

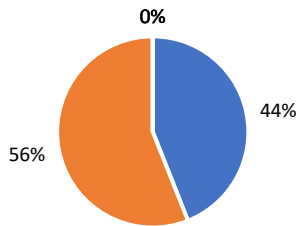
## City Surveyor's Department

The City Surveyor's Department (CSD) is accountable for the management of the City Corporation's property investment portfolio and property/construction projects (minor & major). It is responsible for oversight of corporate real estate, the heritage estate and providing day-to-day outsourced facilities management services to both portfolio via a third-generation integrated model.

## What's changed since last year

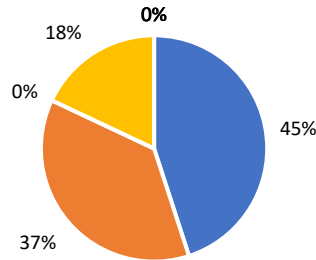
- Central Criminal Court integrated as fundamental part of the department
- The Markets Team has moved into the City Surveyor's Department. Markets are covered by a separate Business Plan.
- Operational Property Review has commenced.
- Integrated Facilities Management has gone live.
- The City's major programmes have progressed.
- Measured Term Contract (MTC) framework has been retendered and revised to increase buying thresholds.
- Health and Safety (Property) has formally transferred to the Deputy Town Clerk.

### Income (local risk)



- Other Grants and Reimbursements
- Customer and Client Receipts
- Investment Income
