

# DRAFT CITY SURVEYOR'S DEPARTMENT 25/26 BUSINESS PLAN

## About us:

The City Surveyor's Department (CSD) is accountable for the management of the City of London Corporation's (CoLC) 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 investment and operational portfolios via a third-generation integrated model. Additionally, it operates three wholesale food markets and ensures the smooth operation of the Central Criminal Court.

## Departmental objectives:

**Strategic Asset Management (Operational Property Portfolio Non-Housing):** Develop and implement asset management plans that align with the Corporate Property Asset Management Strategy supporting City services and the outcomes of the Corporate Plan. Maximise income and /or capital receipts arising from our operational property portfolio to support the Medium Term Financial Plan, optimise the efficiency of our operational property portfolio allocated to departments and Institutions and decarbonise to achieve carbon net zero.

**Investment Portfolio Management:** Manage the investment property portfolios (City Fund, City's Estate and City Bridge Foundation) to maximise rental income and deliver long-term performance pursuant to the Real Estate Investment Strategy.

**Property Projects:** Delivery of new build construction, fit-out, infrastructure upgrade and refurbishment projects ensuring our customer expectations are met or exceeded by ensuring focus on innovation, social responsibility, sustainability, industry standards, and achieving best-in-class value.

**Property Services (Operations Group):** Deliver best in class property services to the Corporation's varied and complex property portfolios, ensuring our buildings are fit for their purpose. Drive enhanced efficiencies through the provision of facilities management, building surveying and engineering, security and reception services and energy and sustainability management.

**Central Criminal Court:** Maintain an iconic, high quality, London court complex, that supports the Court Services and associated departments to run smoothly, working collaboratively across all operational functions in delivering facilities management (security, maintenance, cleaning, catering). Support the Shrievalty to promote the City of London and make a positive contribution to the UK. Generate further commercial event income.

**Major Disposals:** Disposal of large sites from across the City's portfolios via sales, development agreements, and corporate joint ventures with development partners. To deliver corporate objectives, such as Destination City, through the regeneration of sites or their sale to fund other priorities. Responsible for the preservation of our heritage estate portfolio, comprising of over 800 assets through strategic conservation management.

**Markets:** Provide a vital link in the food supply chain for London and the South by operating three thriving wholesale food markets, with national and international reach. Manage and provide a safe and compliant trading environment for our tenants.

## Cross Cutting objectives:

**Major Programmes:** In collaboration with the Town Clerk's Department, oversee the delivery of the Salsbury Square development (SSD), London Museum relocation, Barbican Renewal, and other strategic construction initiatives.

**Head of Profession (HOP):** The City Surveyor is HOP for Estates and Facilities Management providing Chief Officers with advice and support in delivering their property accountabilities. The Director of Markets is similarly HOP for Fleet Management. The department is actively engaging with corporate colleagues to further define and communicate roles and responsibilities under HOP.

**Corporate Strategies:** Supporting the delivery of major corporate priorities, including Climate Action Strategy (CAS) delivery, Destination City, and Equality, Equity, Diversity and Inclusion (EEDI) initiatives. Further, the department is providing significant support to the delivery of the Operational Property Review and the Natural Environment Charities Review.

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## Key Impacts

- Generated over £100m of commercial property income which is used by the organisation to deliver public value aspirations (23/24).
- The implementation of the new Integrated Facilities Management (IFM) approach has resulted in an estimated saving of £12.4m (7%) over 10 years.
- Generated £1.5m in additional new property income and achieved £4.4m in rates savings over six years, benefiting the Corporation's budgets beyond CSD. (23/24)
- Through our major programmes the department is shaping the City well into the future. This has included our work on the new London Museum site, and the new Police facilities at Salisbury Square.
- The Power Purchase Agreement solar farm generates approximately 53,500 MWh of electricity annually, meeting around 70% of the total electricity demand for CoLC.
- Property Projects Group manages 30-40 construction projects simultaneously, including the Sydenham Hill Social Housing Units, which completed all below-ground works in 2024/25.
- New Spitalfields Market supplied City Harvest with 295 tonnes of food, resulting in 705,000 meals for those in greatest need and preventing 205 tonnes of greenhouse gas emissions (23/24).
- The division manages the Old Bailey building and 18 courts, where 1,400 cases are heard annually and about 3,000 people use the facility on weekdays.

## Finance

### CSD Departmental Budget Estimate for 2025/26

	Incl City Bridge Foundation	Excl City Bridge Foundation
	£m	£m
Local Risk	35.7	32.5
Central Risk	(130.9)	(107.4)
Recharges	21.6	18.0
	(73.6)	(56.9)
<i>Included in the above</i>		
Rent/Service charge	(126.7)	(102.0)
Govt Grant for Old Bailey (Central Criminal Court)	(6.5)	(6.5)

What Medium Term action is required? (e.g. new legislation, services, projects, automation)	When? 2025/26	When? 2026/27	When? 2027/28	Is this Funded or Unfunded?
Recommencement Guildhall Refurbishment Project			x	Unfunded
MRI Horizon Version 11 upgrade	x			Unfunded

### Priorities and plans being considered in the medium term

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## Workstreams

Priority Workstream	Corporate Plan 2024-2029 Outcomes	Outcome focused Performance measures	Outcomes / Impacts
<b>Strategic Asset Management (Operational Property Portfolio Non-Housing)</b>			
Develop new property income, savings and capital receipts arising from the operational property portfolio (ongoing)	<ul style="list-style-type: none"> <li>Dynamic Economic Growth</li> </ul>	Capital receipts, additional income and savings (£TBC)	Generation of income and capital to support the Medium-Term Financial Plan.
Management of <ul style="list-style-type: none"> <li>Guildhall and Walbrook Wharf complexes (ongoing)</li> <li>Central Criminal Court (ongoing)</li> </ul>	<ul style="list-style-type: none"> <li>Vibrant Thriving Destination</li> <li>Flourishing Public Spaces</li> </ul>	Adherence to Budgetary Spend Profile (within 2% of profile)	Supporting the efficient delivery of services by building occupiers.
Develop further commercial event income at Central Criminal Court.	<ul style="list-style-type: none"> <li>Providing Excellent Services</li> <li>Vibrant Thriving Destination</li> </ul>	Increase event income generation by 10% (25/26)	Assist in offsetting local risk budget expenditure.
<b>Investment Portfolio Management</b>			
Deliver Investment Strategy <ul style="list-style-type: none"> <li>Asset sales to support organisations wider aspirations (ongoing)</li> <li>Manage City Fund and City's Estate and to achieve investment targets (ongoing)</li> <li>Align assets with growth income (ongoing)</li> <li>Drive the implementation of CAS policies in support of corporation objectives (ongoing)</li> <li>Improve capital and management efficiency (ongoing)</li> <li>Support delivery of major projects (ongoing)</li> <li>Implement revised team structure to grow capacity and capability (September 25)</li> </ul>	<ul style="list-style-type: none"> <li>Dynamic Economic Growth</li> <li>Leading Sustainable Environment</li> </ul>	Achieve Budgeted Rental Forecasts (£tbc) <u>Fund Performance (Annual)</u> Outperform MSCI over 5 -year rolling periods <b>Total Return CPI + 3.0% net of costs over ten-year rolling periods (City Fund)</b> <b>Total Return CPI + 4.0% net of costs over ten-year rolling periods (City's Estate)</b> <b>Total Return CPI + 4.0% net of costs over ten-year rolling periods (City Bridge Foundation)</b> Minimise Arrears (untreated) (under 2%) Minimise Voids (under 5%) Energy Use Intensity (EUI) (4% reduction Q4 25/26)	<ul style="list-style-type: none"> <li>Generation of rental income in line with inflation to support delivery of the Medium-Term Financial Plan.</li> <li>To realise capital or reinvestment to support major projects and initiatives.</li> <li>Diversification Strategy delivery (City Fund).</li> <li>To contribute to the CAS by achieving Energy Performance Certificate (EPC) C ratings for directly managed properties in the portfolios by 2027 and EPC B by 2030 and net zero emissions across the investment portfolio by 2040.</li> </ul>

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<b>Property Projects</b>			
Delivering property construction projects across the organisation such as - <ul style="list-style-type: none"> <li>• Completion of Sydenham Hill (Oct 25)</li> <li>• Completion of Central Criminal Court infrastructure project (Dec 24)</li> <li>• Completion of Eastern Base City of London Police (CoLP) (Sept 26)</li> </ul>	<ul style="list-style-type: none"> <li>• Providing Excellent Services</li> </ul>	Capital Projects Risk Delivery Status (<30%) Capital Projects Delivery – Health and Safety (80%) Adherence to Budgetary Spend Profiles (projects) 95% - 105%	Projects are delivered on time, to budget and to the standard required and compliance with regulations and where possible meet sustainability targets.
Lead on the implementation of CAS in design guidelines <ul style="list-style-type: none"> <li>• Commence soft landings projects (Jul 25)</li> <li>• Continued integration of the standards (Jul 26)</li> </ul>	<ul style="list-style-type: none"> <li>• Leading Sustainable Environment</li> </ul>	Capital Projects Delivery – Site Sustainability and Waste Management (>90%)	Contribute to the CAS by achieving Energy Performance Certificate (EPC) B ratings, BREEAM (excellent ratings on refurbishments) and 60% emissions reduction by 2040.
<b>Property Services (Operations Group)</b>			
Embed and further develop the IFM model across the organisation (ongoing) Commence SSD proposal (Q4 25/26) Identify disparate areas of FM with a view to add into IFM (ongoing)	<ul style="list-style-type: none"> <li>• Providing Excellent Services</li> <li>• Leading Sustainable Environment</li> </ul>	Property Contract Scorecard Performance (greater than 80%) Net Promoter Score for end-users (greater than 8 out of 10)	Management of facilities management across the CoLC and CoLP property portfolios. Achievement of IFM savings to support the delivery of the Medium-Term Financial Plan.
Delivery of the backlog of Cyclical Works Programme (CWP) over 5-year period Commence delivery as part of year 2 of the programme addressing priorities (Q1 25/26 and then ongoing until 28/29)	<ul style="list-style-type: none"> <li>• Providing Excellent Services</li> <li>• Leading Sustainable Environment</li> </ul>	CWP Programme Adherence to Budgetary Spend Profile (TBC)	Significant improvements to internal/external fabric of CoLC property portfolio (excluding Housing). Reduction of maintenance and utility costs, threat of legal action by tenants or asset failure.
Corporate Security - to ensure safe and secure environments & buildings (ongoing) Standardisation of service across both in-house and outsourced security provision (Q1 25/26)	<ul style="list-style-type: none"> <li>• Providing Excellent Services</li> </ul>	95% of Security Staff on the Contract to have completed ACT Awareness training or future/ equivalent	Management of security across the CoLC and CoLP property portfolios. Customers, colleagues and building users will all experience the same level of service.

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<p>Support the delivery of the CAS (2027 and 2040) in line with the CAS pathway to net zero (2027 and 2040) - specifically decarbonisation of operational assets</p> <p>Include backlog CWP energy related items as a priority</p> <p>Optimise the usage of the project procurement framework and the integrated FM delivery as a delivery model</p>	<ul style="list-style-type: none"> <li>• Providing Excellent Services</li> <li>• Leading Sustainable Environment</li> </ul>	<p>Delivery of CAS milestones-operational estate (5% reduction)</p> <p>Energy Use Intensity (EUI) Kwh/m2 investment estate (4% reduction Q4 25/26)</p>	<p>To support the implementation of the CAS across the City's operational and investment estates by continuing to convert CAS interventions into live projects to realise carbon reduction returns.</p>
<b>Markets</b>			
<p>Ensure the efficient management of all market sites (ongoing)</p> <p>Waste and cleansing contract at New Spitalfields Market &amp; Billingsgate (Q4 26)</p>	<ul style="list-style-type: none"> <li>• Providing Excellent Services</li> <li>• Leading Sustainable Environment</li> </ul>	<p>Each market's outstanding debt as a percentage of their total invoice income (1.5% or lower)</p> <p>Maintain a minimum Market Occupancy (95% or greater)</p>	<p>Efficient management of sites, supporting tenants in the delivery of their services.</p> <p>Support the organisation's Medium-Term Financial Plan.</p> <p>Reduce general waste tonnage while increasing recycling and reuse tonnage.</p>
<b>Cross Cutting Objectives</b>			
<p>Construction Workstreams:</p> <ul style="list-style-type: none"> <li>• Salisbury Square structural frame complete (Q3 25/26)</li> <li>• Museum of London market soft opening (Q3 25/26)</li> <li>• Barbican Renewal (initial phases 25/26)</li> </ul>	<ul style="list-style-type: none"> <li>• Drive economic Growth</li> <li>• Vibrant Thriving Destination</li> <li>• Flourishing Public Spaces</li> </ul>	<p>Support of programme milestones reported at Chamberlain's Assurance Board</p>	<p>Support to the Destination City programme.</p> <p>Supporting CoLC aspirations.</p>
<p>Site Disposals</p> <ul style="list-style-type: none"> <li>• London Wall West (COIL completed by 2025 dependent of DCMS, vacant possession 2027 completion targeting 2028)</li> <li>• Billingsgate and Smithfield (Strategy TBC)</li> <li>• Salisbury Square (1 Queen Victoria Street 27/28, Mayors Court 27/28 and completion of the new JCCR (TBC). Report to be submitted to Capital Buildings Board by Q1 25/26)</li> </ul>	<ul style="list-style-type: none"> <li>• Drive Economic Growth</li> </ul>	<p>Support of programme milestones reported at Chamberlain's Assurance Board</p>	<p>Support to the Destination City programme.</p> <p>Support to the Medium-Term Financial Plan.</p>

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## Enablers

<p><b>People</b></p> <p>The department comprises of 410.4 FTE</p> <ul style="list-style-type: none"> <li>Gender: 28% female and 72% male compared to the Corporation where 51% female and 49% male.</li> <li>Disability: 3% of CSD staff state that they have a disability compared to 4% of Corporation staff.</li> </ul> <p><b>Your Voice Matters Staff Survey 2024</b></p> <ul style="list-style-type: none"> <li>Participation score:72%</li> <li>Engagement score: 62%</li> </ul> <p><b>Departmental Action Plan</b></p> <ol style="list-style-type: none"> <li>Increase the visibility of CSD Senior Management Team and wider Management Team</li> <li>Introduction of new feedback channels</li> <li>Provision of a clear vision of the overall direction of the department to staff</li> </ol>	<p><b>Equity, Equality, Diversity &amp; Inclusion (EEDI)</b></p> <p>The department's volunteer EDDI Group has identified several actions drawing from best practice and departmental demographics to deliver on the following themes:</p> <ul style="list-style-type: none"> <li>Recruitment and Progression,</li> <li>External Outreach,</li> <li>Internal Outreach,</li> <li>Volunteering.</li> </ul> <p><b>EEDI Action Plan 25/26</b></p> <ul style="list-style-type: none"> <li>Further embedding inclusion and well-being across CSD. (Inclusive &amp; Trustworthy Leadership)</li> <li>Engage with Chartered Institute of Building (CIOB) or /Royal Institute of Surveyors (RICS) to deliver a Careers Festival (or similar initiative) to promote surveying and related professions to a diverse audience. (Inclusive &amp; Diverse Community)</li> <li>Delivering a series of EEDI lunchtime talks for CSD staff and key stakeholders across the Corporation. (Inclusive &amp; Diverse Community)</li> </ul>														
<p><b>Risks</b></p> <table border="1"> <thead> <tr> <th>Risk Title</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>SUR SMT 017 - Markets Parliamentary Bill</td> <td>Red 16</td> </tr> <tr> <td>CR 37 - Maintenance and Renewal of Corporate Physical Operational Assets (excluding housing assets)</td> <td>Red 16</td> </tr> <tr> <td>SUR SMT 005 - Construction and Service Contracts Price Inflation beyond that which was anticipated or planned</td> <td>Red 16</td> </tr> <tr> <td>SUR SMT 006 Construction Consultancy Management</td> <td>Red 16</td> </tr> <tr> <td>SUR SMT 009 - Recruitment and retention of property professionals</td> <td>Red 16</td> </tr> <tr> <td>SUR SMT 011 - Contractor Failure</td> <td>Red 16</td> </tr> </tbody> </table>	Risk Title	Score	SUR SMT 017 - Markets Parliamentary Bill	Red 16	CR 37 - Maintenance and Renewal of Corporate Physical Operational Assets (excluding housing assets)	Red 16	SUR SMT 005 - Construction and Service Contracts Price Inflation beyond that which was anticipated or planned	Red 16	SUR SMT 006 Construction Consultancy Management	Red 16	SUR SMT 009 - Recruitment and retention of property professionals	Red 16	SUR SMT 011 - Contractor Failure	Red 16	<p><b>Health &amp; Safety (H&amp;S)</b></p> <p>Embed and improve our Safe365 scoring to improve H&amp;S assurance across CSD and to continually improve and maintain high standards of H&amp;S provision.</p> <p><b>Property</b></p> <ul style="list-style-type: none"> <li>Maintenance and Renewal of Corporate Physical Operational Assets to ensure building safety (operation/occupation).</li> </ul> <p><b>People</b></p> <ul style="list-style-type: none"> <li>Mitigate accidents and incidents through completion of regular risk assessments and application of lessons learnt.</li> <li>Well-being of staff through DSE and managing stress levels through individual risk assessments.</li> </ul> <p>The City Surveyor's Departmental H&amp;S Group is currently addressing the areas identified for improvement by the recent H&amp;S 365 audit. The target is aligned to the corporate objective, of increasing the overall CSD score of 53% to more than 65% by March 2025.</p>
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<p><b>Operational Property</b></p> <p>All CSD operational properties have been assessed as utilised during December 2024.</p>															