



Property Investment Board

Date: FRIDAY, 3 FEBRUARY 2023
Time: 10.00 am
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members:

Deputy Andrien Meyers (Chair)	Deputy Christopher Hayward
Deputy Randall Anderson (Deputy Chairman)	Paul Singh
Alderman Alison Gowman	Deputy James Thomson
Martha Grekos	David Brooks Wilson (external Co-optee)
Deputy Madush Gupta	Claudine Blamey (external Co-optee)

Enquiries: John Cater
John.Cater@cityoflondon.gov.uk

Accessing the virtual public meeting

Members of the public can observe all virtual public meetings of the City of London Corporation by following the below link:

<https://www.youtube.com/@CityofLondonCorporation/streams>

A recording of the public meeting will be available via the above link following the end of the public meeting for up to one 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.

Whilst we endeavour to livestream all of our public meetings, this is not always possible due to technical difficulties. In these instances, if possible, a recording will be uploaded following the end of the meeting.

Michael Cogher
Acting Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES FOR ABSENCE**

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

3. **MINUTES**

To approve the public minutes and non-public summary of the Property Investment Board meeting held on 25th November 2022.

For Decision
(Pages 7 - 12)

4. **PUBLIC OUTSTANDING ACTIONS**

Joint Report of the Town Clerk & Chief Executive and the City Surveyor.

For Information
(Pages 13 - 16)

5. **BLAKE TOWER - UPDATE REPORT**

Report of the Interim Executive Director of the Department of Community and Children's Services

For Information
(Pages 17 - 20)

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

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

8. **EXCLUSION OF THE PUBLIC**

MOTION – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

For Decision

Part 2 - Non-Public Agenda

9. NON PUBLIC MINUTES

To approve the non-public minutes of the Property Investment Board meeting held on 25th November 2022.

For Decision
(Pages 21 - 28)

10. NON-PUBLIC OUTSTANDING ACTIONS

Joint Report of the Town Clerk & Chief Executive and the City Surveyor.

For Information
(Pages 29 - 30)

ALL ESTATES

11. CITY FUND AND CITY'S ESTATE : INVESTMENT PROPERTY MONITORING REPORT

Report of the City Surveyor.

For Information
(Pages 31 - 44)

12. CITY'S ESTATE AND CITY FUND RENTAL ESTIMATES MONITORING REPORT - DECEMBER 2022 QUARTER

Report of the City Surveyor.

For Information
(Pages 45 - 50)

13. CITY FUND AND CITY'S ESTATE – 6 MONTHLY REVENUE WORKS PROGRAMME – PROGRESS/ OUTTURN REPORT

Report of the City Surveyor.

For Information
(Pages 51 - 56)

14. CITY FUND AND CITY'S ESTATE: FLEET STREET QUARTER BUSINESS IMPROVEMENT DISTRICT – FREEHOLDERS GROUP

Report of the City Surveyor.

For Decision
(Pages 57 - 62)

15. **REPORT OF ACTION TAKEN SINCE THE LAST MEETING OF THE BOARD**

Report of the Town Clerk & Chief Executive.

For Information
(Pages 63 - 72)

16. **STRATEGIC PROPERTY ESTATE (CITY FUND & CITY'S ESTATE) - ANNUAL UPDATE & STRATEGY FOR 2023/2024 TO 2027/28**

Report of the City Surveyor.

For Decision
(Pages 73 - 86)

CITY FUND ESTATE

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

Report of the City Surveyor.

For Decision
(Pages 87 - 108)

CITY'S ESTATE

18. **CITY'S ESTATE: 2023 INVESTMENT PROPERTY PORTFOLIO STRATEGY**

Report of the City Surveyor.

For Decision
(Pages 109 - 122)

19. **CITY'S ESTATE : 4-10 NORTH ROAD N7 – DISPOSAL OF 150-YEAR LEASE**

Report of the City Surveyor.

For Decision
(Pages 123 - 130)

20. **CITY'S ESTATE: DISPOSAL OF FREEHOLD OF (1) 42 CONDUIT STREET AND (2) 45 CONDUIT STREET W1**

Report of the City Surveyor.

For Decision
(Pages 131 - 138)

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

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

Part 3 - Confidential Agenda

23. **MARKET FORCES SUPPLEMENTS**

Report of the City Surveyor.

