateway 2))</p> <p>Risk Status: Medium (Medium at last report to committee)</p> <p>Total Estimated Cost of Project as reported at Gateway 2 (excluding risk):</p>
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	<p>1) West Wing Chiller replacement £3.924m 2) Humidification Plant replacement £1.012m</p> <p>Change in Total Estimated Cost of Project (excluding risk): No Change</p> <p>Spend to Date: £0.</p> <p>Costed Risk Provision Utilised: £0</p> <p>Slippage: +12 weeks (reasons outlined in section 2)</p>
2. Progress Overview	<p>Next Gateway: Gateway 3 - Outline Options Appraisal (Complex)</p> <p>Requested Decisions:</p> <p>Following Gateway 2 approval in April 2020, the projects were passed to Property Projects Group within the City Surveyors in June 2020. As outlined in the Gateway 2 report, the initial aim going forward was to commission a project manager, engineers, and cost consultants to undertake site surveys, identify options and appraise based on whole-life-costs, and produce supporting concept designs in order to recommend a short list of viable options for further detailed appraisal at Gateway 3.</p> <p>Once the project had been handed over, there was a large amount of information to review, including supporting information and a recently commissioned feasibility study. Due to critical milestones and pressures on other projects, such as Sydenham Hill, the Project Manager had reduced time to focus on this project for several weeks.</p> <p>As a result of the volume of detailed information handed over, compiling the scope of works took longer to complete than anticipated, especially the MEP scope. It was integral that their duties and expectations were clear for the forthcoming tender exercise. The tenders, their evaluations and appointments were completed shortly before the Christmas break and the third, nationwide Covid-19 lockdown, impacted on resources causing several weeks of lost time.</p> <p>The design team have also suffered delays in reviewing the information and studies compiled to date, as well as understanding several corresponding workstreams such as the Guildhall Masterplan Strategy and smaller projects connected with the Chilling and humidification systems such as the BEMS controls and EC Fans upgrades.</p> <p>Due to the above, Gateway 3 approvals will be submitted in April 21 as opposed to Jan 21.</p>

	<div>1. Note the project has incurred a delayed start of 11 weeks.</div> <div>2. Note that the project is aiming to submit a Gateway 3 report in April 21- as opposed to the date in Gateway 2 report, Jan-21.</div>																																								
3. Budget (1)	<div><div>The below budget was approved at Gateway 2 and there no further changes required to reach the next approval, Gateway 3.</div><div>12214 - West Wing Chiller replacement</div><table><tr><th>Item</th><th>Reason</th><th>Funds/ Source of Funding</th><th>Cost (£)</th></tr><tr><td>Fees</td><td>Consultant team</td><td>City Fund</td><td>£95,000</td></tr><tr><td>Staff costs</td><td>Client-side project management</td><td>City Fund</td><td>£6,000</td></tr><tr><td>Surveys</td><td>Specialist Surveys to aid design development</td><td>City Fund</td><td>£40,000</td></tr><tr><td>Total</td><td></td><td></td><td><u>£141,000</u></td></tr></table><div>Costed Risk Provision agreed at this Gateway: £33,200 (as detailed in the Risk Register – Appendix 2)</div><div>12213 - Humidification Plant replacement</div><table><tr><th>Item</th><th>Reason</th><th>Funds/ Source of Funding</th><th>Cost (£)</th></tr><tr><td>Fees</td><td>Consultant team</td><td>City Fund</td><td>£57,000</td></tr><tr><td>Staff costs</td><td>Client-side project management</td><td>City Fund</td><td>£3,000</td></tr><tr><td>Surveys</td><td>Condition, asbestos, etc.</td><td>City Fund</td><td>£25,000</td></tr><tr><td>Total</td><td></td><td></td><td><u>£85,000</u></td></tr></table><div>Costed Risk Provision agreed at this this Gateway: £22,000</div><div>(as detailed in the Risk Register – (Appendix 3))</div></div>	Item	Reason	Funds/ Source of Funding	Cost (£)	Fees	Consultant team	City Fund	£95,000	Staff costs	Client-side project management	City Fund	£6,000	Surveys	Specialist Surveys to aid design development	City Fund	£40,000	Total			<u>£141,000</u>	Item	Reason	Funds/ Source of Funding	Cost (£)	Fees	Consultant team	City Fund	£57,000	Staff costs	Client-side project management	City Fund	£3,000	Surveys	Condition, asbestos, etc.	City Fund	£25,000	Total			<u>£85,000</u>
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4. Progress Update	<ol style="list-style-type: none"> 1) Note the project has incurred a delayed start of 11 weeks; <ol style="list-style-type: none"> a. As outlined in section 2, the project encountered delays in appointing the design team, who are now in place. 2) Note that the project is aiming to submit a Gateway 3 report in April 21 as opposed to the dates in Gateway 2 report, Jan-21; <ol style="list-style-type: none"> a. The design team have fully reviewed the programme including the tasks ahead to fulfil RIBA stage 2 design options and will be ready to submit the Gateway 3 in April 21. 3) One of the additional workstreams this project has been asked to consider is the Guildhall Masterplan. <ol style="list-style-type: none"> a. The City Surveyor continues to review the Guildhall masterplan for the future of the North and West Wings, which remain under considerable strain with regards to the building fabric and services as a result of increased use and age. b. Condition surveys and feasibility studies for the Guildhall Chilling and Humidification plant replacement project will be reviewed in the context of any wholesale building development, and if the Guildhall masterplan strategy is not approved, then these projects will be prioritised accordingly.
5. Options	<p><i>Options remain unchanged:</i></p> <p><i>12214 - West Wing Chiller replacement</i></p> <p>GW3 will appraise and recommend the scope for chiller replacement and the main technical solutions.</p> <p><i>12213 - Humidification Plant replacement</i></p> <p>GW3 will appraise and recommend the scope for humidification provision and the main technical solutions.</p>

