

Committee(s):	Date(s):	Item no.
Planning & Transportation Committee	26 th October 2010	
Policy & Resources Committee	18 th November 2010	
Subject: Lime Street area - evaluation report	Public	
Report of: City Planning Officer	For Decision	
<u>Summary</u>		
<p>This evaluation report seeks approval for environmental enhancements in the Lime Street area, within the City's Eastern City Cluster that are funded by a Section 106 Agreement connected to the development at 20 Fenchurch Street. In line with the 20 Fenchurch Street Strategic report approved by Members at Streets & Walkways Committee in May 2008, a preferred Option has been prepared for approval at this Committee, to cope with greatly increased pedestrian movements within this concentrated area.</p> <p>The proposed enhancements comprise environmental and functional enhancements: increasing footway space on Lime Street; creating a new public space and pedestrian area on Cullum Street; repaving footways on Leadenhall Place; investigating measures to better manage vehicle use of Lime Street during peak times; and creating a new part-raised carriageway on Lime Street and Leadenhall Place.</p> <p>The enhancements would provide a safer and more accessible environment to cater for the current and future expected pedestrian working population, and improve the effective functioning of the business City and a key retail area. The proposals are consistent with the demands of the local community and businesses, Corporate objectives, the special interest of the Conservation Area and environmental enhancement schemes elsewhere in the Eastern City Cluster.</p> <p>The total available fund for street scene enhancement works is £1,300,095, the total estimated funds to be utilised in this scheme is £659,126 (including consultation on a timed traffic closure and 20% contingency), which would leave £97,500 for a previously approved enhancement project and £543,469 remaining for future stand alone projects elsewhere within the LEIW area. All works would be fully funded from the Agreement using the external funds mentioned above, and including revenue costs for 5 years establishment of planting and cleansing. Full financial implications can be found in Table 1 (p.11) and Appendix E (p.21).</p> <p>Recommendations b) and c) would only be taken forward once implementation of the development is confirmed. The City is awaiting confirmation from the developer of when the development will commence; no date has yet been set.</p> <p>The Chamberlain has summarised the main financial implications and set out certain key issues for consideration at this evaluation stage in paragraphs 66 and 67.</p>		
Recommendations		
It is recommended that Members:		

- a) Endorse the Option B preferred design for the Lime Street, Cullum Street and Leadenhall Place at a cost of £659,126, subject to a detailed design report for future Member approval and the investigation into and making of any necessary traffic orders.
- b) Approve a consultation on measures to better manage vehicle use of Lime Street by City officers, the results of which are to be reported to Committee on completion of the design report.
- c) Approve the preparation of a design report for Option B at a cost of £27,000 to be met from the advance receipt of S106 monies for the 20 Fenchurch Street development, only to be commenced when implementation of the 20 Fenchurch Street development is confirmed and all Local Environmental Improvement Works funds due under the agreement have been received.

Background

1. This committee report presents the outcomes of the evaluation of environmental enhancements to the public realm in the Lime Street area. Environmental enhancements in this area are to be fully funded by a Section 106 Agreement signed on 06 October 2009.
2. The focus of the environmental enhancement proposals is a key area within the Leadenhall Street Principal Shopping Centre and the Eastern Cluster character area. It is adjacent to Leadenhall Market and supports a mix of business, retail and leisure functions.
3. Planning permission was originally granted for a development at 20 Fenchurch Street on 9th July 2007. The accompanying Section 106 Agreement allocated £1,795,793 for Local Community Facilities and Environmental Improvements. Of this, £501,763 was for Local Environmental Improvement Works (LEIW), with first consideration given to works of improvement to the footways adjoining the Site and the pedestrianisation of Lime Street and Cullum Street, and £750,000 was allocated for works connected with the Riverside Strategy.
4. An advance Section 106 payment of £179,433.63 was made, of which £125,176 was allocated as follows:
 - £50,176 was allocated towards evaluation of the pedestrianisation of Lime Street and Cullum Street (10% of LEIW payment)
 - £75,000 was allocated to the Riverside Walk enhancement strategy (10% of the Riverside Strategy payment). This allocation was under Chief Officer approval and the sum has been fully spent
5. A second planning permission for the redevelopment of 20 Fenchurch Street was granted on 6th October 2009. The accompanying Section 106 Agreement superseded the first Agreement and allocated £2,037,224 for Local Community Facilities and Environmental Improvements. £1,143,224 is now for LEIW, to be spent within the LEIW Area (Appendix A). This increased payment incorporates the £500,000 originally earmarked for the Mansell Street Community Centre, as that proposal was progressed using alternative S106 funds. The remaining amount is allocated as follows: £750,000 for the Riverside Strategy, £100,000 for improvements to St Mary-at-Hill Church Garden, and £44,000 for Air Quality Monitoring.
6. First consideration remained for the improvement of the footways adjoining the Site and to the pedestrianisation of Lime Street and Cullum Street. A further £24,288.77 was transferred to the City as an advance contribution, yielding an overall total advance payment of £203,722.40, of which £76,875 now remains.
7. Please note only the advance payment totalling £203,722.40 has been received so far. Please see Appendix E for full details of received and available monies for environmental enhancement works.
8. Officers are using the remaining £76,875 from the advance payment to identify opportunities and priorities for future environmental enhancement projects within the

LEIW and Additional Street Scene Improvements areas, to ensure best use of available resources in this area by guiding future investment of developers' Section 106 funds. A strategy report prioritising projects in the LEIW and Additional Street Scene Improvements areas is planned to be submitted to Members for approval in the winter. Any unspent monies from this exercise will be transferred to the environmental enhancement works budget.

9. Members at Streets & Walkways Committee and Finance Committee noted in the 2008 Strategic Report that £97,500 of the full LEIW payment once received is to be committed towards implementing environmental enhancement improvements to the 'Junction of Monument Street/Lower Thames Street', and this remains officers' objective.
10. The Section 106 Agreement also includes a requirement for a Section 278 Agreement to a maximum value of £671,593 plus any interest and indexation accrued, and reparation costs, comprising:
 - Additional Street Scene Works to a maximum value of £285,593
 - Philpot Lane Works to a maximum value of £100,000
 - Eastcheap Pedestrian Crossing Works to a maximum value of £246,000
 - Bus Stop Improvement Works to a maximum value of £40,000
 - Highway Repairs Works to be valued according to works undertaken
11. Please note that should the City not want any of the above works to be undertaken, the developer will pay the City the equivalent sum that can be used for environmental enhancement or transport improvements in the vicinity. Please also note there is no confirmed commencement date for construction of the development, As such the Section 278 has not yet been entered into, and there is no set date for when the full LEIW payment or the Section 278 monies will be received.
12. Separate environmental enhancement works are being taken forward at the junction of Lime Street and Fenchurch Avenue, in Billiter Street and in Billiter Square by City officers, funded from the Section 106 Agreement connected with the recent development at 51 Lime Street (Appendix E); and in Great St Helen's and Undershaft in connection with the Pinnacle development (22-24 Bishopsgate), which are the focus of another report at this Committee. The introduction of two-way traffic along Billiter Street, Fenchurch Avenue and Lime Street (between Fenchurch Avenue and Leadenhall Place) is also fully funded from the 51 Lime Street Section 106 Agreement.
13. Officers will ensure works in Lime Street and Cullum Street integrate with and are consistent with enhancements delivered and proposed in connection with 51 Lime Street and 22-24 Bishopsgate developments.