For Decision

This page is intentionally left blank

PROPERTY INVESTMENT BOARD

Friday, 25 November 2022

Minutes of the meeting of the Property Investment Board held at Guildhall, EC2
on Friday, 25 November 2022 at 11.00 am

Present

Members:

Deputy Randall Anderson (Deputy Chairman)
Deputy James Thomson
Alderman Alison Gowman
David Brooks Wilson
Claudine Blamey
Deputy Madush Gupta

Officers:

John James	- Chamberlain's Department
Alan Bennetts	- Comptroller & City Solicitor's Department
Paul Wilkinson	- City Surveyor
Nicholas Gill	- City Surveyor's Department
Andrew Cross	- City Surveyor's Department
Tom Leathart	- City Surveyor's Department
Neil Robbie	- City Surveyor's Department
John Galvin	- City Surveyor's Department
John Cater	- Committee Clerk

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Martha Grekos, Christopher Hayward, Andrien Meyers, and Paul Singh.

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

There were no declarations.

3. MINUTES

RESOLVED – That the public minutes and non-public summary of the meeting held on 23rd September be approved.

4. PUBLIC OUTSTANDING ACTIONS

The Board received a joint Report of the Town Clerk and the City Surveyor concerning outstanding actions from the previous Board meeting.

RESOLVED – the Board noted the Report and considered all actions resolved.

5. **OPPORTUNITY LONDON CAMPAIGN**

The Board considered a joint Report of the Executive Director of Environment and the City Surveyor concerning the Opportunity London Campaign and MIPIM 2023.

RESOLVED – that the Board approved that the City of London Corporation should attend MIPIM 2023 with a total budget of £65,000 to be funded via Environment Departments (Partnership and Engagement) local risk budget (£40,000) City Surveyors local risk budget (£20,000) and the Central Communications Director local risk budget (£5000)

6. **THE CITY SURVEYOR'S DEPARTMENTAL RISK REGISTER - NOVEMBER 2022 UPDATE**

The Board received a Report of the City Surveyor concerning a quarterly update for the Departmental Risk Register.

RESOLVED – that the Board noted the Report.

7. **CITY SURVEYOR'S BUSINESS PLAN 2022-27 - QUARTER 2 2022/23 UPDATE**

The Board received a Report of the City Surveyor concerning the 2022/23 Departmental Business Plan progress in quarter 2 (July to September) against the 2022-27 Business Plan.

RESOLVED – that the Board noted the Report.

8. **CITY SURVEYOR'S DEPARTMENTAL BUSINESS PLAN 2023/24**

The Board considered a Report of the City Surveyor concerning the draft Departmental Business Plan for 2023/24.

A Member questioned whether the Department had undertaken any assessment of 'at home' carbon from changed employee working arrangements and ways in which this could be measured effectively. Officers responded that they would come back to the Board at the next meeting with further details (outstanding action)

A Member queried the consistency between the Corporation's hybrid working policy and its desire to increase overall footfall in the Square Mile in line with the aims of Destination City. The Chair acknowledged this point but noted that this was an area more relevant for consideration by the Corporate Services Committee.

A Member queried why (per page 64) the objective was to achieve 80% of projects rated very good or above for BREEAM, and why the Department was not targeting a higher figure (outstanding action).

Members queried the 520t CO2 annual saving figure and asked that this should be expressed as a percentage against our total emissions (outstanding action).

A Member requested that the plan referred to the department “driving” Climate Action transition, rather than “helping”. Officers responded that they would amend the terminology.

A Member queried why the whole life carbon pilot was only undertaken at only six sites when we had many more projects underway. The Property Projects Director highlighted that the six sites were chosen as they reflected a range of project and building types, which were all at different stages. It was highlighted that this was a pilot with the view that the approach would be rolled out more broadly.

Members asked whether an informal deep-dive briefing could be held in early 2023 concerning Whole Life Carbon matters. In addition to PIB Members, an invitation could also be extended to Members of the Bridge House Estates Board and the Operational Property and Project Sub-Committee (outstanding action)

RESOLVED – that the Committee approved the following:

- Noted the factors taken into consideration in compiling the City Surveyor’s Business Plan; and
- Approved, subject to the incorporation of any changes sought by this Committee, the departmental Business Plan 2023/24.

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

There was one question.

In response to a query, IPG officers would liaise with colleagues in the Corporation’s Planning Department concerning the Corporation’s proposed lighting strategy around guidance for developers on lighting buildings and the spaces between them (in addition to an associated Considerate Lighting Charter). This strategy would be going to public consultation in December/January and it was felt that IPG should consider the detail, contribute if appropriate, and come back to provide a brief update to the Board in February (outstanding action).

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

There was one item of urgent business.

A Member asked officers to try to reduce the number of pages in the Board agenda packs. The City Surveyor welcomed the Members comments and highlighted that, whilst the structure of the Report format often made it difficult to keep things to a minimum, there was certainly scope to try to cut down on much of the additional detail which, as an alternative, could be placed in background/supplementary papers which could be circulated upon request.