- Capital Projects
- Recharges

### Expenditure (local risk)



- Employees
- Premises Related Expenses
- Transport
- Supplies and Services
- Capital Expenditure
- Transfer to Reserves
- Unidentified Savings
- Recharges

### Our work locations (including 116 in the Markets Team), figures are FTE

Guildhall Complex*	203	Spitalfields Market	32
Central Criminal Court	100	Billingsgate Market	40
Walbrook Wharf	1	Smithfield Market	35

\* Operational staff are based at Guildhall but may work from a variety of locations

## Medium Term Plans under consideration (2025/26 and 2026/27)

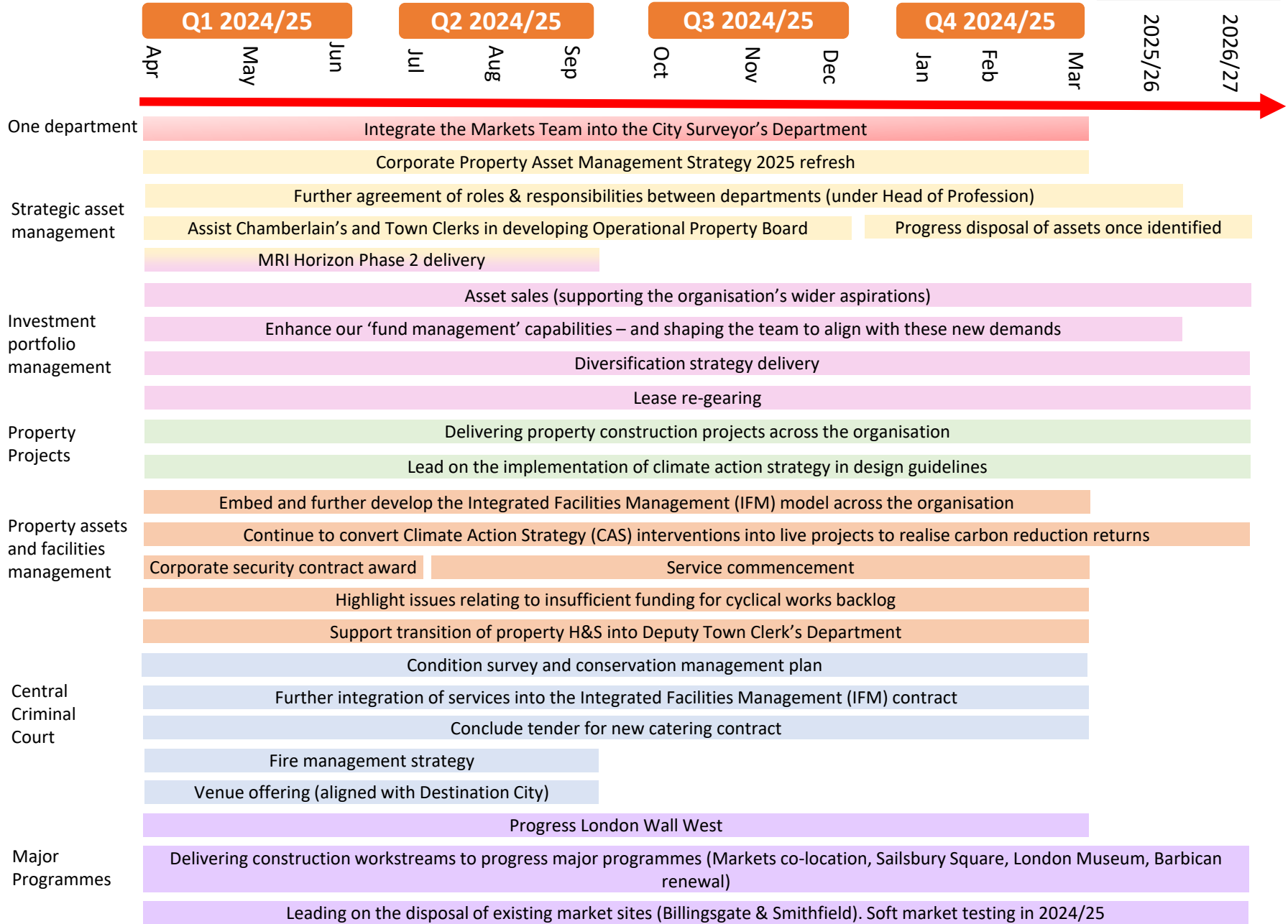
Priority list ( e.g. new legislation, services, projects, automation)	25/26	26/27	Funded or Unfunded
Climate Action Strategy (CAS) implementation	On-going		Partially funded
Guildhall Masterplan	Subject to agreement		Not funded
Barbican Renewal Programme	Subject to agreement		Not funded
Integrated Facilities Management (IFM) – develop model to consolidate general facilities management (FM)	Subject to agreement		Financial efficiencies
Operations and FM input into major programmes	Subject to agreement		Financial efficiencies