Evidence of need

14. New, high-density developments in the Eastern Cluster character area such as 20 Fenchurch Street, 122 Leadenhall Street and 22-24 Bishopsgate (the Pinnacle) will

contribute to an internationally-recognised quarter of tall buildings. These developments will change the nature of street level activity; the City's working population is expected to rise from 306,000 in 2005 to 382,000 by 2016, 390,000 by 2021 and 398,000 by 2026.

15. According to the Transport Assessment, the development at 20 Fenchurch Street will bring a further 2,300 daily visitors to the area. Over 95% will travel to the building via public transport, bicycle and on foot. Commuters will use underground, DLR and railway stations surrounding the site, meaning that the surrounding area as a whole will become busier.
16. Currently this part of the Eastern Cluster has a mix of retail and leisure uses, focused around the Leadenhall Market Principal Shopping Centre. Leadenhall Market is a popular route for local workers travelling to Lloyd's, Willis, 30 St Mary Axe and other nearby high-density office buildings, and the Market is a popular business lunchtime attraction. However, Lime Street and Cullum Street do not have a sufficient balance of footway and carriageway space that enables pedestrians and vehicles to navigate through the area safely, and in a fully accessible manner, or that meets the policy and strategic objectives outlined in the Strategic Implications section below.
17. Specifically, Lime Street has narrow mastic asphalt footways with high kerbs. There is a lack of accessible dropped kerbs or raised tables throughout the area. The carriageway takes up the majority of Lime Street, however the majority of users of Lime Street are pedestrians and it is only lightly trafficked by vehicles. Observed pedestrian and vehicle use indicates that the public realm is currently imbalanced towards vehicle space at the expense of access and safety for pedestrians. Significant numbers of pedestrians have to walk in the carriageway, sharing it with vehicles, in morning, lunch and evening peak times, creating a safety issue now which will increase over time.
18. Cullum Street has narrow mastic asphalt footways. The majority of daytime users are pedestrians yet, like Lime Street, most of the space is taken up by carriageway that is infrequently used by vehicles. Many larger vehicles cannot turn the tight corners along Cullum Street.
19. These parts of Lime Street and Cullum Street lie within the Leadenhall Market Conservation Area and a key shopping area within the City. The streets need a good quality and well-functioning public realm to support their historic and busy character. Cullum Street and Lime Street support a number of office, retail and eating/drinking establishments but the street environment does not provide fully accessible routes for pedestrians to enter into the shops easily. Compared to Leadenhall Market, this part of the Principal Shopping Centre is difficult to navigate and so less attractive to potential customers. There is recorded demand for seating opportunities in Leadenhall Market but a current lack of such facilities.
20. The poor quality pedestrian environment detailed above creates a poor quality City business environment. This could lead to inefficient functioning of the business City and a lack of improvement could lead to adverse implications for road safety.
21. As a result of these identified needs, the applicant for the development at 20 Fenchurch Street and City officers agreed environmental enhancements to Lime Street/Cullum

Street as a priority for enhancement works in this area, along with the footways adjoining the development.

Options

22. In line with the provisions in the Section 106 Agreement, landscape architects Gross Max were contracted to develop proposals to provide an appropriate public realm for current and expected future increase in pedestrian numbers and land use, taking into account the identity of the area. The proposals aim to meet Corporate objectives and improve the safety and accessibility of the environment through interventions such as improving the function of the area, making it easy for pedestrians to travel through the area, mitigating conflict between vehicle, cycle and pedestrian traffic and making the area an attractive and safe environment to use.
23. Officers and consultants considered what standard City materials would be appropriate given the current economic climate; the historic, special interest and profile of the area; and the acknowledged benefits in attracting commercial occupiers of ensuring the public realm reflects the quality of the surrounding buildings. As the project area lies within Lime Street Conservation Area, and within a key retail and business area within the focal area for business investment, it was concluded York stone on footways and asphalt on the carriageway would best meet the needs of the area and local businesses, provide a fully functioning and maintainable environment and represent best use of available resources.

Option A: Do nothing

24. Do nothing. No works would be carried out.

Option B: Preferred option (Appendix C)

25. Option B would include physical enhancements and the investigation of a timed traffic closure on Lime Street to deliver a safer, more accessible and efficient pedestrian environment that would enhance the local historical and retail environment. This would improve the public realm to a standard appropriate to the Conservation Area, the Principal Shopping Centre and the Eastern City Cluster character area.
26. **Lime Street:** Both footways would be repaved in York stone. The southern footway would be widened to an average of 3m between Lime St Passage and Leadenhall Place (an increase on average of 1.5m), meaning an increase in footway space of 124sqm and integration with enhancement work at the north end of Lime Street. Dropped kerbs would enable fully accessible pedestrian movement between Leadenhall Market and Cullum Street. A new loading bay would be added on the southern footway to facilitate vehicle loading on Lime Street and Cullum Street. Bollards will be installed to protect the footway from vehicle overrun. A tree would also be installed on the southern footway to signal the entrance to the new public space (details below), provide a landmark and amenity, and soften the environment.
27. **Lime Street/Cullum Street public space:** A new pedestrian-only public space would be created at the junction of Lime Street and Cullum Street. Individual seating would be introduced which is in great demand in the area, and planting would soften the space and maximise the amenity and attractiveness. The public space would be paved with a

combination of black granite edging, plain York stone and York stone with a sandblasted pattern finish depicting a Roman floral wall plaster discovered from the ruins of a high status building in Lime Street thought to be from the 2nd Century AD. The new space would deliver a 20m x 10m pedestrian-only space, increasing the pedestrian area by 91sqm.

