

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

Report Author: Faith Bowman  
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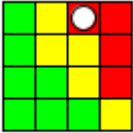
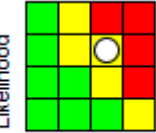



Rows are sorted by Risk Score

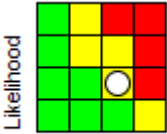
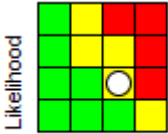

| Risk no, title, creation date, owner                         | Risk Description (Cause, Event, Impact)   | Current Risk Rating & Score     |           | Risk Update and date of update  | Target Risk Rating & Score      |          | Target Date | Current Risk score change indicator |
|--|---|---------------------------------|-----------|---|---------------------------------|----------|-------------|-------------------------------------|
| <b>CVD19 SG PROP 01 Impact on investment portfolio (SUR)</b> | <p><b>Cause:</b> The spread of COVID 19 has continued to escalate affecting business and trade.</p> <ul style="list-style-type: none"> <li>. Lack of trade</li> <li>. Lower investment transactions</li> <li>. Lower lettings transactions</li> <li>. Longer development and refurbishment timelines</li> <li>. Longer and less accurate valuations</li> </ul> <p><b>Event:</b> The spread of COVID 19 impacts on the City Surveyors business, namely collection of rental income</p> <p><b>Effects:</b> Through the spread of COVID 19 tenants are not able to pay their rental payments leading to rent arrears or forfeit leases on managed/FR&amp;I tenants, confidence in the City of London Corporation and the City of London is damaged</p> | <p>Likelihood</p> <p>Impact</p> | <b>16</b> | <p>A proposal has been presented to PIB in Aug (subsequently to RASC) for a further rent-free period for 'at risk' tenants for the September quarter (with a cap of £4.624m). This has been agreed in principle, subject to delegation to the TC in consultation with the Chair and Deputy Chair of P&amp;R and Finance.</p> <p>The moratorium on enforcement action has been extended to 31 December. Thereby making rent collection difficult.</p> <p><b>Note</b> that there was a £4.3m cap for 'at risk' tenants for the June quarter. This was agreed by RASC. The Chamberlain and RASC have noted that this should be drawn down first before moving to the £4.624m identified for the September quarter.</p> | <p>Likelihood</p> <p>Impact</p> | <b>8</b> | 31-Mar-2021 |                                     |

|                              |  |  |  |   |  |  |  |          |
|------------------------------|--|--|--|---|--|--|--|----------|
| 01-Apr-2020<br>Nicholas Gill |  |  |  | For Bridge House Estates properties, decisions are made in the best interests of the charity.<br><b>27 Nov 2020</b> |  |  |  | Constant |
|------------------------------|--|--|--|---|--|--|--|----------|

| Action no         | Action description | Latest Note  | Action owner              | Latest Note Date | Due Date    |
|-------------------|--------------------|--|---------------------------|------------------|-------------|
| CVD19 SG PROP 01b | Monthly Payments   | Move to monthly rent collections (March to September Quarters) for all directly managed and FR&I tenants (this does not apply to ground rents) where requested.  | Nicholas Gill             | 27-Nov-2020      | 31-Mar-2021 |
| CVD19 SG PROP 01h | Members Paper      | Upcoming paper to be presented to PIB and other relevant Committees dealing with rent concessions for December quarter onwards.  | Nicholas Gill             | 27-Nov-2020      | 30-Apr-2021 |
| CVD19 SG PROP 01i | Rent Arrears       | Being reviewed on a regular basis, and updates are being provided to Members. The government have extended the landlord restraint on legal action against tenants for non-payment of rent until 31/12. As a result arrears are likely to increase. | Nicholas Gill             | 27-Nov-2020      | 31-Mar-2021 |
| CVD19 SG PROP 01j | Monitor Impact     | IPG to Monitor the impact on;<br>. Lack of trade<br>. Capacity of our tenants' ability to pay their rent<br>. Investment transactions<br>. Letting transactions . Refurbishments and Developments  | Nicholas Gill             | 27-Nov-2020      | 31-Mar-2021 |
| CVD19 SG PROP 01k | Snapshot reporting | With the assistance of Chamberlain's Department, a regular snapshot of rental collection (deferrals and rent frees) is being produced and monitored.   | Nicholas Gill; John James | 27-Nov-2020      | 31-Mar-2021 |