## Our Strategy and Cross-cutting strategic commitments

- Corporate Property Asset Management Strategy 2020-25
- Climate Action Strategy (CAS)
- Operational Property Review (OPR)
- Investment Property Strategy
- Facilities Management (FM) Strategy
- Property management system (OPN / Horizon)
- Consolidation of security services to create a consistent high standard
- Project and Programme Delivery (including major programmes)
- Major Asset Realisations
- People Strategy
- Destination City

# Our 2024/25 timeline planner priority workstreams and key milestones

Beyond 2024/25



# Our major workstreams this year will be

Workstream Name	Funding allocation (local risk excluding recharges and Markets Team)	People resource (excluding Markets Team)	Prioritisation category	Dependencies	Outcomes/ Impacts	KPI	Update Schedule	24/25 Target	2023/24 performance at Q2 (end September)
Strategic Asset Management (including Central Criminal Court)	42%	41%	<ul style="list-style-type: none"> <li>Duty and discretionary</li> <li>Income generation</li> </ul>	<ul style="list-style-type: none"> <li>Cross-organisational function</li> <li>Operational Property Review outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Oversight of corporate real estate</li> </ul>	Asset Realisation & additional income	Quarterly	Value TBC (subject to agreement for asset sales)	On target
Investment portfolio management	32%	9%	<ul style="list-style-type: none"> <li>Income generation</li> </ul>	<ul style="list-style-type: none"> <li>Market conditions</li> <li>Organisational requirements for capital funds</li> </ul>	<ul style="list-style-type: none"> <li>Income generation to support wider organisation</li> <li>Asset realisation to support major projects and initiatives</li> </ul>	Rental forecasts	Bi-annually	Outperformance	£103.2m, ahead of 23/24 target of £100.9m
						Minimise arrears	Bi-annually	< 2%	4.25% (1.45% excluding those with payment arrangements)
						Minimise voids	Bi-annually	< 5%	4.96%
						MSCI benchmark	Annually	Outperformance	End of year performance metric
Property projects	3%	5%	<ul style="list-style-type: none"> <li>Duty and discretionary</li> <li>Climate action</li> <li>Health and safety</li> <li>Income generation</li> </ul>	<ul style="list-style-type: none"> <li>Market conditions, particularly inflation.</li> <li>Partner departments</li> </ul>	<ul style="list-style-type: none"> <li>Project delivery</li> <li>Support to the major programmes</li> </ul>	Project risk status	Quarterly	< 30% of projects rated 'at risk'	48%
						Health and safety	Bi-annually	> 80% of H&S inspections rated good or above	91%
						Sustainability and waste management	Quarterly	> 90% of waste diverted	94%
Property assets and facilities management	23%	46%	<ul style="list-style-type: none"> <li>Duty and statutory</li> <li>Duty and discretionary</li> <li>Addresses a Risk on Corporate Risk Register</li> <li>Climate action</li> <li>Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>Availability of funds to undertake maintenance &amp; repair works</li> <li>Impact of inflation</li> </ul>	<ul style="list-style-type: none"> <li>Day-to-day management of facilities management, security, related contracts across Corporate &amp; Investment estates.</li> </ul>	Delivery of CAS milestones (Corporate Property and Landlord areas)	Quarterly	> 5% reduction in carbon	On target
						Delivery of CAS milestones (Investment Property)	Quarterly	Milestone attainment	Behind target
						Property contract performance compliance	Quarterly	> 80%	68%
Cross cutting	N/A	N/A	<ul style="list-style-type: none"> <li>Other</li> </ul>	<ul style="list-style-type: none"> <li>Inflation</li> <li>Project delivery</li> </ul>	<ul style="list-style-type: none"> <li>Efficient provision of service</li> </ul>	Adherence to budgetary spend profiles	Quarterly	95% to 105% of projected spend at end of year	Outside target

## Our People

- The department is finding it increasingly difficult to recruit property professionals at the advertised grade. Further, retention has been an increasing issue due to pay & reward disparity. This is being tracked as a departmental red risk and we are engaging with Corporate colleagues to resolve
- The department has a track record of developing apprentices and will look to build upon this success.

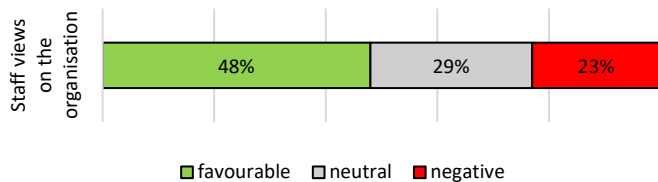
### Your Voice Matters Staff Survey (2022)

Key themes highlighted by staff:

- Improving pay and reward
- Increasing workplace flexibility
- Reducing bureaucracy
- Improving Guildhall facilities
- Building upon a positive and supportive workplace culture.

We are actively engaging with HR on the new People Strategy.

### Staff Survey Engagement Score



## Health and Safety business plan priorities

- Maintenance and Renewal of Corporate Physical Operational Assets
- Manage statutory compliance of properties and assets maintained under IFM contract
- Manage stress levels through team and individual risk assessments
- Complete fire safety works at Central Criminal Court to ensure safety of occupants
- Manage compliance with CDM Regulations in all works.
- Manage accidents and incidents and complete investigations within corporate guidance
- Complete HRB registration and create building safety case for submission to Building Safety Regulator
- Manage DSE assessments

## Equality Diversity & Inclusion

The department is committed to promoting Equalities, Diversity and Inclusion (ED&I). The department's volunteer ED&I Group has identified several actions to deliver through 2024/25 focussing on:

- Recruitment & Progression
- External Outreach
- Internal Outreach
- Volunteering

Through 2023/24 the Group has delivered numerous activities:

- Mentoring Programme – launched a mentoring programme within the department to promote staff development. This will continue through 2024/25.
- Participation in the London Careers Festival – promoting surveying and related professions to a new & diverse audience.
- Resident talk – increased understanding of how disabled customers & stakeholders interact with our organisation.
- CIOB / NLA – Engagement with the Chartered Institute of Building, to learn from industry best practice; presenting to a forum organised by the New London Architecture on our equalities journey.
- Volunteering event – organised a joint activity for the department's senior leadership team and the ED&I Group to provide services to some of the City's elderly residents.