28. **Cullum Street:** The western half of Cullum Street would be pedestrianised and paved in York stone, combining with the new public space to form a fully accessible pedestrian retail space fronted by retail units, linking with the covered passage under 34 Lime Street. This would provide a new walking environment for pedestrians and shoppers, increasing the available walking space from two 1.5m footways with high kerbs to one 5.5m footway on a single level, and increasing the available pedestrian space by 62sqm. Three planters would line the pedestrianised street to link visually to the public space and provide greenery. Bollards would prevent vehicle overrun onto the footway. The south-eastern half of Cullum Street would retain a vehicle carriageway and enable access to existing service entrances, with footways slightly reduced, repaved in York stone and drop-kerbs incorporated to maximise ease of pedestrian movement. Initial traffic studies have concluded the impact of pedestrianisation on traffic in the area would be low. Vehicle tracking studies have shown that with small alteration to the existing footway, refuse service vehicles would be able to drive forwards into Cullum Street, turn and drive forwards out onto Fenchurch Street in a safe manner. It should be noted the proposed pedestrianisation would be subject to the making of necessary traffic orders restricting vehicular access from the western half of Cullum Street. The making of an order would be subject to statutory consultation. Responses would be considered before any final decision is made. Should any objections be made that are not satisfactorily addressed, the determination of the making of such an order would be reported to your Committee.
29. **Leadenhall Place:** The footways would be repaved in York stone to integrate with Lime Street, provide a new entrance to Leadenhall Market and integrate with environmental enhancement works occurring further north on Lime Street, Fenchurch Avenue, Fen Court, Billiter Square and Billiter Street. Drop-kerbs would be introduced with bollards to maximise accessibility and protect the footways from vehicle overrun.
30. **Timed closure:** Officers would carry out a consultation with the local business community to investigate the feasibility of a timed closure preventing vehicles using Lime Street south of Leadenhall Place during times of peak pedestrian flow. The findings would be reported to Members at a future Committee for decision on whether a timed closure, or an alternative method of traffic regulation, would be beneficial in this location.
31. The cost of Option B is estimated at £659,126 including £109,854 contingency.
32. **Contingency:** These works are limited to the first area within the LEIW area as a stand alone project, as per the first consideration stated in the Section 106 Agreement. If unspent, the 20% contingency would be allocated to resurfacing and part-raising the carriageway along Lime Street. This would provide a greater visual and physical link through the Leadenhall Market Principal Shopping Centre for pedestrians that is easily identifiable to vehicle users, further improving access for pedestrians across the Principal Shopping Centre. Although this element would improve the functioning of Lime Street and Leadenhall Place, particularly making Cullum Street more accessible

for pedestrians, it is considered a more effective use of funds only to proceed with this if the more significant aspects of the proposal listed above have been delivered successfully. This will ensure best allocation of the LEIW payment for further enhancement schemes in the area.

Option C:

33. Option C comprises the same physical enhancements as Option B, with the amendment below:

- **Cullum Street:** The junction with Lime Street will be closed off, creating a new public space. However, the western half of Cullum Street would not be pedestrianised. The footways would be repaved in York stone, dropped kerbs would be introduced to ensure full pedestrian accessibility but no planters would be installed due to the narrowness of the footways.

Proposal - Preferred Option B

34. Option B is considered the preferred option to meet the needs of an increasing pedestrian working population within the City's business environment, whilst catering for vehicles and surrounding land uses. The physical enhancements and a timed traffic closure, if supported by stakeholders, would have a corresponding positive impact on the efficient functioning of the business City, easing pedestrian movement and creating a more comfortable and pleasant environment.

35. The 'do nothing' Option A is not considered appropriate. It would not fulfil the City's obligations under the Section 106 Agreement, and all relevant monies from the 20 Fenchurch Street development plus interest accrued would need to be returned. It would not help the City meet its Corporate objectives when rival global financial centres such as New York and Tokyo are actively seeking to improve their attraction for inward investment through public realm and environmental improvement projects such as new green corridors and investment in green infrastructure.

36. Option C would improve the pedestrian environment on Lime Street and within the Leadenhall Market Principal Shopping Centre. The lack of a pedestrianised route along part of Cullum Street would provide vehicle access closer to the retail and business units along that frontage. However, vehicles would not be able to turn and would have to reverse in or out, and pedestrians and vehicles might end up competing for the same space. It would preserve narrow footways on either side and would prevent planters from being introduced. The design would prevent a fully accessible and joined-up pedestrian circuit from being formed that links visually and physically with Leadenhall Market.

37. Option B is considered most appropriate as:

- The design would improve pedestrian safety and pedestrian movement
- The function of the public realm would be improved with dropped kerbs providing fully inclusive pedestrian access, mitigation of conflict between pedestrians and vehicles and sufficient space for provided for vehicle and cycle use

- The design would enable the area to cope with expected future increases in the pedestrian working population in the locality as a result of numerous developments, including 20 Fenchurch Street
 - The timed traffic closure, if supported, would close a large part of Lime Street during peak pedestrian hours, significantly improving pedestrian movement in this busy shopping street and reducing the chances of collisions or casualties.
 - The design would contribute to the vitality and viability of the Leadenhall Market Principal Shopping Centre by creating a linked pedestrian environment throughout the area
 - The design would provide a fully accessible, new public space in a busy area where there is high demand for public space and limited existing opportunities for sitting and socialising
 - The design would deliver an environment appropriate to the Conservation Area, one of the main retail areas the City and in a high-profile business centre
38. It is considered that this design will deliver benefits to the public and to local businesses in an area that is currently well-used by the local population, but that is not functioning efficiently due to the existing balance of footway and carriageway. As paragraph 23 above states, York stone is considered appropriate to this area given its location within a Conservation Area, and a key retail and business area. The scheme presents a complete and linked pedestrian environment that would enable the smooth flow of pedestrians through the area to their offices, shops and other businesses.

Timed Closure

39. Regarding a potential timed traffic closure, indications are that the levels of vehicle traffic along Cullum Street and Lime Street during the day is very low. Lime Street was also closed to traffic for over two months during the construction of 20 Lime Street. There are also benefits to local businesses of managing traffic on these roads, as has been experienced in other parts of the City.
40. Officers have engaged with key local employers Lloyds and Willis, and the managers of Leadenhall Market to draw out any issues that might face them from a timed closure. Their initial responses confirmed that they saw merit in such a proposal, but that a full consultation was needed to assess the views of the wider community and to ensure the community is aware of the implications on their business operations. Therefore, it is proposed that a timed closure is investigated further by means of a consultation exercise. The results would then be reported to Members.

Financial Implications

41. The environmental enhancement proposal outlined above in the proposals section will be fully funded by the 20 Fenchurch Street Section 106 Agreement, as listed in paragraphs 3-7 above. Members are reminded that the total potential funding available for environmental enhancement and related highways works is £1,143,224 excluding current estimates of indexation and interest.

42. The total advance payment received is £203,722.40, of which £128,722 was allocated for LEIW. £50,176 was spent on the evaluation of Lime Street and Cullum Street environmental enhancement, comprising £26,209.45 professional fees and £23,966.55 staff costs. Excluding advance payments for LEIW, there is a current balance of £1,014,502 for environmental enhancement and related highway works.
43. Indicative cost estimates have been provided at this stage (please see Table 1 below). The approximate cost of implementing the recommended proposals outlined in this report to £659,126. From the overall budget available, this leaves £355,376 for LEIW. Combining this sum with £285,593 available for Additional Street Scene Improvements, and less the £97,500 allocated to the 'Junction of Monument Street/Lower Thames Street' enhancement (paragraph 9), this amounts to £543,469 in total for future environmental enhancement projects plus interest and indexation accrued, in the vicinity of 20 Fenchurch Street development (please see Appendix E for a financial summary). This sum may increase if the City decides not to progress any of the Section 278 works listed above and in Appendix E.
44. In January 2005, the Finance Committee, when considering a report relating to another Section 106 agreement, was concerned at how the potential for a scheme costing more than the approved budget would be managed. The Committee added the following to the recommendation, which takes into account the manner in which it is intended to manage risk on such schemes:

“That only 80% of the budget be initially committed to the works so that a contingency of 20% of the budget remains to protect the Corporation of London from any risk if the scheme were to over-run, but that contingency fund be spent towards the end of the project if it has not been used.”
45. A 20% contingency has been included in Table 1. These works are limited to the first area within the LEIW area as a stand alone project, as per the first consideration stated in the Section 106 Agreement. It is proposed that the 20% contingency (£109,854) if unspent, would be allocated to laying a new part-raised carriageway along Lime Street and Leadenhall Place.