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|--|---|--|-----------|---|---|-----------|--------------------|--|
| <p><b>CV19 SG PROP 02 Property Projects (SUR)</b></p> <p>15-Apr-2020<br/>Ola Obadara</p> | <p><b>Cause:</b> The spread of COVID 19 has continued to escalate affecting the Capital Projects which are currently underway.</p> <p><b>Event:</b> The restrictions as a result of COVID-19 impacts on the delivery of Capital Projects for the City of London Corporation.</p> <p><b>Effects:</b> Due to the restrictions as a result of COVID-19 Capital Projects by the Property Project Group will be affected resulting in project delays and financial consequences. (this can include shortages in labour or materials, or slowing of work due to PHE H&amp;S guidance)</p> | <p>Likelihood</p>  <p>Impact</p> | <p>16</p> | <p>Contractors are back on site.</p> <p>Following site assessments from contractors, the risk score has been increased (July). This has increased the likelihood to 'likely' from 'possible'. This is in response to working constraints imposed by PHE which will impact the efficiency of the worksite. These assessments were only possible once the contractors were back on site, and PHE had released their guidance.</p> <p>The CoL will shortly have tenders being returned, and it is anticipated that Covid-19 may impact the cost quoted in these returns. The returns received to this point have actually been below budget, which is a positive result for the City.</p> <p>There are isolated incidents with some contractors not adhering to guidance, and this is being dealt with where appropriate.</p> <p>27 Nov 2020</p> | <p>Likelihood</p>  <p>Impact</p> | <p>12</p> | <p>31-Mar-2021</p> | <p></p> <p>Constant</p> |

| Action no           | Action description  | Latest Note   | Action owner   | Latest Note Date | Due Date        |
|---------------------|---|---|----------------|------------------|-----------------|
| CV19 SG<br>PROP 02h | Contractor may request additional fees, additional statutory authority fees | Reduced prelims valued to the contractor if there is reduced resource on site; ask parties to demonstrate what additional costs are for, and which contractual clause it relates to; negotiate additional fees upfront ahead of agreeing start on site. Contractors have recently experienced issues obtaining insurance and these costs may be passed along to the CoL. Whilst initial results seem to be positive for the City, this will continue to be monitored. | Ola<br>Obadara | 27-Nov-<br>2020  | 31-Mar-<br>2021 |
| CV19 SG<br>PROP 02i | Material and components   | It is the contractor's responsibility for managing materials on site. There has been a potential issue with regards to the availability of materials and components when projects are on-site – particularly related to long lead items and those from abroad. Property Project Group is monitoring for impact, although this appears to be easing currently.   | Ola<br>Obadara | 27-Nov-<br>2020  | 31-Mar-<br>2021 |

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|---|--|--|---|---|---|---|-------------|---|
| CVD19 SG<br>PROP 03<br>Property<br>Projects - Site<br>Closure (SUR)<br><br><br><br><br><br><br><br><br><br>28-May-2020<br>Ola Obadara | <b>Cause:</b> COVID 19 and current or future PHE guidance.<br><b>Event:</b> Site cannot comply with current, or potential future PHE guidance and social distancing requirements<br><b>Effects:</b> Site shutdown until a point where social distancing requirements and PHE guidance allows a return to work. | <br>Likelihood | 8 | This newly created risk reflects the fact that it will not be possible to recommence work at some sites due to current PHE and HSE guidance – particularly in relation to social distancing. Potential future PHE guidance may also mean further site closures.<br><br>As contractors have returned to site, progress is being made across the piece, but some sites may need to shut in the future. Some contractors are undertaking their own risk assessments and instituting site rules above PHE guidance.<br><br><b>27 Nov 2020</b> | <br>Likelihood | 8 | 31-Mar-2021 | <br><br><br><br><br><br><br><br><br><br>Constant |

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|----------------------|--------------------|---|--------------|------------------|-------------|
| CVD19 SG<br>PROP 03a | Contractual risks  | The responsibility for delays, disruption and commercial risks are typically spelled out in construction contracts and appropriately allocated to the party in the best position to mitigate such risks. Delays caused by COVID-19 impacts may be covered under a force majeure or similar clause of the contract. Contractors will argue that COVID-19 related delays were wholly unforeseeable and outside of the contractor's control, and therefore the contractor should not be held responsible. Under these circumstances, many contracts entitle the contractor to a time extension of the project completion date, and some contracts also allow for the contractor's recovery of increased performance costs. For new contracts, these will account for Covid-19 and these 'contractual risks' will be built into the price and timeframes – although it should be noted that Covid-19 remains a fluid challenge, and future changes to SOPs may result in increased risk | Ola Obadara  | 27-Nov-2020      | 31-Mar-2021 |

|                      |                    |   |                |                 |                 |
|----------------------|--------------------|---|----------------|-----------------|-----------------|
| CVD19 SG<br>PROP 03b | Health and Safety. | Guidance from Government and CLC is regularly monitored with the Principal Designer, updated RAMS have been received from the contractor. Guidance to continue being reviewed. Ensure client is following CDM duties and providing plenty of welfare. Reviewing method statements to ensure alignment and compliance with PHE/HSE guidance. | Ola<br>Obadara | 27-Nov-<br>2020 | 31-Mar-<br>2021 |
|----------------------|--------------------|---|----------------|-----------------|-----------------|