Appendices

Appendix 1	Project Coversheet
Appendix 2	Chiller Replacement Risk Register
Appendix 3	Humidification Plant Replacement Risk Register
Appendix 4	Chiller Replacement Cost Plan
Appendix 5	Humidification Pant Replacement Cost Plan

Contact

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Telephone Number	0207 332 1030

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Committees: Corporate Asset Sub-Committee – <i>for decision</i>	Dates: 28 th April 2021
Subject: Guildhall Cooling Plant Replacement Unique Project Identifier: 12214	
Report of: City Surveyor Report Author: Edwin Birch	For Decision <i>Delegated Authority</i> Non-Public
<div style="text-align: center; font-size: 2em; font-weight: bold;">PUBLIC</div>	
<p>Project Description: Provide a long term solution to meet the cooling needs of the Guildhall Complex in the most cost-effective and environmentally beneficial way.</p> <p>RAG Status: Amber (Green at last report to Committee (Gateway 2))</p> <p>Risk Status: Medium (Medium at last report)</p> <p>Total Estimated Cost of Project as reported at Gateway 2 (excluding risk):</p> <p>1) West Wing Chiller replacement £3.924m</p> <p>Change in Total Estimated Cost: No Change</p> <p>Total budget approved to date: £3m</p> <p>Spend to Date: £16,501.33</p> <p>Funding: The funding source is split across three funds (City Fund £1.860m, City Cash £0.990m, BHE £0.150m)</p>	
Summary <p>The Project Team has been appointed since January 2021 and the MEP engineers have been reviewing previously commissioned reports and analysing BMS data from the Guildhall. The main aim and output have been to put forward options that meet the project brief measures of success so that accurate design recommendations can be considered within the approved budget.</p>	

There have been number of factors that have become evident since the design team started work on this in January and include:

1. Issues in obtaining detailed information from the BMS system;
2. A change of status in the North Wing Chiller condition from 'nearing end of life' to being at 'end of life';
3. A potential change regarding the site needs currently being explored under the 'Guildhall Masterplan Strategy';
4. Several other workstreams being planned around the cooling systems that influence the chiller plant design.

These factors have required a more detailed analysis to fully develop a recommended option, while providing enough information regarding the alternative options to present to committee.

As the further detailed analysis will be completed in April, there is not enough time to complete the Gateway 3 report before the planned CASC committee on 28th April. Delegated authority is sought to allow for the requisite approvals to be obtained before the next planned CASC on 22nd June 2021.

