

CORPORATE ASSET SUB (FINANCE) COMMITTEE
Tuesday, 22 June 2021

Minutes of the meeting of the Corporate Asset Sub (Finance) Committee held as a virtual public meeting and livestreamed at <https://youtu.be/DNuiL4joRNI> on Tuesday 22nd June 2021.

N.B. This meeting was held as an informal one, with the views reached by the Sub-committee approved formally by the City Surveyor after the meeting, in accordance with the Court of Common Council's Covid Approval Procedure. This process reflects the current position in respect of the holding of formal Local Authority meetings and the Court's decision of 15 April 2021 to continue with virtual meetings, with formal confirmation of decisions provided through a delegation to the Town Clerk, or his nominated representative, after the informal meeting has taken place and the will of the Committee is known.

Present

Members:

James de Sausmarez (Chairman)
Shravan Joshi (Deputy Chairman)
Deputy Jamie Ingham Clark
Randall Anderson
Marianne Fredericks
Michael Hudson
Jeremy Mayhew
Sheriff Christopher Hayward
Deputy Edward Lord
Deputy Roger Chadwick
Susan Pearson

Officers:

David Brown	- City Surveyor's Department
Alison Bunn	- City Surveyor's Department
Simon Causer	- City Surveyor's Department
Pete Collinson	- City Surveyor's Department
Jonathan Cooper	- City Surveyor's Department
Ben Dunleavy	- Town Clerk's Department
Paul Friend	- City Surveyor's Department
Hannah Bibbins	- Guildhall School of Music and Drama
Aqib Husain	- Chamberlain's Department
Tom Leathart	- City Surveyor's Department
Andrew Little	- Chamberlain's Department
Graeme Low	- City Surveyor's Department
Fiona McKeith	- City Surveyor's Department
Ola Obadara	- City Surveyor's Department
Mathew Porpiglia	- City Surveyor's Department
James Rooke	- City Surveyor's Department
Chris Rumbles, Clerk	- Town Clerk's Department
Rhian Snook	- Remembrancer's Office
Chris Spicer	- City Surveyor's Department

Paul Wilkinson
Peter Young

- City Surveyor
- City Surveyor's Department

1. **APOLOGIES**

Apologies were received from Alison Gowman.

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

There were no declarations.

3. **MINUTES**

Resolved, that the minutes and non-public summary of the previous meeting held on 28th April 2021 be approved as an accurate record.

4. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

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

RECEIVED

5. **WORK PROGRAMME FOR FUTURE MEETINGS**

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

RECEIVED

6. **REPORT OF ACTION TAKEN**

The Sub-committee received a report of the Town Clerk updating on action taken under delegated and urgency procedures since the last meeting.

RECEIVED

7. **CAPITAL AND CWP ANNUAL PROGRESS REPORT**

The Sub-committee considered a report of the Principal, Guildhall School of Music and Drama, providing an update on the School's building and refurbishment projects that fall under the Capital Cap programme, together with those approved for delivery under the Cyclical Works Programme.

Resolved, that Members: -

- Note the content of the report, including the timescale associated with the execution of the Fire Alarm project.
- Agree that the unspent budget (£60,670) for the Fire Alarm project be carried forward to allow the project to complete in 2021/22, including provisional sums for additional works; to be expended on authorisation by the Chief Officer and remote monitoring, subject to approval of issue report.

8. **PROJECT APPROVAL UNDER PSDS PROGRAMME**

The Sub-committee received a report of the City Surveyor providing Members with an update on four projects included in the PSDS programme with a budget allocation of £441,140.

A Member noted the budgeted projects set out within the report and questioned when the Sub-committee would be provided with an overview of the entirety of the £9.445m of grant funding and its project allocation. It was agreed that a full breakdown of allocation of the £9.445m would be provided at the next meeting.

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

9. **HERITAGE AT RISK REGISTER (HARR) REPORT 2020**

The Sub-committee received a report relating to a Historic England annual register of statutorily protected heritage sites, which it regards as being 'most at risk of being lost through neglect, decay or inappropriate development'. The report explained the circumstances for the City Corporation's eight heritage assets included on the register and set out plans of action to be implemented to eventually remove those properties the City Corporation wholly or partly owns from the HARR.

The Chairman stressed the importance of the City Corporation removing its historic assets from the register. A Member noted the split ownership of certain assets and questioned whether maintenance cost would be split equally for these assets also. It was explained how it would not be a one size fits all approach, with certain assets having multiple owners, including the City, and each with differing areas of responsibility. It was agreed the question would be taken away and officers would come back to the Sub-committee offering clarity on this point.

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

10. **2020/21 ENERGY PERFORMANCE Q4 UPDATE**

The Sub-committee received a report presenting the 2020/21 quarter 4 energy performance for City Corporation operational sites.

It was highlighted to Members how the City Corporation had seen a significant reduction of 22% in energy consumption and 28k tonnes of CO2 emissions compared to the previous year, which was partly through the impacts of the pandemic and a bounce back was expected as buildings begin to re-occupy again.

A Member questioned whether energy reduction was expected to continue seeing an improvement on previous years even after properties begin to reoccupy. It was noted that the rate was likely to see an increase as properties begin to reoccupy, but with an overall reduction expected to remain.

A Member questioned whether it was possible to calculate added energy costs as a result of the pandemic e.g. through increased air circulation being needed. It was explained how it was difficult to monitor usage in each area without metering in place and only a rough figure could be estimated.

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

11. CYCLICAL WORKS PROGRAMME - 2020/21 OUTTURN REPORT

The Sub-committee received a report providing an overview of the progress and expenditure of the current Cyclical Works Programmes (CWP 17/18, CWP 18/19 and CWP 20/21) at the end of quarter 4.