## Partners we work with

- Key commercial partners (CBRE, ISS, Amalgamated Lifts, OCS Group, Citigen, Total Energies, Serco, etc)
- Key non-commercial partners (Local Authorities, His Majesty's Courts and Tribunals Service, etc)
- Key internal partners (Chamberlain's, Innovation & Growth, Mansion House, Town Clerk's, etc).

## Key Risks \*

	Minor	Serious	Major	Extreme
Likely		2	4	
Possible		1	4	
Unlikely				
Rare				

Risk Title	Score
Maintenance & Renewal of Physical Assets**	16
Construction Price Inflation	16
Recruitment and Retention of Property Professionals	16
Construction Consultancy Management	16
Insurance – Investment and Corporate Estate	12
Insufficient Budget to meet User and Asset Demand at Guildhall	12
Investment Strategy Risk	12
Contractor Failure	12
Energy Pricing	8
Adjudication & Disputes	8
Special Structures	6

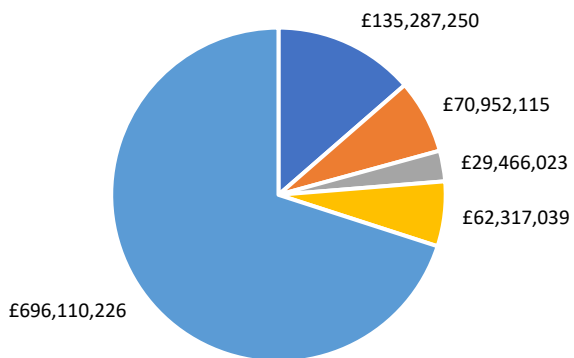
\* November 2023, \*\* Corporate Risk

## Operational Property Utilisation Assessment

Asset name	Assessment Complete?	Assessment Completion Date
Guildhall 4 <sup>th</sup> floor NW	Yes	January 2023*
Walbrook Wharf	Yes	2017 (majority let)
20-21 Aldermanbury	Yes	2020 (currently let)
Central Criminal Court (COL offices)	Yes	April 2023
Paternoster Lodge	Yes	May 2022 (currently let)
Temple Bar	Yes	May 2022 (currently let)

\*A revised assessment will be undertaken in early 2024 to account for updated British Council for Offices (BCO) guidance.

## Property Projects Group – projects by value at each Gateway stage



### Notes:

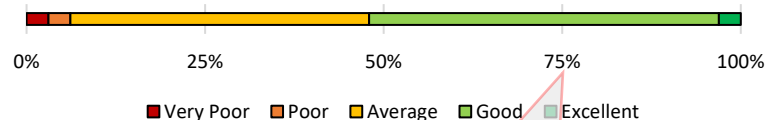
- Data includes projects which have been agreed for progress/delivery during 2024/25 (as of October 2023)
- This includes previously commenced projects, and those whose completion dates are beyond 2025
- Data includes agreed cost variations
- Barking market is included.

■ 2 ■ 3 ■ 4 ■ 5 ■ Outside of GW process, including Major Programmes

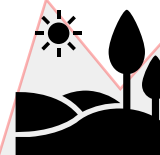
## Our Stakeholders Needs

- The department has undertaken a comprehensive “voice of the customer” survey of both our Investment and Corporate Property occupiers through 2023/24. This was undertaken through the external surveying company RealService.
- The Investment Occupier Survey showed satisfaction climb to 66%, and the net promoter score increase by 8% from 2019.
- Occupiers felt that “building managers were helpful and supportive, professional, efficient and friendly.” However, others felt that the City can be “bureaucratic” and need to be more “tenant focussed, engaged and proactive in resolving issues”.
- Results from the Corporate Occupier Survey will be available in early 2024.
- Feedback received informs the department’s priority areas for future years.

### Overall satisfaction - Investment Property Occupiers



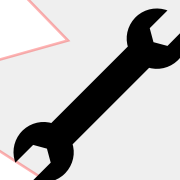
Managing the £3.0b Investment Property portfolio



Pathway to net-zero carbon is ahead of target



Ensuring 18 courts at the Central Criminal Court are available



Integrated Facilities Management delivering savings of circa 10%



Delivering 30 – 40 major construction projects concurrently



Oversee 626 built assets across our Corporate portfolio

### Our Impacts