Key Project Dates:

- Outline Options Appraisal Completed – 26th April
- Gateway 3 Report Submission;
 - CASC (Under delegated Authority) - W/C 10th May
 - Project Sub – 17th May

Recommendations & Requested Decision:

It is recommended that:

Approval is sought for Delegated Authority to be granted to the Town Clerk, in consultation with the Chair and Deputy Chair of the Corporate Asset Sub-Committee, to approve a Gateway 3 Report to minimise any further programme delays. The report will be submitted to May Project Sub Committee.

Contact

Report Author	Edwin Birch
Email Address	EdwinJames.Birch@Cityoflondon.gov.uk
Telephone Number	020 7332 1030

Committees: Corporate Asset Sub-Committee – <i>for decision</i>	Dates: 28 th April 2021
Subject: Humidification Plant Replacement Unique Project Identifier: 12213	
Report of: City Surveyor Report Author: Edwin Birch	For Decision <i>Delegated Authority</i> Non-Public
<h1 style="text-align: center;">PUBLIC</h1>	
<p>Project Description: Provide a long term solution to meet the humidification needs of the Guildhall Complex in the most cost-effective and environmentally beneficial way.</p> <p>RAG Status: Amber (Green at last report to Committee (Gateway 2))</p> <p>Risk Status: Medium (Medium at last report)</p> <p>Total Estimated Cost of Project as reported at Gateway 2 (excluding risk):</p> <p>1) Humidification Plant replacement £1.012m</p> <p>Change in Total Estimated Cost: No Change</p> <p>Total budget approved to date: £1.2m</p> <p>Spend to Date: £2,099.98</p> <p>Funding: The funding source is split across three funds (City Fund £0.744m, City Cash £0.396m, BHE £0.060m)</p>	
<p>Summary</p> <p>The Project Team has been appointed since January 2021 and the MEP engineers have been reviewing previously commissioned reports and analysing BMS data from the Guildhall. The main aim and output have been to put forward options that meet the project brief measures of success so that accurate design recommendations can be considered further within the approved budget.</p>	

The approved project brief stated that the outlined options study should consider the need for continuation or otherwise of the provision of humidification for non-essential areas to help provide significant savings.

Due to separate humidification study, commission by the Energy Team in Q4 of 2020, information from this study is needed to support the outline options appraisal of the centralised humidification boiler plant replacement. The Energy Team have stated the draft report regarding the localised humidification study will be available for analysis W/C 5th April.

The design team require time to review and incorporate the data into the outline options appraisal, there is not enough time to complete the Gateway 3 report before the planned CASC committee on 28th April. Delegated authority is sought to allow for the requisite approvals to be obtained before the next planned CASC on 22nd June 2021 to minimise further programme delays.

Key Project Dates:

- Outline Options Appraisal Completed – 26th April
- Gateway 3 Report Submission;
 - CASC (Under delegated Authority) - W/C 10th May
 - Project Sub – 17th May

Recommendations & Requested Decision:

It is recommended that:

Approval is sought for Delegated Authority to be granted to the Town Clerk, in consultation with the Chair and Deputy Chair of the Corporate Asset Sub-Committee, to approve a Gateway 3 Report to minimise any further programme delays. The report will be submitted to May Project Sub Committee.

Contact

Report Author	Edwin Birch
Email Address	EdwinJames.Birch@Cityoflondon.gov.uk
Telephone Number	020 7332 1030

Committee(s)	Dated:
Corporate Asset Sub Committee – For Decision	28 th April 2021
Subject: Cyclical Works Programme 2017/18 – Carry forward Report	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	Shape outstanding Environments – Our spaces are secure, resilient and well-maintained
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	£N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	Yes
Report of: The City Surveyor report ref CS 137/21	For Decision
Report author: Jonathan Cooper, City Surveyor's Department	

Summary

A report was presented to CASC in September 2020 suggesting changes to the way the CWP was managed. An agreed recommendation within the report was the smoothing of the current CWP programme to create a 4th year. This was to ease the pressure of expenditure and to allow a catch up of works before moving to an annual bid process particularly in the 20/21 and 21/22 financial years. Works programmed to be completed in the latter years of the programme have been forecast later to create a 4th year, this means the current £26.3million CWP works programme is spread over 4 years rather than 3.

The report requests approval to carry forward budgets from the 2017/18 programme budget, effectively taking these to a 5th year. These have budget remaining due to the budgets being required to contribute towards larger Capital schemes, or due to projects being influenced by third parties.