The Chairman reminded Members that any new Cyclical Works Programme bids under the new single year process would require separate costing and revised bids to Resource Allocation Sub-committee. It was confirmed to Members that figures for the Cyclical Works Programme were currently being worked through with the Chamberlain and that a report would follow in due course giving a true picture of what was required next year.

A Member remarked on the Cyclical Works Programme showing a total uncommitted balance across previous years of nearly £20m and it was suggested winding these programmes down and moving them into the annual Cyclical Works Programme. It was agreed to look at the impact of this proposal and report back to Members.

A Member noted the temporary transfer of funds from City's Cash to City Fund to fund works at Golden Lane, with this funding to be returned when budgets allowed for it. It was questioned which project this referred to and when money could be expected to return. The City Surveyor agreed to consult with relevant colleagues on that point a come back to the Member.

A Member added that, where there was underspend on a completed project, departments should be congratulated on bringing these in under budget. It was agreed to draw out underspends in future reporting to make it clear to Members where a saving had been achieved.

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

12. SECURITY UPDATE

Members noted that there were no significant security updates to bring forward at this time.

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

There were no questions.

14. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

a) Guildhall Chilling Plant Replacement / Steam Humidification Plant Replacement (circulated as a separate pack)

The Sub-committee considered a Gateway 2 Issues Report updating on these two projects that had previously been considered separately but having now been combined for delivery.

A Member acknowledged the recommended option 2 but questioned how the City Corporation could ensure maximum use out of the chillers if the Guildhall Masterplan was implemented. Would it be possible to repurpose these as part of the Masterplan to achieve full value out of what Members were being asked to approve. It was highlighted to Members that a key consideration would be the cost of putting in a temporary unit whilst awaiting implementation of the Guildhall Masterplan.

The Chairman remarked on the Guildhall Masterplan not yet having been agreed and there being a danger of the chiller system failing during any interim period.

A Member raised concern that the North Wing Chiller system needed replacing given the refurbishment had not been completed that long ago.

The City Surveyor responded remarking on the continued ambiguity with the Guildhall Masterplan through ongoing applications to Historic England relating to parts of North Wing and West Wing and also consideration of whether to refurbish or to undertake a complete raze from the ground exercise. It was explained how occupancy levels had increased significantly in the North Wing since the refurbishment in 2006 with the existing system struggling to cope as a result. There were also a number of projects and recommendations in the pipeline looking to achieve net zero carbon as part of the Climate Action Strategy and also looking to achieve increased air circulation following impacts of the pandemic.

The Chairman remarked on the report being presented at Gateway 2 at this point and it was suggested Members' concerns of spending money now only for the system to be scrapped later could be covered as part of a Gateway 3 report. The Chairman clarified that what Members were being asked to agree today was a relocation of energy reduction funding.

Resolved, that Members: -

- Agree that that the Humidification Plant Replacement Project be closed.
- Agree to the reallocation of the Energy Reduction Programme – Phase 1 funds (£233,000) to fund the chiller plant replacement project.

15. 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.

16. NON-PUBLIC MINUTES

The non-public minutes of the previous meeting held on 28th April 2021 were approved as an accurate record.

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

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

18. **GUILDHALL - GREAT HALL INTERNAL HEALTH AND SAFETY AND RESTORATION WORKS**

The Sub-committee considered a Gateway 3 / 4 options appraisal report relating Guildhall – Great Hall Internal Health and Safety and Restoration Works.

19. **SECURITY ENHANCEMENTS/SECURITY CROSS CUTTING - GUILDHALL, BARBICAN CENTRE, CENTRAL CRIMINAL COURT & MANSION HOUSE GATEWAY 6**

The Sub-committee considered Gateway 6 Outcome Report of the City Surveyor relating to Security Enhancements/Security Cross Cutting – Guildhall, Barbican Centre, Central Criminal Court & Mansion House.

20. **SMITHFIELD COMMERCIAL OFFICES: COVID ARREARS RECOVERY AND ACTION TO SUPPORT FUTURE LETTINGS.**

The Sub-committee considered a report of the City Surveyor relating to Smithfield Commercial Offices: COVID arrears recovery and action plan to support future lettings.

21. **DELEGATED AUTHORITY REQUEST - DISPOSAL OF PARK VIEW BUNGALOW, EPPING FOREST**

The Sub-committee considered a report relating to the disposal of Park View Bungalow, Epping Forest.

22. **ORACLE PROPERTY MANAGER (OPN) REPLACEMENT - GATEWAY 5 REPORT - AUTHORITY TO START WORK**

The Sub-committee considered a report of the City Surveyor relating to an Oracle Property Manager Replacement.

23. **FINSBURY CIRCUS GARDEN REINSTATEMENT - GATEWAY 3 REGULAR PROGRESS REPORT**

The Sub-committee received a Gateway 3 Regular Progress Report of the City Surveyor.

24. **NON-PUBLIC APPENDIX TO BE READ IN CONJUNCTION WITH ITEM 7: CAPITAL AND CWP ANNUAL PROGRESS REPORT**

The Sub-committee received a non-public appendix to be read in conjunction with item 7 on the agenda.

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

A Member expressed their concern with the number of supplementary packs circulated for the meeting and the late papers provided. A Member added that only urgent items should be circulated following publication of the agenda. It was stressed how organisation of the agenda was important in helping with the smooth running of the meeting. The Chairman welcomed the helpful comments

and confirmed he would look to engender discipline for this Sub-committee moving forward.

26. 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

27. TARGET OPERATING MODEL PROPOSAL - CITY SURVEYOR'S DEPARTMENT

The Sub-committee considered a report of the City Surveyor putting forward Target Operating Model proposals for City Surveyor's Department.

The meeting ended at 10.42am

Chairman

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