

Committees:	Dates:	
Policy and Resources Committee	15 November 2018	
Subject: Old Swan Stairs, Swan Lane Essential Repairs to the Flood Defence Wall & Trig Lane Pier repair works.	Gateway 5 Authority to Start Work Light	Public
Report of: City Surveyor Report Author: Mohamed Dahiye	CS 416-18	For Decision

Summary

Following an inspection by the Environment Agency in January 2016, the City Corporation received a notice which identified essential structural repairs required to the tidal flood defences adjacent to Swan Lane and Trig Lane. An issue report requesting funding for investigation works was approved and consultants subsequently carried out a detailed conditions survey of the flood defence wall, developing options for repair works. The extent of the works required has been identified and a tender process undertaken, and it is now proposed that Priest Stone Work and Restoration Limited are appointed to deliver the works.

Whilst funding for the majority of works (the Trig Lane element) has previously been agreed, to be funded from the general reserves of the Bridge House Estates Trust, funding for the Swan Lane element of the works is subject to a request for an allocation from the 2018/19 City's Cash provision for new schemes and an allocation of £63,545 is consequently sought.

Recommendations

That the Policy and Resources Committee approve an allocation from the 2018/19 City's Cash provision for new schemes, to fund the budget shortfall of £63,545 (including £12,250 risk allowance) for the Swan Stairs works. Please see **Appendix 1** for source of funding detail.

Approval would ordinarily be sought first from the Resource Allocation Sub-Committee; however, the direct approval of Policy and Resources is sought on this occasion in order to meet the deadline tender offer from Priest Stone Work & Restoration Limited (which expires on 30/11/2018). If these works are delayed any further the City Corporation is at risk of non-compliance and project delay.

Main Report

1. Design summary	<p>Following an inspection by the Environment Agency in January 2016, the City received a notice which identified essential structural repairs required to the tidal flood defence at Trig Lane and Swan Lane. Copies of this notice can be made available to Members on request.</p> <p>Chamberlain Consulting were appointed to carried out a condition survey to inform the scope of the repairs. This survey was used to develop the detailed tender pack for the remedial works.</p>
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	<p>Members should note that a previous tender exercise carried out in early 2018 resulted in a nil return. A second tender exercise carried out in mid 2018 resulted in one tender bid by Priest Stone Work and Restoration Limited.</p> <p>Officers will appoint a structural engineer to act as a supervisor during the construction phase, to provide structural engineering guidance to the contractor.</p> <p>Works were originally presented at Gateway 1-2 as individual projects following the regular route of the Project Procedure. However, in order to gain economies of scale and to ensure they are project-managed in the most efficient way, they have been combined into a single project and procured as one contract and, due to the value, will follow the light route.</p> <p>This approach was proved by Projects Sub Committee on 10 October 2018.</p>
2. Delivery team	<ul style="list-style-type: none"> • Main Contractor & Principal Designer – Priest Stonework and Restoration limited • Cost Consultants – Fulkers LLP • Structural Engineering - TBC • Project Management - City Surveyors <p>For the Structural engineering role, we have received fee quotations for this appointment. The structural engineering consultants who were involved in the Gateway 1-2 stage submitted a fee proposal that would take their total fee above 10k. Due to procurement rules on any work that exceed the 10k threshold, we have asked that consultants resubmit this through a short formal tendering process.</p>
3. Programme and key dates	<ul style="list-style-type: none"> • Authority to start works approved – November 2018 • Contractor Mobilisation – 3/4 weeks • Construction works Stage 1 (Trig Lane) – 8 weeks • Construction works Stage 2 (Swan Lane Pier) – 8 weeks • Estimated Project Completion – May 2019
4. Outstanding risks	<ol style="list-style-type: none"> 1. Possible delay in gaining appropriate licenses or permits to work in this area, officers to work with contractor to ensure all licenses are obtained from relevant authorities. 2. Difficulty in identifying any existing services running through area of scope. The contractor is to undertake a full risk assessment prior to repair and maintenance works. 3. Permits gained but with possible onerous conditions imposed, contractor to work on mitigating this to reduce any programme or cost impact. 4. Increased risk to personnel due to location of works to river bank and tidal waves, contractor to produce a robust method statement to mitigate this risk.