The total sum of carry forward projects is c.£440k, though this consists of £186k which is linked to the Museum of London capital project.

Recommendations

Members are asked to:

1. Approve the carry forward of budgets from the 2017/18 programme budget totalling c.£440k. List of projects outlined in paragraph 4 of this report.

Main Report

Background

1. There is need to conduct planned refurbishment and replacement of buildings and their associated equipment in addition to routine serving and repairs. Resources being limited, such works need to be prioritised across the entire corporate operational estate. The Cyclical Works Programmes consider the requirements of each and prioritises individual projects in the context of the whole to ensure that the City's overall property maintenance objectives are met.
2. The programmes usually last for three years, hence this request for some specific projects to be carried forward. The programmes are intended to deliver prioritised cyclical maintenance works (i.e. replacement or refurbishment of buildings, plant and equipment based on condition assessed at the end of normal useful service life and operational need) across the corporate operational estate, including The Barbican Centre and the Guildhall School of Music and Drama.
3. The timing of the delivery of some projects has been affected by the following:
 - a. Fundamental Review because they depend on larger, capital-scale projects which are delayed e.g. the Thameslink repair works (budget totalling £186k being undertaken alongside the Museum of London project)
 - b. Some of the initial programmed budget e.g. underspend of savings from other projects has been rediverted to fund newly identified priority projects in the programme. An example of this is the Moorgate Sidings Remedial Works (budget £158k), where works have been identified by TfL that are the responsibility of the City of London to undertake. Gaining approval and a suitable window to carry out these works has proven difficult
 - c. Some priority projects are less straight-forward to fully complete and have been impacted by both limited access and resource to complete such work e.g. works to the Barbican/Guildhall School for Music and Drama totalling £55k
 - d. The remaining sum of carry forward is £41k and is made up of smaller sums of money for projects that are in progress and almost complete
4. The majority of these projects have already been started and the request and the request will be to carry forward monies to allow these projects to be completed. The full list remaining projects that have not yet completed are below, with justification as to works aren't yet complete:

Project	Project Name	Budget	Justification
C028CW027L	CoL Magistrate's Court- Internal Decorations	18,791.00	Access issues to complete final portion of works
C038CW056L	63 Charterhouse Structural beam repair	1,000.00	Finalising final account
C038CW057L	Moorgate Sidings - Remedial Works	157,845.00	Late addition to the programme, access issues with TfL
C088CW087L	Silk Street- Venue Lighting Control (19/20)	17,037.00	Access issues to complete final portion of works
C088CW095L	Sundial Court- External Decorations (19/20)	35,869.00	Access issues to complete final portion of works

C158CW002L	North Wing Banqueting Kitchen Equipment Replacement	7,280.00	Project initially put on hold following COVID, now awaiting confirmation of equipment required
C158CW003L	City Centre Access System Replacement	11,400.00	Final scope confirmed, though access to areas to complete works has not yet been agreed
C178CW290L	HH Lido leak repairs	2,872.26	Finalising final account
R108CW003L	CIC Alarm works	2,500.00	Budget forms part of much larger part of project which is not yet complete
<i>Sub-Total</i>		<i>254,594.26</i>	
R088CW035L	West Smithfield over Thameslink- Concrete & Stone Repairs	74,151.39	Works associated with Museum of London Project
R088CW036L	West Smithfield over Thameslink- Waterproof Deck	29,500.00	
R088CW037L	Charterhouse over Thameslink- Major Concrete Repairs	81,625.00	
<i>Sub-Total</i>		<i>185,276.39</i>	
		£439,870.65	

Corporate & Strategic Implications

5. Cyclical Works Programmes set out to deliver three of the key objectives in the Corporate Property Asset Management Strategy.
 - SO.1 – Operational assets remain in a good, safe and statutory compliant condition.
 - SO.2 – Operational assets are fit for purpose and meet service delivery needs.
 - SO.3 – Capital and supplementary revenue programmes are affordable, sustainable and prudent and that the limited available resources are directed to the highest corporate priorities.

Conclusion

6. Some CWP 2017/18 will need an additional financial year to complete, due to various impacts on the programme. It is requested that the budget of this programme is carried forward to a 5th year.