Table 1: Guideline Cost Estimate (Option B) (July 2010 prices)

Description	Value (£)
Design report	
Fees:	
Design fees	5,000
Surveys	4,000
Staff Costs:	
Environmental Services Staff Costs	3,000
Open Spaces Staff Costs	2,000
Planning & Transportation Staff Costs	7,000
Sub-total	21,000
Revenue	
Public consultation on timed closure	3,000
Planning & Transportation Staff Consultation Costs	3,000
Sub-total (design)	27,000
Capital works	
Works:	
Site preparation and hard landscaping works	305,270
Drainage/ utilities	44,500
Street furniture	33,415
Lighting	10,000
Soft landscaping	9,062
Traffic management	12,000
Timed closure	10,000
Sub total (works)	424,247
Fees:	
Design fees	10,000
Traffic orders	7,200
Traffic management	3,000
CDM Coordinator	3,000
Staff Costs:	
Environmental Services Staff Costs	25,500
Open Spaces Staff Costs	2,500
Planning & Transportation Staff Costs	26,500
Sub total (fees and staff costs)	77,700
Sub-total	501,947
Revenue	
Open spaces maintenance (5 years)	3,325
Environmental services maintenance (5 years)	17,500
Sub-total (Revenue)	20,325
Sub-total	549,272
Contingency @ 20%	109,854
TOTAL	659,126

46. Options incorporating York stone paving have been proposed in recognition of the standard City approach in high profile areas such as this (the area lies within Leadenhall Market Conservation Area, Leadenhall Market Principal Shopping Centre and the Eastern City Cluster), where there is a need for the public realm to both match the performance and quality of nearby commercial office space and meet strategic Corporate objectives, taking account of the global context. Works to the carriageway would be carried out in asphalt, also a standard City approach, rather than more costly materials such as granite.
47. Officers have developed the above options using a combination of standard materials to deliver an appropriate enhancement project that:
- Would be consistent with the primary consideration stated in the Section 106 Agreement
 - Would integrate physically with Leadenhall Market and enhancement works in the vicinity, providing a continuous enhanced public realm between Fenchurch Street and Leadenhall Street
 - Would preserve LEIW funds for other priority LEIW projects within in the specified area (Appendices A and B). It is considered the delivery of multiple LEIW enhancement projects according to their priority would ensure a most efficient allocation of resources and best meet Corporate objectives
48. Fees and staff costs total £101,700 - 24% of the works cost. These staff costs and fees include provision for consultation over a possible timed traffic closure, part-pedestrianisation of Cullum Street and detailed design, as well as the increase arising from a review of staff costs chargeable to externally funded projects in 2008. Although implementation of the contingency (part-raising of the carriageway on Lime Street and Leadenhall Place) would incur further staff costs, these would be a significantly lower percentage as the consultation and detailed design work would have been completed.
49. The establishment costs for the new planting have been included in the estimate together with costs for additional cleansing for five years. Following five years the revenue costs of the tree and cleansing would need to be met from within the local risk budgets of Open Spaces, Cleansing and Environmental Services, as no other specific provision to fund the maintenance after 5 years has been identified.
50. A design report will be undertaken and submitted to Members for approval once development at 20 Fenchurch Street has commenced and full LEIW payment has been received, subject to future indexation and interest payments and any necessary amendments as a result of external events.

Risk Implications

51. The possibility that the development at 20 Fenchurch Street would not be implemented was raised by a Member of the Streets & Walkways Sub-Committee on 19 May 2008. Members resolved to continue evaluation as a contribution towards these works had

been received from the developer, and this progress was noted at Finance Committee on 27th May 2008.

52. This report proposes to proceed to design report stage only when it is confirmed that the development will proceed. Should the development not go ahead, the City has a viable design to enhance this area primed for such time that sufficient monies are received to move forward from this, or other developments that would have a comparable impact on the pedestrian footfall and use of key retail and leisure services in this area. In addition, remaining pre-payment funds will be used to identify and prioritise opportunities for environmental enhancements within the surrounding area, as required by the Section 106. In this manner the risk of piecemeal enhancement work in the vicinity of 20 Fenchurch Street will be minimised, as priorities will be clearly set.
53. It should be noted that Leadenhall Market will form part of the Olympic Marathon route. Consequently, works must be carried out either before or after summer 2012.

Legal Implications

54. **Powers** - The City has general powers to improve the highway under Section 62 of the Highways Act 1980, and specific power to vary the widths of the footway and carriageway under section 75 of the Highways Act 1980 and to erect bollards on footway for safeguarding safety of highway users under Section 66 of the Highways Act 1980.
55. **S.106 Agreement** – Under the Section 106 agreement related to 20 Fenchurch Street, the Local Environmental Improvement Works, the contribution may only be spent on environmental enhancements within the area shown in Appendix A. The Section 106 acknowledges that “first consideration will be given to works of improvement to the footways adjoining the Site and to the pedestrianisation of Lime Street and Cullum Street.”

Corporate Property Implications

56. The proposed works involve alteration and replacement of highway finishes and provision of new street furniture, the former to be maintained by Highways & Cleansing, and the latter by Open Spaces City Gardens. The proposals otherwise pose no Corporate Property implications.

Strategic Implications

57. Environmental enhancements focus on addressing overcrowding of pedestrian footways; reconciling pedestrian activity with local service vehicle requirements; and providing a public realm that promotes and supports a range of activities. In the Eastern City Cluster environmental enhancements also focus on delivering best value and an appropriate quality and coherence of public realm, to help enhance and promote the City as one of the leading global financial centres and Europe’s centre for business.
58. Enhancements directly help deliver two of the three key strategic aims in the City’s Corporate Plan 2009-2012:

- Supporting and promoting ‘The City’ as the world leader in international finance and business services
 - Providing modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors whilst delivering sustainable outcomes
59. The strategic goals are reflected in emerging planning policy. The City’s vision for the Eastern Cluster character area in the draft Core Strategy (due for adoption in September 2010) includes:
- “The area will be safe for workers and visitors, with a high quality street scene and environment, improving pedestrian movement and permeability, both within the area and outside to other parts of the City.”
60. Paragraph 3.7.3 of the draft Core Strategy states:
- “The greatly increased numbers of pedestrians [in the Eastern Cluster] must be provided with safe and attractive walking routes, both within the area and linking to other parts of the City. The growth in the workforce will need to be complemented by improvements to retail and leisure facilities and the improvement of existing, and provision of new, open spaces. The challenge facing the Eastern Cluster is to accommodate the many demands generated by growth while creating a safe, efficient, uncongested and attractive public realm of streets and open spaces.”
61. The proposals area includes significant retail uses, as discussed. Strategic Objective 5, within the City Communities section of the emerging Core Strategy, seeks:
- “To ensure the provision of inclusive facilities and services that meet the high expectations of the City’s business, resident, student and visitor communities, aiming for continuous improvement in the City’s rating in satisfaction and quality of life surveys.”
62. Paragraph 3.20.3 states the City’s strategy to strengthen the status of the Principal Shopping Centres , enhancing the City’s retail offer and drawing in more shoppers from outside the square mile through:
- “Enhancing the environment of the Principal Shopping Centres..., specifically focusing on improving conditions for pedestrians, improving accessibility for all and ensuring a safe and secure retail environment.”
63. The preferred Option B links to the following City of London’s Community Strategy themes:
- Competitive and promotes opportunity: The preferred option would ensure that the built environment within the City meets existing and future business, retail and leisure needs of all sections of the City’s communities. The design responds to the high and increasing number of users coming to the area by delivering a fully accessible area that supports local land uses, promotes the image of the City and is easy to use.

- Is vibrant and culturally rich: The preferred option would enable improvements to the built environment that respect and enhance the historic and original character of the Leadenhall Market Principal Shopping Centre. The scheme would create a place that responds to the needs of the working population, but also the tourist population that increasingly is visiting the area to view iconic buildings such as Lloyd's and 30 St Mary Axe.
 - Is safer and stronger: The preferred design might introduce a timed closure that, whilst not being security rated, would provide a visual deterrent and the impression of a secure street protected from possible vehicle borne devices. The preferred design would ensure the more general functionality and attractiveness of the location does not suffer should this visual deterrent be introduced.
 - Protects, promotes and enhances our environment: The preferred design would encourage use of public transport by providing an attractive public realm that creates fully accessible pedestrian routes to surrounding stations and bus stops. The scheme would enhance a currently poor quality public realm, and enhance the vitality and viability of the Principal Shopping Centre area.
64. The approach also supports the strategic aims of Department of Planning & Transportation Business Plan by:
- Promoting and facilitating exemplary and sustainable design
 - Seeking and advocating improvements to the transport infrastructure serving employees going to their offices on public transport and foot, to ensure the City remains a competitive international business centre
 - Protecting, maintaining and enhancing the heritage and special character of the City's built environment through improving its functionality, accessibility and attractiveness
 - Forming part of Street Scene Schemes that enhance the public realm (Local Indicator)
 - Creating improvements identified through peer review to the public realm (Local Indicator)

Consultees

65. The Director of Environmental Services, the Director of Open Spaces, the Chamberlain, the Comptroller & City Solicitor, the City Property Advisory Team from the City Surveyors department, the City of London Access Team, the Town Clerk and the City of London Police have been consulted in the preparation of this report.
66. To assist Members the Chamberlain has summarised the overall financial picture now being reported in the following table:

Overall Financial Position			
	Totals		Received/Applied
	£000	£000	to Date £000
Revised S106 Agreement funding allocated for Local Community and Environmental Improvements		(2,037)	(204)
Funding earmarked for Riverside Strategy, St Mary-at-Hill Church Garden and Air Quality Monitoring		894	75
Amount available for Local Community and Environmental Improvements		(1,143)	(129)
Funding already utilised/committed for evaluation	129		
Plus approved contribution towards environmental enhancements	98	227	129
Balance Available		(916)	-
Proposed works in this report		659	-
Remaining funds for other works		(257)	-
Potential S278 funding from developer for Local Community and Environmental Improvements		(286)	-
Total potential funding available to implement wider strategy		(543)	-

67. In addition, the Chamberlain has noted the following key financial issues for consideration at this evaluation stage:

- The essential features of an evaluation report include the appraisal of all feasible options and the demonstration that value for money will be achieved from the recommended option;
- The importance, in a report of this nature and at this time, of confirming that best value will be secured from the proposed application of the limited S106 funding received/anticipated;
- The “sufficiency” of the balance of funding that will remain for other required works; and
- The proposed approach to the use of the contingency in paragraph 32, the inclusion (or otherwise) of the resurfacing/part-raising the carriageway along Lime Street and the resultant financial implications.

Conclusion

68. The work completed so far is in line with the resolution of Members at Streets & Walkways Sub-Committee on 19 May 2008 and previous Committee approvals relating to the strategic policy and design framework for the Eastern City Cluster.

69. The preferred Option B design would improve the area for local workers, businesses and visitors, provide full pedestrian accessibility and mitigate pedestrian and vehicle conflict, to help ensure successful servicing and more efficient functioning of local

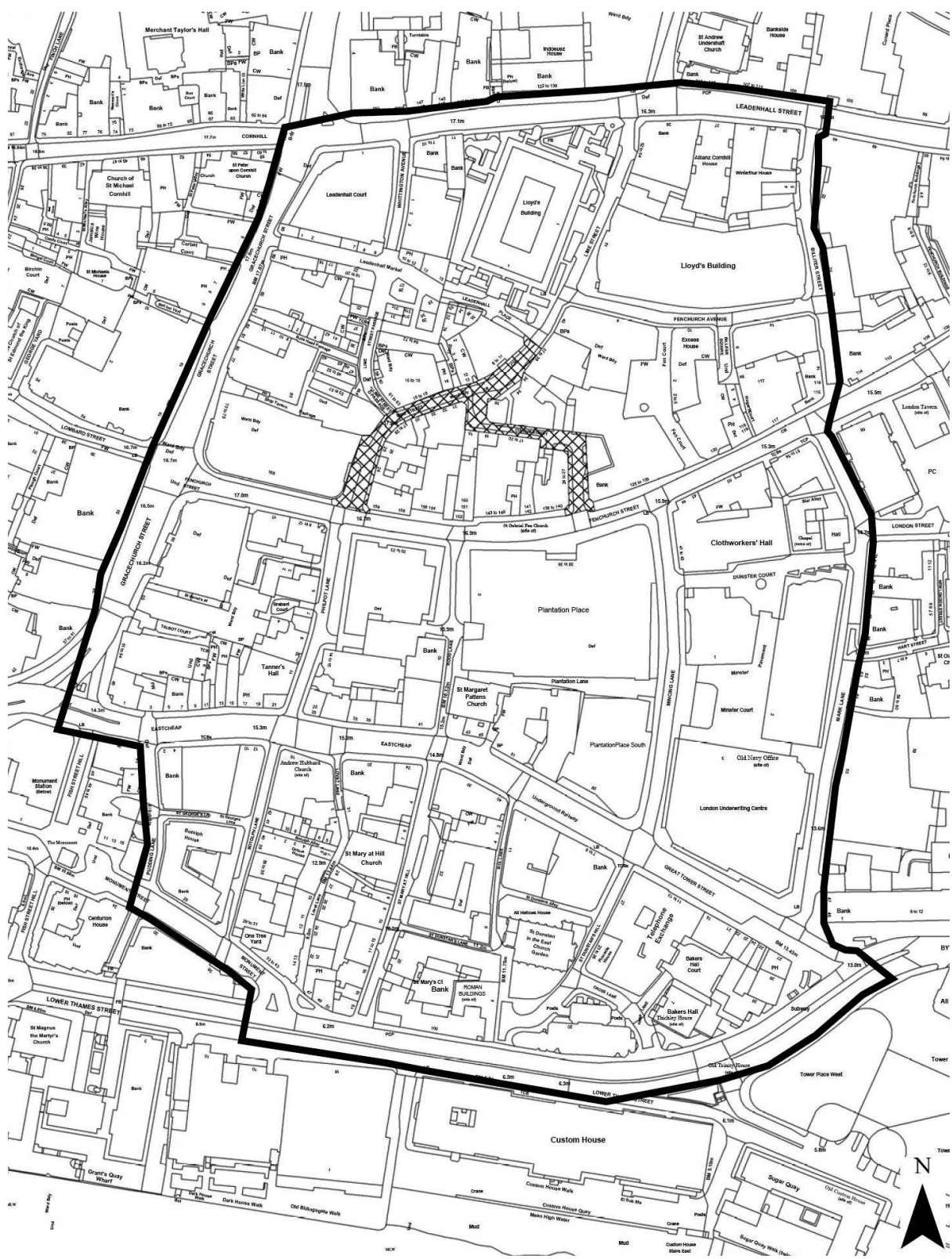
businesses. The design would enhance the vitality and viability of the Leadenhall Market Principal Shopping Centre and the quality of the environment in the Eastern Cluster, responding to the investment by businesses constructing and locating in this area. The consultation on a timed traffic closure would ascertain whether greater improvements could be made to improve the pedestrian environment, pedestrian flow and efficiency of the business City during peak hours of pedestrian movement.