5. Budget

Summary project budget is as below:

Item	Estimated Approved budget G1/2	Actual Expenditure incurred to date G2	Total Budget G5	Budget Variance (G2 - G5)
Port License Application	£0	£0	1000	1000
CDM/Principal Designer	£3,300	£0	£800	£800
Cost Consultant	£8,250	£3,100	£4,700	£1,600
Engineering Supervisor	£11,200	£11,100	£19,800	£8,700
Other fees	£200	£200	£200	£0
Total Fees	£22,950	£14,400	£26,500	£12,100
Works			£123,580	£123,580
Staff costs	£6,000	£6,000	£12,000	£6,000
Total	£28,950	£20,400	£162,080	£141,680
Priced risk register	£0	£0	£24,500	£24,500
Sub-Total	£28,950	£20,400	£186,580	£166,180

This report requests that a total budget of £186,580 (including £20,400 spent to date) be approved, together with a costed risk allowance of £24,500.

Funding:

The responsibility for the two sites lies with two different CoL funds

- For the Trig Lane works, responsibility lies with the Bridge House Estates Trust.
- For the Swan Lane works the responsibility lies with City's Cash.

Therefore, the costs will need to be apportioned between the two sites and funded appropriately.

Funding for the Trig Lane works has previously been agreed from the general reserves of the Bridge House Estates Trust.

Funding for the Swan Lane works is subject to a request for an allocation from the 2018/19 City's Cash provision for new schemes.

Please see **Appendix 1** for the allocation of costs between the two sites and further project funding source details.

Approval is sought from the Policy and Resources Committee directly due to the requirement to meet the deadline tender offer from Priest Stone Work & Restoration Limited (which expires on 30/11/2018), which in turn will allow

	<p>the City Corporation to meet the requirements of an Environment Agency notice issued to the 26 January 2016.</p> <p>The Environment Agency has written to the City Corporation as recently as 27 September 2018 requesting an update on these works.</p>
6. Success criteria	<p>1.Completion of the works to the satisfaction of the Environment Agency.</p> <p>2. The effectiveness of the flood defence wall is maintained, and the works are completed on programme and within budget.</p> <p>3.The City is seen to be managing its own flood risk and discharging its responsibilities as a riparian owner.</p>
7. Progress reporting	<p>Monthly updates to be provided via Project Vision and any project changes will be sought by exception via Issue Report to Spending and Projects Sub Committees</p>

Appendices

Appendix 1	Source of Funding detail
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Contact

Report Author	Mohamed Dahiye
Email Address	Mohamed.dahiye@cityoflondon.gov.uk
Telephone Number	0207 332 1768

Appendix 1 – Source of funding detail.

The two phases of this project Swan lane Pier & Trig Lane stairs were at Gateway 1-2, funded from two separate funding sources City's Cash & Bridge House Estate (BHE).

The construction phase of this project will be delivered by the same project team, the funding is however divided between the two funding sources as shown below.

Item	Reason	Total Additional Budgets now requested (both sites)	Swan Lane (£)	Trig Lane (£)
External Consultant Structural Engineer	Structural Engineering Supervision & Advice during works	£8,700	£4,350	£4,350
External Consultant QS fees budget	Cost advice- valuation of completed works	£1,600	£800	£800
Main contractor	Construction works	£123,580	£49,245	£74,335
Principal Designer	CDM – H&S	£800	£400	£400
Port license application	River Works License	£1,000	£500	£500
Staff Costs		£6,000	£3,000	£3,000
Project Cost excluding risk		£141,680	£58,295	£83,385
Priced Risk register		£24,500	£12,250	£12,250
Total including costed risk		£166,180	£70,545	£95,635
Funded from	Unspent balance of Gateway 1/ 2 budget	£8,550	£7,000	£1,550
	City's Cash Provision for New Schemes (Note 1)	£63,545	£63,545	-
	Bridge House Estates Provision (Note 2)	£94,085	-	£94,085
Total		£166,180	£70,545	£95,635

Note 1 – Funding from the 2018/19 City's Cash Provision for New Schemes

A funding shortfall of £63,545 (£51,295 + £12,250 to cover risk) to deliver the flood defence repairs at Swan Lane has been identified for which there is no existing financial provision. Therefore, a request for an allocation from the 2018/19 City's Cash provision for new schemes would ordinarily be made to both the Resource Allocation Sub and Policy and Resources Committees. However, as these works are now urgently required, it is proposed that a request be made direct to the Policy and Resources Committee as the works cannot be further delayed until the next meeting of Resource Allocation Sub Committee in December.

Note 2 – Funding from the General Reserves of Bridge House Estates

Additional funding of £94,085 (£81,835 + £12,250 to cover risk) is required to deliver the Trig Lane repairs. The Resource Allocation Sub and Policy and Resources Committees have previously approved a drawdown of funds from the general reserves of the Bridge House Estates Trust to cover the cost of these works.