Report Author

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Agenda Item 21

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Committees: Corporate Projects Board - for decision Projects Sub - for decision Corporate Asset Sub-Committee – for decision	Dates: 31 March 2021 14 April 2021 28 April 2021
Subject: BEMS Upgrade Project-CPG Estate – Phase 1 Unique Project Identifier: PV ID 12268	Gateway 2: Project Proposal Regular
Report of: City Surveyor Report Author: Brendan Crowley / James Rooke	For Decision
PUBLIC	

Recommendations

1. Next steps and requested decisions	<p>Project Description:</p> <p>The City Surveyor's Corporate Energy Team has oversight of the Building Energy Management System (BEMS) which monitors and controls the Heating & Ventilation Plant (HVAC) plant (& other engineering systems) across the Corporate Property Group (CPG) estate. We have commissioned a contractor to conduct a condition survey of 3 of the highest priority sites in terms of business criticality and vulnerability to system failure. Guildhall Yard East (GYE), London Metropolitan Archives (LMA) and Walbrook Wharf make up Phase 1. This is the first phase of a larger estate-wide BEMS upgrade project. The estimated energy and maintenance cost savings resulting from the upgrade of these sites comes to approx. £57,989/ann.</p> <p>See Appendix 3 for additional details.</p> <p>Funding Source:</p> <p>Central funding – Agreed in principle via capital bid. Drawdown of funds via RASC</p> <p>Next Gateway: Gateway 3/4 - Options Appraisal (Regular)</p> <p>Next Steps:</p> <p>Engage Consultants/Building Controls Contractors to develop outline design and provide technical detail (RIBA stage 3) to progress to Gateway 3/4. This will include more accurate project cost estimates.</p>
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	<p>Engage IT networking contractors to assess network capacity in the three buildings to support the new BEMS hardware architecture.</p> <p>Conduct asbestos surveys where deemed necessary</p> <p>Requested Decisions:</p> <p>1.1 That a budget of £16,867 is approved to reach the next Gateway; consisting of £7,442 from City Fund reserves & £9,425 from City Cash reserves</p> <p>1.2 Note the total estimated cost of the project (excluding risk); £823,920</p> <p>1.3 Note the total estimated cost of the project at (including risk); £904,770</p> <p>1.4 That a Costed Risk Provision of £7,250 is approved (to be drawn down via delegation to Chief Officer in consultation with Chamberlains) to be funded by £4,625 from City Fund reserves and £2,625 City's Cash reserves.</p>																
<p>2. Resource requirements to reach next Gateway</p>	<table><tr><th>Item</th><th>Reason</th><th>Funds/ Source of Funding</th><th>Cost (£)</th></tr><tr><td>Consultant BEMS Engineers</td><td>To review the current GHC GYE BEMS DesOps, control software to deliver a Functional Description document for the new system. Consultant must also provide detailed projects costs. The output will be a RIBA design stage 3 IGP proposal, including options appraisal on technical aspects of the project</td><td>See below</td><td>£11,000</td></tr><tr><td>Asbestos Survey</td><td>Quantify asbestos risk and mitigation cost</td><td>See below</td><td>£3,000</td></tr><tr><td>IT Network Survey</td><td>Determine capacity for</td><td>See below</td><td>£2,867</td></tr></table>	Item	Reason	Funds/ Source of Funding	Cost (£)	Consultant BEMS Engineers	To review the current GHC GYE BEMS DesOps, control software to deliver a Functional Description document for the new system. Consultant must also provide detailed projects costs. The output will be a RIBA design stage 3 IGP proposal, including options appraisal on technical aspects of the project	See below	£11,000	Asbestos Survey	Quantify asbestos risk and mitigation cost	See below	£3,000	IT Network Survey	Determine capacity for	See below	£2,867
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		increasing IP devices on IT network, and compliance with IT security		
	Staff Costs	Staff costs are to be covered from existing resource		n/a
	Total	From City Fund Reserves From City Cash Reserves	£12,154 £4,712	16,867
<p>Item costs are split between City Fund and City Cash in accordance with the works for each sub-project and which funding source there are allocated to.</p> <p>At this stage, staff costs are to be covered from existing resource. From GW 3/4 funding shall be requested for the recruitment of a fixed term client-side Project Manager.</p> <p>Costed Risk Provision requested for this Gateway: £7,250</p> <p>This is to cover the risk of the additional consultancy services being identified by the consulting engineer. This is to be funded £4,625 from City Fund reserves and £2,625 City's Cash reserves.</p>				
3. Governance arrangements	<p>3.1 Corporate Asset Sub-Committee</p> <p>3.2 SRO: James Rooke, Head of Energy & Sustainability.</p> <p>3.3 It is proposed a dedicated client Project Manager is recruited who will update the Project Board. The board may include James Rooke, Pete Collinson, Jonathon Cooper, Guildhall Art Gallery Management representative.</p>			

