

PROPERTY INVESTMENT BOARD

Wednesday, 26 May 2021

Minutes of the informal meeting of the Property Investment Board held remotely on Wednesday, 26 May 2021 at 8.30 am

N.B. This meeting was held as an informal one, with the views reached by the Board approved formally by the Property Investment Director 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:

Deputy Andrien Meyers (Chair)
Shravan Joshi (Deputy Chairman)
Alderman Alison Gowman
Michael Hudson
Deputy Jamie Ingham Clark
Dhruv Patel
Deputy Philip Woodhouse
Claudine Blamey
David Brooks Wilson
Stuart Corbyn
David Shaw OBE
Deputy Alastair Moss
Karina Dostalova
Deputy Edward Lord
Deputy Robert Merrett

Officers:

Richard Holt	- Town Clerk's Department
Christopher Rumbles	- Town Clerk's Department
Shani Annand-Baron	- Town Clerk's Department
Tim Jones	- Town Clerk's Department
John James	- Chamberlain's Department
Bukola Soyombo	- Chamberlain's Department
Alan Bennetts	- Comptroller and City Solicitor's Department
Paul Wilkinson	- City Surveyor
Nicholas Gill	- City Surveyor's Department
Peter Collison	- City Surveyor's Department
Andrew Cross	- City Surveyor's Department
Tom Leathart	- City Surveyor's Department
Nijor Ameet	- Chamberlain's Department
Ola Obadara	- City Surveyor's Department
Neil Robbie	- City Surveyor's Department
James Rooke	- City Surveyor's Department

Simi Shah

- Department of Innovation and Growth

In Attendance

Mark Phelpsstead

- AECOM

Stephen Ward

- AECOM

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Deputy Tom Sleigh and Sheriff Christopher Hayward.

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

Deputy Jamie Ingham Clark, Alderman Alison Gowman and Dhruv Patel made declarations as members of the Bridge House Estates Board.

3. MINUTES

The Board considered the public minutes and non-public summary of the previous meeting of the Property Investment Board held on the 17th of March 2021.

RESOLVED – That the public minutes of the meeting held on 17th of March 2021 be approved as an accurate record.

4. RESOLUTION OF THE INVESTMENT COMMITTEE OF 6 MAY 2021

The Board received a resolution of the Investment Committee Investment Committee dated 6 May 2021 which appointed the Board and setting its Terms of Reference.

RESOLVED- That the resolution be noted.

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

The Board received a presentation from the representative of AECOM on the latest position of the Investment Property Group CAS programme.

The Chair suggested that Item 7 be considered concurrently with Item 5 as the two were linked.

A Member questioned what the AECOM representative thought were the most important risks to be considered on the IPG CAS programme. The AECOM representative replied that developing the required graduality of detail for specific issues to be addressed at each building or site would be the primary risk to be addressed. The City Surveyor added that there will be a risk in the required costs to undertake the project and the capacity to complete these works in the sector.

Responding to a query from a Member on the procurement of services outside of the City of London Corporation the City Surveyor agreed that it would be important to upskill Officers within the Energy and Sustainability Team

specifically to retain skills within the City of London Corporation. The City Surveyor added that the centre of excellence within the Department would help to maintain and build upon the skill of Officers.

The Board discussed the governance of the Climate Action project noting the requirement to properly audit the project and review the success of the project's implementation in the Investment Property Portfolio. It was suggested that external data verification and that a specific senior officer with the responsibility for oversight of the Climate Action implementation be considered. The Director of Innovation & Growth informed the Board that a senior officer was due to be hired into this role and that external audits would be undertaken across the Climate Action Programme. It was added that a report would be prepared for the Board's consideration on a quarterly basis to provide Member oversight of the Climate Action project with regard to the Property Investment Portfolio. It was added that an ongoing assessment of the trajectory of the project toward carbon neutrality would be a helpful addition to this reporting. A Member commented that confirmation of appropriate metrics would be vital for the Board's oversight. The Chair instructed Officers to confirm the metrics for assessing the success of the Climate Action project and to establish a timeline for its implementation.

The Chair requested further information on the costs of funding and overall financial viability of the Climate Action project including the impact on returns. The Director of Innovation & Growth explained that the affordability of the Climate Action Strategy would need to be assessed by portfolio with the costs being funded from the Designated Sales Pool. The City Surveyor added that these costs would only be confirmed after the required preparatory surveys are completed.

Responding to a Member's query the Director of Innovation & Growth explained how the Y1 plans, attached as appendixes to the report, connected to the subject of the report. It was highlighted that three workstreams were accountable to PIB under CAS. These include the plan for the operational estate and two other workstreams to establish design standards and embed resilience which are both shared workstreams with the operational estate.

It was questioned by a Member why governance was identified as an important risk for the Climate Action project as it appeared that the energy audits were more of a major concern. The Chair suggested that a substantive response to this query be undertaken outside of the meeting.

The Deputy Chairman noted his support for the Climate Action project and commented that this was not the final stage in this process which would clearly going to involve a lot of ongoing work. The Chair and Deputy Chairman suggested that a separate session for the Property Investment Board to discuss this matter further be considered.

RESOLVED- That the presentation be noted.

6. YEAR 1 PLAN FOR CLIMATE ACTION

The Board considered a joint report of the Director of Innovation & Growth and City Surveyor on the Year 1 plan for Climate Action.