Officers would continue to try to keep packs to a minimum and thanked Members for their forbearance when they've had to review larger agendas this year.

11. **EXCLUSION OF THE PUBLIC**

RESOLVED – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

12. **NON PUBLIC MINUTES**

RESOLVED – That the non-public minutes of the meeting held on 23rd September be approved.

13. **CITY SURVEYOR REVENUE BUDGETS (CITY FUND AND CITY'S CASH) - LATEST APPROVED 2022/23 AND ORIGINAL ESTIMATES 2023/24**

The Board considered a Report of the City Surveyor.

14. **INTEGRATED FACILITIES MANAGEMENT AWARD REPORT – FURTHER COMPETITION**

The Board received a Report of the City Surveyor

15. **CITY'S ESTATE AND CITY FUND RENTAL ESTIMATES MONITORING REPORT - SEPTEMBER 2022 QUARTER**

The Board received a Report of the City Surveyor.

16. **IMPACT OF CONSTRUCTION MARKET AND INFLATION ON PROPERTY INVESTMENT BOARD PROJECTS**

The Board received a Report of the City Surveyor.

17. **CITY FUND & CITY'S ESTATE - QUARTERLY DELEGATED AUTHORITIES UPDATE - 1ST JULY TO 30TH SEPTEMBER 2022**

The Board received a Report of the City Surveyor.

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

The Board received a Report of the City Surveyor.

19. **NON-PUBLIC APPENDICES TO ITEM 7 (CITY SURVEYOR'S BUSINESS PLAN 2022-27 - QUARTER 2 2022/23 UPDATE)**

20. **CITY FUND - FUNDING STRATEGY 15/17 ELDON STREET EC2 AND 6 BROAD STREET PLACE EC2 REFURBISHMENT PROJECT - UPDATE REPORT**

The Board considered a Report of the City Surveyor.

21. **CITY FUND – REFURBISHMENT/EXTENSION OF 1-6 BROAD STREET PLACE AND 15-17 ELDON STREET**

The Board considered a Report of the City Surveyor.

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

There were no questions.

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

There was no other business.

The meeting ended at 12.00 pm

Chairman

**Contact Officer: John Cater
John.Cater@cityoflondon.gov.uk**

This page is intentionally left blank

Action Reference	Action	Owner	Update
221125(P8A)	8. City Surveyor's Departmental Business Plan 2023/24 A Member questioned whether the Department had undertaken any assessment of 'at home' carbon from changed employee working arrangements and ways in which this could be measured effectively. Officers responded that they would come back to the Board at the next meeting with further details	City Surveyor – JG	<p>The department has previously investigated this and there are privacy issues in relation to the sharing of this data. Proxy data could be used but there are significant challenges drawing meaningful conclusions stemming from the nature of home energy use for different situations. We will continue to review and consider other options in how to obtain accurate data.</p> <p>There will be a session with Members focusing on Whole Life Carbon Assessments for both Property Investment Board and Bridge House Estates Committee. This is provisionally booked for 17 March.</p>
221125(P8B)	8. City Surveyor's Departmental Business Plan 2023/24 A Member queried why (per page 64) the objective was to achieve 80% of projects rated very good or above for BREEAM, and why the Department was not targeting a higher figure	City Surveyor - JG	A number of projects are not BREEAM applicable due to the type of project being delivered. This includes items such as the replacement of heating, small refurbishments etc.

221125(P8C)	8. City Surveyor's Departmental Business Plan 2023/24 Members queried the 520t CO2 annual saving figure and asked that this should be expressed as a percentage against our total emissions	City Surveyor - JG	<p>The 520t CO2 relates to our scope 1 and 2 emissions, most of which relates to our operational properties. The 520t references the phase two projects and equates to approximately 1.5% of the total baseline emissions.</p> <p>520t of emission reduction projects will be delivered in 2023/24 (as noted within the business plan) and was identified via surveys in 2022/23.</p> <p>A waterfall chart has been included at the base of these actions which shows the 520t of reduction within the larger programme context.</p>
221125 (P8D)	8. City Surveyor's Departmental Business Plan 2023/24 Members asked whether an informal deep-dive briefing could be held in early 2023 concerning Whole Life Carbon matters. In addition to PIB Members, an invitation could also be extended to Members of the Bridge House Estates	City Surveyor & Town Clerk	Provisional date in the diary for deep dive informal briefing on 17 th March for PIB, BHE, and OPPSC Members

	Board and the Operational Property and Project Sub-Committee		
221125(P9)	9. Public Questions In response to a query, IPG officers would liaise with colleagues in the Corporation's Planning Department concerning the Corporation's proposed lighting strategy around guidance for developers on lighting buildings and the spaces between them (in addition to an associated Considerate Lighting Charter). This strategy would be going to public consultation in December/January and it was felt that IPG should consider the detail, contribute if appropriate, and come back to provide a brief update to the Board in February	City Surveyor	Discussions taking place with colleagues in planning – verbal update to be provided to the Board on 3 rd February.