Project Summary

4. Context	<p>The Current BEMS platform is obsolete, end-of-life & increasingly unreliable. Why change is necessary:</p> <p>4.1 To mitigate the Life Safety Risk posed by the failure of the obsolete system which monitors &, in some cases, controls the fire & smoke emergency plant with the installation a new, fit-for-purpose BEMS.</p> <p>4.2 To mitigate this significant business risk to the City with the upgrade of the system to the latest BEMS platform, Schnieder EcoStruxure.</p> <p>4.3 Essential investment in innovation to supporting the City's Carbon Action Strategy which is a commitment to reaching net zero carbon by 2027. Having a modern BEMS platform is a key</p>
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	<p>enabling technology for other building energy efficiency measures. The Energy and Sustainability Team are currently working to implement a pipeline of projects & measures in advance of the 2027 target.</p> <p>4.4 To use the new BEMS as a platform to implement further innovative smart building technologies and to allow for integration with other systems e.g. CAFM software, energy management software, lighting controls, IoT sensors etc. To invest in a modern, flexible & easily optimised control system for the CPG estate building assets.</p> <p>4.5 A follow up Phase 2 Project is being developed at present to go towards later this year. This project will involve upgrades to other CPG sites.</p>
5. Brief description of	<p>5.1 The legacy BEMS hardware and software at these sites is now obsolete and unsupported by the provider. To invest in a modern, flexible & easily optimised control system for CPG estate buildings and which removes the risk of failure of business-critical assets. Bringing with it increased occupant comfort and productivity and improved building energy performance and, in doing so, supporting the Carbon Action Strategy which is a commitment to reaching net zero carbon by 2027.</p> <p>5.2 To use the new BEMS as a platform to implement further innovative smart building technologies and to allow for integration with other systems e.g. CAFM software, energy management software and lighting controls.</p>
6. Consequences if project not approved	<p>6.1 Obsolete, ageing & unsupported BEMS hardware has high risk of failure.</p> <p>6.2 The selected sites are particularly vulnerable to BEMS control system failure, putting precious artwork at Guildhall Art Gallery and manuscripts at LMA at risk. There is also a significant risk to business-critical activities at Walbrook Wharf, LMA and GH GYE (Police Offices).</p> <p>6.3 Life safety systems at GYE are at risk due to the failure of the current legacy BEMS hardware</p> <p>6.4 Replacement parts are not available due to obsolescence.</p>
7. SMART project objectives	<p>7.1 To install a secure, resilient BEMS which meets customer needs and improves occupant comfort for the 3 sites selected in phase 1</p> <p>7.2 To optimise the operation of building assets via a new BEMS platform and via integration with energy management software, resulting in energy consumption savings of circa £58,000 in year 1.</p> <p>7.3 To increase the life cycle of building assets through better control resulting and reduce the BEMS reactive cost by circa £8,000 in year 1.</p> <p>7.4 First step towards a centralised BEMS command centre, where assets on all CPG sites are monitored and optimised centrally by a dedicated BEMS team based at Guildhall.</p>

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8. Key benefits	<p>8.1 Fully supported modern BEMS system, with webbrowser access for all users offering enhanced graphics, alarms handling and plant schedules interfaces. User access possible from tablet or smart phone devices.</p> <p>8.2 Reduced maintenance costs (circa £8,000 in year 1) and increased asset life cycles.</p> <p>8.3 Reduced building energy consumption, costs (savings of circa £50,150 year 1) and 104.4 tCO₂e reduction in emissions, with optimised asset operation</p> <p>8.4 Key supporting technology for the essential building energy efficiency projects needed reach net zero carbon by 2027, which is set out in the City's Carbon Action Strategy.</p> <p>8.5 Significantly improved environment control within the GH art gallery and LMA, protecting precious artefacts.</p> <p>8.6 Enhanced building occupant well-being, with improved environment control and air quality monitoring</p> <p>8.7 The system will form the bases for a smart building strategy to help the City's various building data be converged together on to one platform for significantly improved building operation and energy performance analysis and improvement.</p>
9. Project category	7a. Asset enhancement/improvement (capital)
10. Project priority	A. Essential
11. Notable exclusions	<p>11.1 GH West wing and GYE CHW plant controls has been excluded as there is a lot of uncertainty about the future of this plant, it is end of life and needs to be replaced, possible by new Chilled Water (CHW) plant on the roof of GHC North Wing</p> <p>11.2 Old Justice Rooms Plant Controls – uncertainty exists around the future of the OJR datacentre and its CHW plant</p> <p>11.3 Also, budget request from GW1 does not allow for these areas to be included in this project</p>