RESOLVED- That: -

- I. The Year 1 (Y1) Implementation plans for the areas accountable to PIB as found in Appendices 1-3 be approved; and
- II. The Y1 composite budget envelope and programme has been approved by Policy and Resources Committee on 8th April 2021 be noted; and
- III. That the Property Investment Board recommend to the Bridge House Estates (BHE) Board, in discharge of functions for the City Corporation as Trustee of Bridge House Estates (Charity no. 10345628) and solely in the charity's best interests to approve the Y1 implementation plans for the delivery of CAS outcomes under the areas accountable to the Bridge House Estates Board as included in the Y1 Implementation Plan in Appendices 1-3. Bridge House Estates Board also recommended to make a 23% contribution (£370k) to the mobilisation needs of the Y1 budgets as BHE is 23% of the floor space. This amounts to the following for 2021-22:
 - a. £370k for the mobilisation costs of the Y1 IPG Net Zero Plan (23% as BHE 23% of floor space)
 - b. £46k for the Y1 Design Standards Plan (5%)
 - c. £15k for the mobilisation costs of the Y1 Resilient Buildings Plan (5%)
- IV. That it be noted that any site level capital investment decisions arising from the Y1 programme of work to be taken separately for all portfolios, including BHE, following the mobilisation activities. BHE contributions to capital opportunities to be decided on a site level basis.

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

The Property Investment Board considered a report of the Town Clerk on the Board's Terms of Reference, Frequency of meetings and 2021/22 Work Programme. The Board were also asked to appoint three Board Members to the Corporate Asset Sub-Committee.

The City Surveyor informed the Board that a strategy session would be arranged for the autumn which was likely to be in October.

RESOLVED- That: -

- I. Members noted the Property Investment Board's Terms of Reference; and
- II. Members approved the frequency of the Board's meetings set out in Appendix B; and
- III. That Shravan Joshi and Alderman Alison Gowman were appointed to the Corporate Asset Sub-Committee.
- IV. Members approved the proposed work programme for 2021/22.

8. CULTURE MILE BUSINESS PARTNERSHIP

The Board considered a report of the Director of Innovation & Growth on the Culture Mile Business Partnership. The Director of Innovation & Growth introduced the report and highlighted the key elements of the report to the Board.

A Member commented on the importance of engaging with the resident population as the affected area of the City of London had a large number of residents.

A Member suggested that annual report evaluating the success of the Property Investment Board's engagement with the BID be presented to the Board.

The Board agreed that Officers were to approach, outside of a formal meeting, Members who serve on the Culture Mile Working Party and Property Investment Board regarding a possible appointment as a Board representative on the Culture Mile Business Partnership Board.

RESOVLED- That: -

- I. The Board agreed, in principle to fund a total contribution of £10k over the next two financial years (£10k for 2021/22 and £10k for 2022/23) from the City Surveyors' local risk budget; and
- II. That Board defer the appointment of a Member to the Culture Mile Business Partnership Board until Officers approach Members who serve on the Culture Mile Working Party and Property Investment Board.

9. **BRIDGE HOUSE ESTATES**

The Board received a report of the Town Clerk which had been prepared for the Investment Committee on the Bridge House Estates Board. The Chair of the Bridge House Estates Board introduced the report and highlighted the reasons why the new Board had been constituted. The Chair of the Property Investment Board commented that it was important to ensure that there was the required expertise to provide robust governance of the Bridge House Estates Investment Property Portfolio.

RESOVLED- That the report be noted.

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

There were no questions.

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

There was no other business.

12. **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.

13. NON-PUBLIC MINUTES

The Board considered the non-public minutes of the previous meeting of the Property Investment Board held on the 17th of March 2021.

RESOLVED – That the non-public minutes of the meeting held on 17th of March 2021 be approved as an accurate record.

14. OPN REPLACEMENT - REQUEST FOR DELEGATED AUTHORITY

The Board considered a report of the City Surveyor on the OPN replacement project.

RESOLVED- That the report be approved.

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

The Board received a report of the City Surveyor on the Annual Valuation of the City Fund, City's Estate, Bridge House Estates and Strategic Property Estate.

RESOVLED- That the report be noted.

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

The Board received a report of the City Surveyor which advised Members of property transactions approved under my delegated authority between the 1st January 2021 to 31st March 2021.

RESOLVED- That the report be noted.

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

The Board received a report of the City Surveyor on the Arrears of Rent as at March 2021 Quarter Day Minus 1 City Fund, City's Estate and Bridge House Estates.

RESOLVED- That the report be noted.

18. CITY FUND, CITY'S ESTATE, BRIDGE HOUSE ESTATES AND STRATEGIC PROPERTY ESTATE - RENTAL ESTIMATES MONITORING REPORT.

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

RESOLVED-That the report be noted.

19. GLA ROADS - LAND DISPUTE WITH TRANSPORT FOR LONDON

The Board received a report of the Comptroller and City Solicitor on the land dispute with the Greater London Authority.

RESOLVED- That the report be noted.

20. **REPORT OF ACTION TAKEN**

The Board received a report of the Town Clerk on action taken under delegated authority.

RESOLVED- That the report be noted.

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

The Board received a report of the City Surveyor on the Major Refurbishment and Extension of building in Tottenham Court Road.

RESOLVED- That the report be approved.

22. **BRIDGE HOUSE ESTATES : GATEWAY 1-4 FOR 23 FINSBURY CIRCUS**

The Board noted that the report was withdrawn.

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

There were no questions in the non-public session.

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

The Board considered two items of business in the non-public session.

The meeting ended at 10.30 am

Chair

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