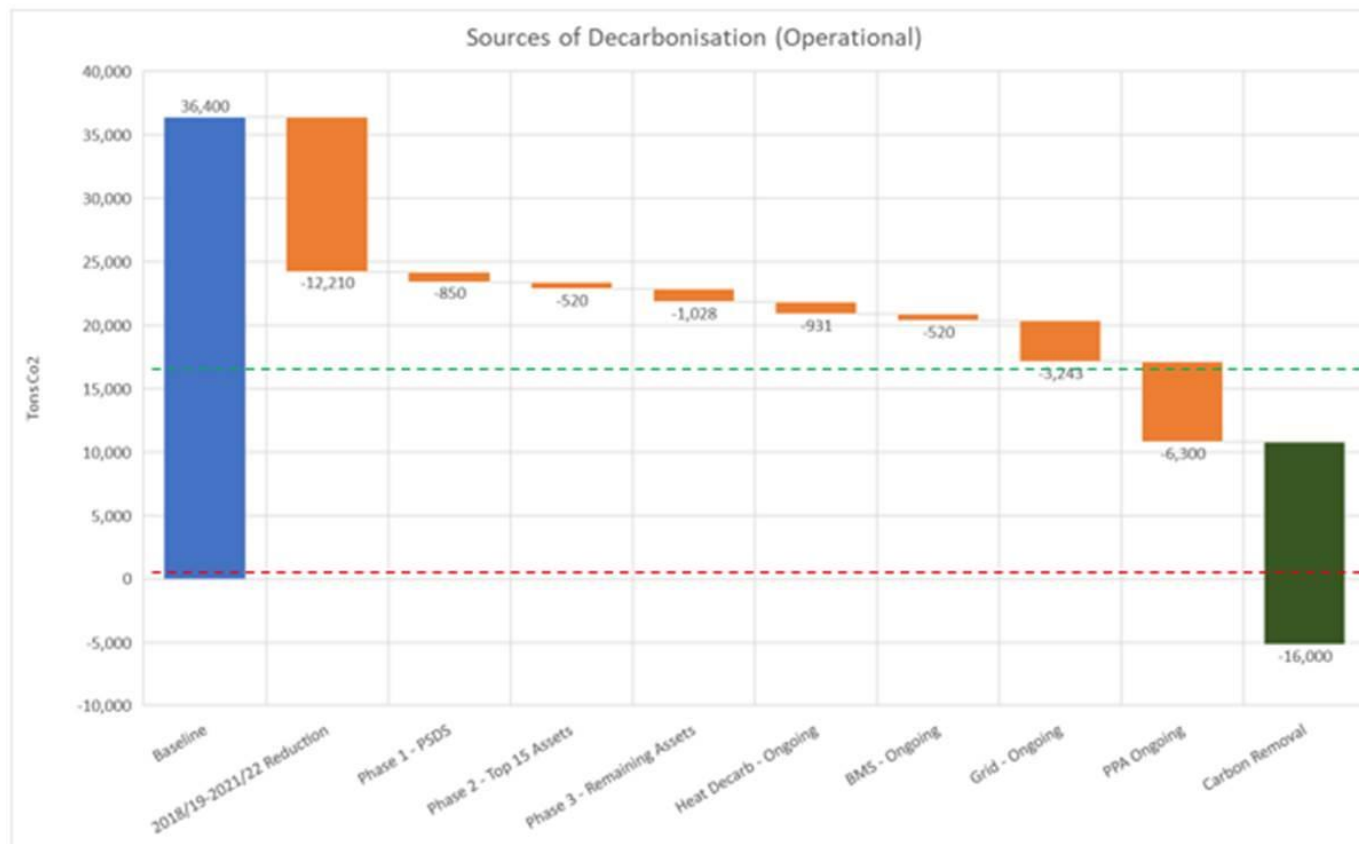


Figure 1: Waterfall chart showing the reduction in emissions against baseline

Committee:	Dated:
Barbican Residents Consultation Committee Barbican Residential Committee Property Investment Board	30 November 2022 09 December 2022 03 February 2023
Subject: Blake Tower – Update Report	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1, 2, 12
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: Clare Chamberlain, Interim Executive Director of Community and Children’s Services	For Information
Report author: Paul Murtagh Assistant Director Housing & Barbican	

Summary

The purpose of this report is to provide Members of this Board with an update on matters relating to Blake Tower and, progress towards the reversion of the management of the building to the City of London Corporation (the Corporation).