Options Appraisal

12. Overview of options	<p><i>List the options that will be explored</i></p> <p>12.1 A specific options appraisal will be carried out for each of the 3 sites mainly focused on the scope of the installation and its impact on the return on investment (capital costs and simple payback). Including replacement of all or a proportion on the terminal control units and installation new Cat 5 communication network.</p>
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Project Planning

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13. Delivery period and key dates	<p>Overall project: GW3/4 approval Oct-21, subsequent months for design and procurement, and GW5 approval Mar-22. Delivery scheduled over the next 7 months for expected delivery - Oct 2022</p> <p>Key dates: See Appendix 3 for additional details.</p> <p>Other works dates to coordinate:</p> <p>May Coincide with GHC Guildhall AHU Fans and Humidification Design – project to be completed by March 2022</p> <p>May Coincide with Guildhall Chilling and Humidification Project – time frame for this project is TBC</p>														
14. Risk implications	<p>Overall project risk: Medium</p> <p>14.1 The costed risk post-mitigation is estimated at £80,850</p> <p>14.2 CRP for GW2 is £7,250</p> <p>14.3 Primary risks:</p> <ul style="list-style-type: none"> • Consulting Services Engineers costs higher than requested at GW2 for additional surveys required • System design costs higher than requested for at GW3/4 • Extra IT network infrastructure required CoL IT to meet security policy • Other risks include; Brexit causing delay to BMS IT networking parts delivery and the potential for requirement for removal of asbestos 														
15. Stakeholders and consultees	<table border="1"> <tr> <td data-bbox="531 1301 1027 1402">1. Corporate Property</td><td data-bbox="1027 1301 1445 1402">Pete Collinson, Alison Bunn, Jonathan Cooper, Paul Friend, Mark Lowman</td></tr> <tr> <td data-bbox="531 1402 1027 1525" rowspan="3">2. IT</td><td data-bbox="1027 1402 1445 1442">Matt Gosden</td></tr> <tr> <td data-bbox="1027 1442 1445 1482">Dawn Polain</td></tr> <tr> <td data-bbox="1027 1482 1445 1525">Adam Fielder</td></tr> <tr> <td data-bbox="531 1525 1027 1626">3. Chamberlains</td><td data-bbox="1027 1525 1445 1626">John James Hazel Lerigo Simon Owen</td></tr> <tr> <td data-bbox="531 1626 1027 1727">4. Procurement</td><td data-bbox="1027 1626 1445 1727">Kayleigh Rippe Mike Harrington James Carter</td></tr> <tr> <td data-bbox="531 1727 1027 1767">5. Communications</td><td data-bbox="1027 1727 1445 1767">TBC</td></tr> <tr> <td data-bbox="531 1767 1027 1839">6. Property specific stakeholders</td><td data-bbox="1027 1767 1445 1839">See Appendix 3.</td></tr> </table>	1. Corporate Property	Pete Collinson, Alison Bunn, Jonathan Cooper, Paul Friend, Mark Lowman	2. IT	Matt Gosden	Dawn Polain	Adam Fielder	3. Chamberlains	John James Hazel Lerigo Simon Owen	4. Procurement	Kayleigh Rippe Mike Harrington James Carter	5. Communications	TBC	6. Property specific stakeholders	See Appendix 3.
1. Corporate Property	Pete Collinson, Alison Bunn, Jonathan Cooper, Paul Friend, Mark Lowman														
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Resource Implications

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16. Total estimated cost	Likely cost range (excluding risk): £823,920 Likely cost range (including risk): ££904,770											
17. Funding strategy	Choose 1: All funding fully guaranteed	Choose 1: Internal - Funded wholly by City's own resource										
	<table><tr><th>Funds/Sources of Funding</th><th>Cost (£)</th></tr><tr><td>City Cash Reserve incl. Risk</td><td>579,258</td></tr><tr><td>City Fund Reserve incl. Risk</td><td>325,511</td></tr><tr><td>BHE</td><td>-</td></tr><tr><td>Total incl. Risk</td><td>904,770</td></tr></table>		Funds/Sources of Funding	Cost (£)	City Cash Reserve incl. Risk	579,258	City Fund Reserve incl. Risk	325,511	BHE	-	Total incl. Risk	904,770
	Funds/Sources of Funding	Cost (£)										
	City Cash Reserve incl. Risk	579,258										
	City Fund Reserve incl. Risk	325,511										
	BHE	-										
Total incl. Risk	904,770											
This project received in principle funding from Resource Allocation Sub Committee meeting in December 2020.												
18. Investment appraisal	Whole-life-cost assessment will be undertaken. This will compare the energy and maintenance cost savings and other relevant revenue implications over the anticipated life of the replaced asset.											
	The business case will be verified through post-installation monitoring of actual energy consumption and the results reported at Gateway 5.											
	Note: This project isn't an energy efficiency (spend to save),project, but it will provide energy and maintenance savings as a by-product and is an enabling project for future energy efficiency projects. It is an essential project to ensure continuity of business operations for these CPG buildings. If the current obsolete BEMS fails, the buildings can't be heated/cooled properly, life safety systems could be prevented from working correctly etc.											
19. Procurement strategy/route to market	The Consultant BEMS Engineer can be procured via the Procurement Authorisation Report. Both the Asbestos Survey and IT Network Survey can be procured at the Officer's discretion as they are both below the £10K threshold.											
20. Legal implications	21.1 None											
21. Corporate property implications	22.1 CWP fund available for project titled 'HEAT SOURCE - CONTROLS REPLACEMENT' valued at circa £145k. This is sitting with the Building Service Engineers (BSE) team within City Surveyors dept. Potential opportunity to combine funds to extend the scope of this project to include West Wing Chillers and/or controls in Old Justice Rooms Building in this phase. We are talking to the BSE team about this opportunity.											

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	<p>22.2 There are possible dependencies with the following projects are likely projects.</p> <ul style="list-style-type: none"> a. Public Sector Decarbonisation Scheme (PSDS) grant funded ventilation upgrade projects at GYE and LMA may lead to this project being de-scoped, TBC. b. GHC Master plan - The project has been considered in light of the GH Master plan, but as the upgrade project focuses primarily on the East Wing (GYE) it is unlikely to have a significant effect on it, from a BEMS controls perspective. The Master plan being concerned more on North Wing and West Wing of Guildhall. Building services like hot & chilled water and steam may be affected, however, these are outside the scope of this project. c. Guildhall Chilling/Humidification Plant Replacement – possible opportunities to change control strategies of pumps, chillers, condense equipment during the BEMS upgrade to support the preferred technology solution output from the chilling/humidification plant project.
22. Traffic implications	<i>None</i>
23. Sustainability and energy implications	<p>24. This project provides enabling works for upcoming energy projects – colleagues in the Energy Team have input into this project to ensure it aligns with other measures. These including PSDS project at GHC, Energy Reduction Phase 1 ventilation & Humidification projects at Guildhall Yard East, Guildhall Chilling & Humidification Plant Replacement Project, LMA Ventilation zone control works (PSDS).</p>
25. IS implications	<p>26.1 IS network will need to be extended to support new BEMS controllers, this may include new/extra managed switches, structure cabling and MCC data points. Will conduct IT surveys to quantify requirements before GW3</p>
26. Equality Impact Assessment	<p><i>Select one of the following options:</i></p> <ul style="list-style-type: none"> • <i>An equality impact assessment will not be undertaken</i>
27. Data Protection Impact Assessment	<ul style="list-style-type: none"> • <i>The risk to personal data is less than high or non-applicable and a data protection impact assessment will not be undertaken</i>

Appendices

Appendix 1	Project Briefing (BEMS Upgrade Project Funding Bid - Phase 1. V.2)
Appendix 2	Risk Register
Appendix 3	Addition Project information

Contact

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Telephone Number	07725 636975

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