70. The scheme would help the area cater for the significant expected increase in the local working population, fulfil Corporate and policy objectives and promote the retail and leisure offer of the City, as well as the local environmental more generally.

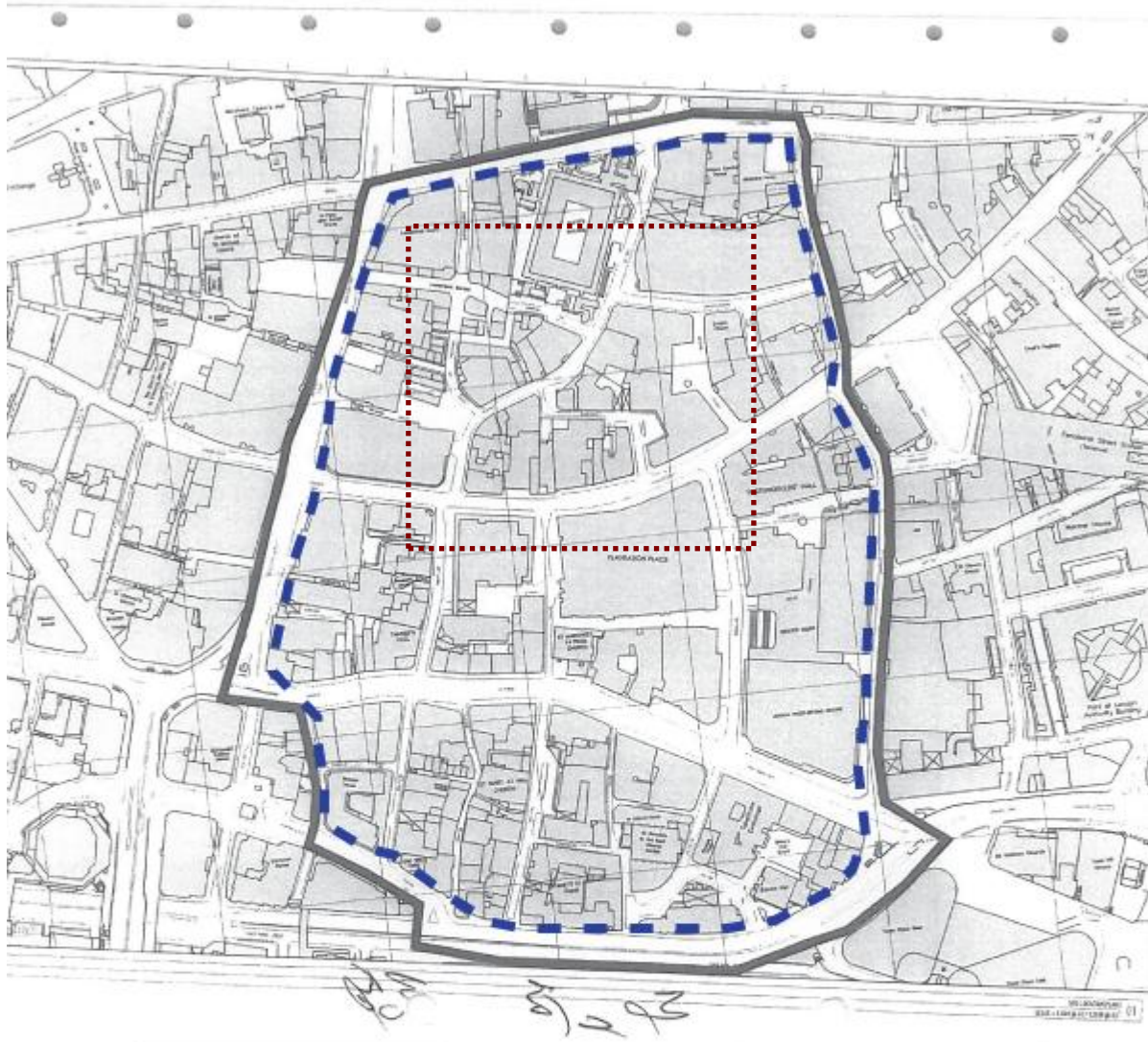
Appendices

- Appendix A** Project Site Location Plan & Area for Street Scene (environmental enhancement) works covered in 20 Fenchurch Street Section 106 Agreement
- Appendix B** Area for Additional Street Scene Works covered in 20 Fenchurch Street Section 106 Agreement
- Appendix C** Preferred Option B
- Appendix D** Environmental enhancement works connected with the recent 51 Lime Street development
- Appendix E** Legal Agreement Funding Breakdown
- Appendix F** Appropriate Unitary Development Plan Policies
- Appendix G** Appropriate City Together Strategy Themes

Appendix A: Project Site Location Plan & Area for Street Scene (environmental enhancement) works covered in 20 Fenchurch Street Section 106 Agreement



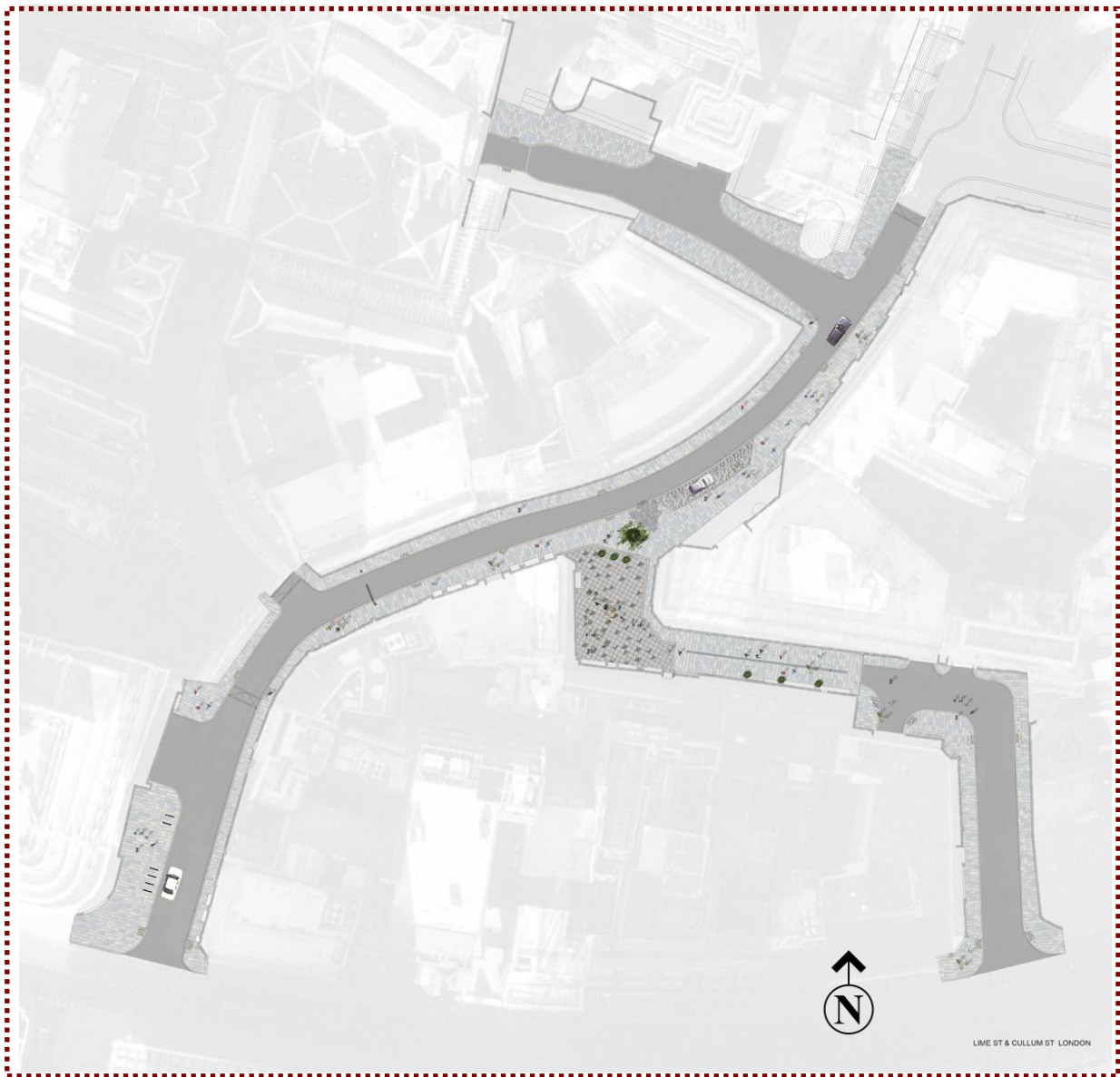
Appendix B: Area for Additional Street Scene Works covered in 20 Fenchurch Street Section 106 Agreement



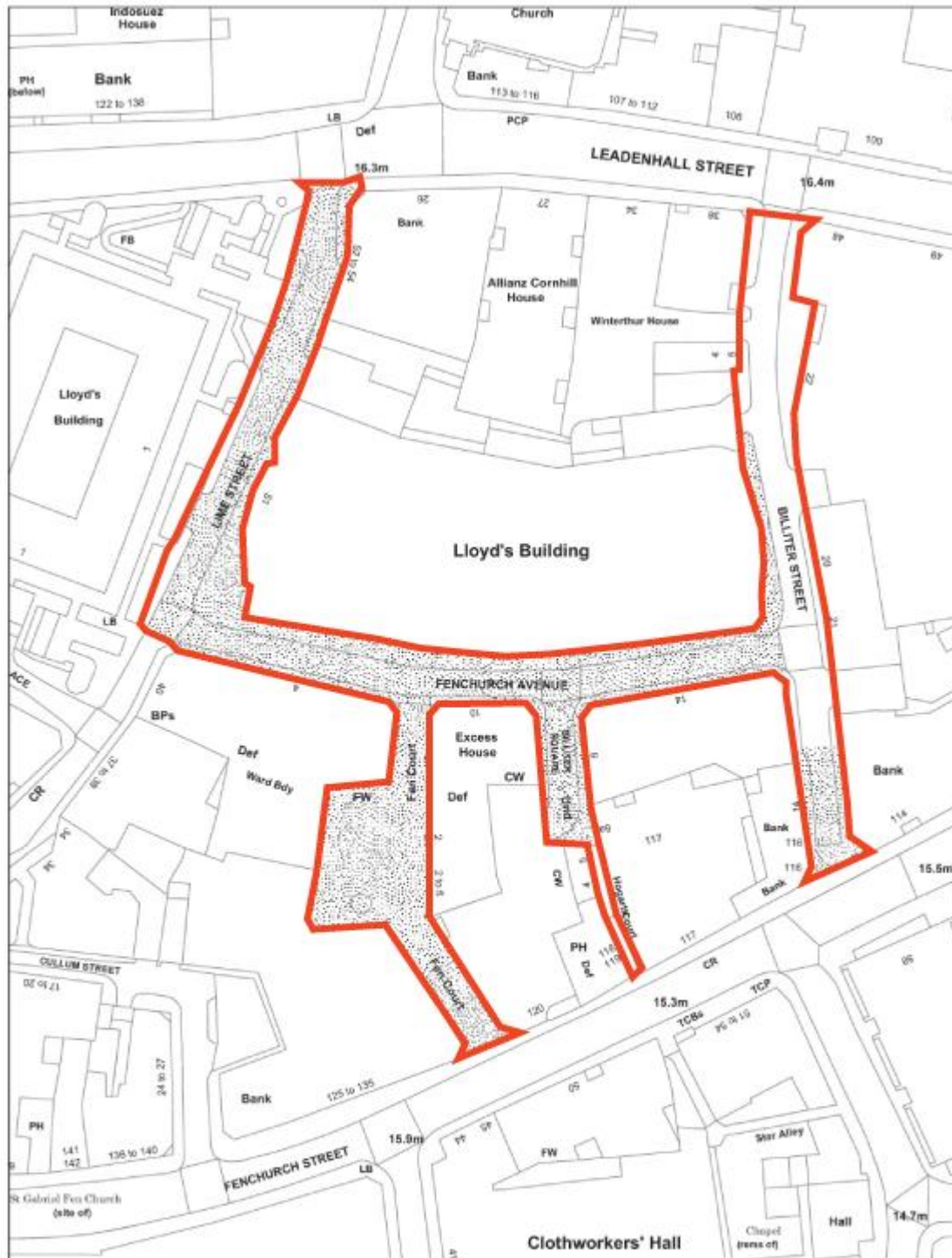
-  Local Environmental Improvement Works Area (Appendix A)
-  Additional Street Scene Improvement Works Area



Appendix C: Preferred Option B




Appendix D: Area of environmental enhancement works connected with the recent 51 Lime Street development



ADDRESS:
Lime Street, Fenchurch Avenue, Billiter Street, Fen Court and
Billiter Square

 Site Location

 Environmental Enhancement Works area
connected to development at
51 Lime Street



Appendix E: Legal Agreement Funding Breakdown

20 Fenchurch Street	Contribution (£'s)
<u>Section 106 Contributions</u>	
Riverside Walk	750,000
- Advance payment for evaluation of Riverside Walk	30,000
- Advance payment for evaluation of Paul's Walk (within Riverside Walk)	45,000
Remaining for Riverside Walk	675,000
Local Environmental Improvement Works (LEIW)	1,143,224
- Advance payment for evaluation of Lime Street and Cullum Street	50,176*
- Advance payment for evaluation of Lime Street Area Strategy	78,546*
Total available excluding advance payments	1,014,502
<u>Section 278 Contributions (note Section 278 not yet entered into)</u>	
Additional Street Scene Improvements (maximum capped sum)	285,593
Total	1,300,095
Proposed allocated sums	
- Environmental enhancements at Junction of Monument Street and Lower Thames Street (approved on 21 st April 2008)	97,500
- Lime Street and Cullum Street (guideline cost estimate)	659,126
Total remaining for future environmental enhancement projects (excluding advance payments, interest and indexation)	543,469
<u>Other Section 278 Contributions</u>	
Other Section 278 Works	
- Philpot Lane (maximum capped sum)**	100,000
- Eastcheap Pedestrian Crossing (maximum capped sum)**	246,000
- Bus Stop Improvement (maximum capped sum)**	40,000
Highway Repairation Works	
<u>Priorities to</u>	
- Re-instate or/and introduction of footways adjoining the site	unspecified
- Re-instate pedestrian crossings	unspecified
- Re-instate or/ and introduction of new cross-overs	unspecified
Other Works Total	386,000
Grand Total Remaining Funds (Without the Highway Repairation Works' Contribution)	929,469

* If the full amount is not spent towards the City's design costs and feasibility studies (including professional and technical fees), any remaining sums should be allocated to the works budget.

** If the City decides not go progress with any of these works the sums listed will be paid to the City to be used for environmental enhancement or transport works in the vicinity.

Appendix F: Appropriate Unitary Development Plan Policies

REC 1

To resist the loss of existing open space unless, where relocation is appropriate, adequate provision for replacement is made.

REC 2

To provide and encourage the provision of additional open space where this would enhance the character of the locality, and to seek public access wherever possible.

UTIL 9

To encourage development which incorporates water conservation and efficiency measures or which helps manage rising groundwater levels.

TRANS 2

To support initiatives designed to improve passenger interchange facilities.

TRANS 6

To improve the environment for pedestrians, particularly at street level, by:

- a. providing facilities to enhance safety and convenience;
- b. ensuring that there is adequate provision for pedestrians when new developments are proposed; and providing way finding and signage that takes into account the needs of disabled people.

TRANS 7

To support the retention and improvement of pedestrian routes and crossings, public rights of way and the City Walkway network.

TRANS 11

Appropriate traffic management measures will be introduced to ensure that the highway hierarchy operates as effectively and safely as possible, in accordance with the needs of all user groups and the functions associated with each street. The type of traffic management measures to be applied will be the subject of detailed study and formal consultation prior to implementation.

TRANS 12

To implement a cycle route network and to have regard to the needs of cyclists in all traffic management schemes.

TRANS 22

To provide cycle parking facilities by:

- i. requiring the provision of private parking space for cycles in development schemes;
- ii. maintaining an adequate overall number of spaces for cycles in public off-street car parks; and
- iii. providing an adequate supply of cycle parking facilities on-street.

ENV 1

To encourage development which visually enhances the City, and avoids harm to the townscape, by ensuring that:

- i. the bulk and massing of schemes are appropriate in relation to the surroundings;
- ii. development has due regard to the general scale, height, character and materials of the locality; and
- iii. all development is of a high standard of design and architectural detail.

ENV 5

To resist the loss of public and private open spaces which contribute positively to the character and amenities of their surroundings and normally to require that any new open space created by development shall be appropriate to the character of the locality.

ENV 7

To ensure that the design and sitting of street furniture has due regard to the character of the City and to public safety.

ENV 8

To promote and ensure high standards in the layout, design, surface treatment and landscaping of open spaces and streets, and to seek the retention of existing surfaces and features which contribute positively to the character and appearance of the location and the City.

ENV 10

To protect existing works of art and to seek the provision of additional works of art which enhance the City townscape.

ENV 19

To resist development which would have an adverse effect on parks and gardens of special historic interest and to protect the site, setting or enjoyment of any part of the grounds and to encourage the maintenance of their historic character.

ENV 27

To require access to the built environment for everybody including the provision of facilities and amenities for disabled people.

IMP 6

To have regard to safety and security in the design and use of infrastructure, buildings, streets and spaces.

Appendix G: Appropriate City Together Strategy Themes

Theme: Competitive and promotes opportunity

- To enable the City to continue to flourish and to see the benefits of its success spread across London, the UK and internationally.
- To ensure that the built environment within the City meets the growth in business needs whilst minimising the associated disruption caused to all sections of the City's communities.
- To facilitate the opportunity for exemplary, innovative inclusive and sustainable design which respects and enhances the distinctive character of the City.
- To facilitate the provision of an enhanced public transport system that is both sustainable and meets the growing needs of all users including disabled people.

Theme: Protects, promotes & enhances our environment

- To advance sustainable procurement and consumption.
- To protect and enhance the built environment of the City and its public realm.
- To conserve and enhance biodiversity.
- To continue to minimise noise, land and water pollution and improve air quality where this is possible.
- To ensure high standards of energy and resource efficiency in the design and implementation of the built environment and to encourage reduced carbon emissions across all sectors.
- To encourage sustainable forms of transport.

Theme: Vibrant and culturally rich

- To support and promote the City as a cultural asset and to encourage greater vibrancy and diversity in cultural and leisure activities.
- To facilitate the opportunity for exemplary, innovative and sustainable design and implementation of the built environment which respects and enhances the distinctive character of the City whilst maintaining and improving accessibility.

Theme: Safer and stronger

- To continue to ensure the City is a safe place in which to do business, work, visit, and live.