Recommendation

Members are asked to note the report.

Main Report

Background

1. Having received vacant possession of the former Barbican YMCA premises at 2 Fann Street, EC2 on the 1 October 2012 (of which, the Corporation is the freeholder), the Corporation, following a competitive marketing process, agreed the disposal of a long leasehold interest in the building to Redrow Homes Limited (Redrow), for the purpose of residential development involving the refurbishment and alteration of the Grade II Listed Building.
2. The disposal transaction was completed on 18th October 2013 by way of a legal Agreement for Lease, which required Redrow to carry out the development works

and then, take out a 150-year lease. It was also provided that Redrow would be able to grant underleases of the residential units that were built, using the standard form of Barbican residential lease.

3. In line with the expressed wish of members at the time, that the property reverted to the Barbican Estate management, the Corporation also entered into a deed of surrender that obliged it to take back the Redrow lease either:
 - 30 months after the date of Practical Completion of the second phase of the development or,
 - Two years after the sale of the last of the units by way of an underlease.
4. Of the above two provisions, the first one is the earliest. Practical Completion of the second phase of the development was issued on 18 April 2017 and 30 months from then gives us a date for completion of **18 October 2019**.

Considerations

5. Unfortunately, although the Corporation has been prepared for the transfer of the management of 2 Fann Street (now known as Blake Tower) to the Barbican Estate Office (BEO) for some time now, there have been many outstanding issues with the development works and, considerable resident dissatisfaction that has prevented the transfer.
6. For some considerable time now, the Corporation has been liaising with Redrow, its management agent (JAR) and residents of the Blake Tower Residents Association (BTRA) to try and bring this matter to a satisfactory conclusion.
7. Through its several meetings with the BTRA, the Corporation is aware of many perceived 'defects and maintenance issues with the flats and communal areas in Blake Tower including:
 - water ingress between the flats and, into the communal areas.
 - mould growth.
 - blocked pipes and soil stack.
 - dislodged roof panels.
 - non-compliant front entrance doors.
 - heating, drainage and ventilation problems.
 - fire stopping/fire compartmentation.
8. On 20 September, officers met again with representatives from Redrow and JAR to discuss the current issues and Redrow's lack of response to various letters sent by the Corporation. As far as Redrow and JAR are concerned, there are no outstanding defects in Blake Tower that require attention. Redrow did advise however, that there are several ongoing legal disputes with some of the residents and, these could not be discussed at the meeting.
9. Redrow and JAR also advised that the many of the emails that the Corporation has received, and continues to receive, from the BTRA relate to routine maintenance matters, not defects. Moreover, in Redrow's opinion, many of these matters are a

result of lack of maintenance and housekeeping on the part of the residents themselves.

10. On 21 September, officers and members met with representatives of the BTRA to report back on the outcome of the meeting with Redrow and JAR. Clearly, the BTRA disputes very strongly the views of Redrow.

Fire Stopping/Compartmentation

11. On 12 September 2022, as instructed by the Corporation, BRFP, a specialist fire safety consultant, commenced a representative sample of intrusive surveys to the interior of the flats in Blake Tower to establish the level of fire stopping installed along the fire compartment walls particularly, those relating to the shared services that pass through the walls.
12. The survey took six working days to complete and, ten flats were surveyed as part of the commission. At various stages of the survey, representatives from Redrow and its agents attended to inspect and take photographs.
13. We have now received the final report from BRFP which, has been shared with Redrow and the BTRA. The report highlights specific potentially serious issues with the fire stopping (or lack of) between the fire compartment walls dividing apartments from communal areas and on fire compartment walls inside apartments.
14. The Corporation is now working with its legal adviser, Fieldfisher, on progressing this matter with Redrow.

Current position

15. From the Corporation's perspective, Redrow is still not in a position to surrender the head lease of Blake Tower to the Corporation. There are still several outstanding issues with the standard and quality of the construction works and, it is likely that the recent internal fire stopping surveys will require further attention from Redrow.
16. The Corporation continues to write to residents of Blake Tower to update them on the position with the transfer and, a further letter will go out in December after the meeting of the Barbican Residential Committee.
17. Officers will continue to meet with Redrow, its agents and the BTRA to facilitate a satisfactory solution to this matter.

Paul Murtagh, Assistant Director, Barbican & Property Services
T: 020 7332 3015 E: paul.murtagh@cityoflondon.gov.uk

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank