

Committees: Corporate Projects Board Streets and Walkways Committee Projects Sub Committee Resource Allocation Sub Committee	Dates: 29 March 2019 17 April 2019 24 April 2019 TBC
Subject: Bank Junction Improvements Project: All Change at Bank Unique Project Identifier: 11401	Gateway 3 Complex Issue Report
Report of: Director of the Built Environment Report Author: Gillian Howard	For Decision
<h1>PUBLIC</h1>	

1. Status update	<p>Project Description: To improve the safety, air quality and pedestrian experience of the area around the Bank junction to reflect the historic and iconic surroundings with the appropriate sense of place.</p> <p>RAG Status: Green subject to report approval (Amber at last report to Committee)</p> <p>Risk Status: (Risk status not previously reported)</p> <p>Total Estimated Cost of Project (excluding risk): £4-18m</p> <p>Change in Total Estimated Cost of Project (excluding risk): N/A</p> <p>Spend to Date: £886,791</p> <p>Costed Risk Provision Utilised: X (N/A)</p> <p>Slippage: N/A</p>
2. Requested decisions	<p>Next Gateway: Gateway 4 - Detailed Options Appraisal (Complex) March / April 2020</p> <p>Requested Decisions:</p> <p>Streets and Walkway's and Project Sub committee</p> <ol style="list-style-type: none"> 1. That Members agree the intended project approach for the All Change at Bank Project. 2. That Members note the programme, milestones, costs and key risks as set out in the report and appendices.

3. That Members agree to a second issues report being presented in November/December 2019 to approve a limited number of options to proceed to more detailed feasibility work.
4. That Members agree to the procurement approach outlined in paragraph 22 and Appendix 5.
5. That Members approve the requested budget increase from £1,179,000 to £1,810,761 (an increase of £631,761) to reach Gateway 4.

Resource Allocation Sub Committee

6. That Members approve the use of £659,584 to be drawn from the On-Street Parking Reserve.

3. Budget

Table 1 – Funding Sources to date

Description	Total confirmed funds to be utilised by project to Gateway 4	Status of funds
125 Old Broad Street - Section 106 - Transport	£ 150,000	Applied
Mondial House (Watermark Place) - Section 106 - Transport	£ 156,835	Applied
1 Lothbury - Section 106 - Transport	£ 34,410	Applied
The Pinnacle - Section 106 - Transport	£ 60,755	Applied
125 Old Broad Street - Section 106 - Transport (Revenue)	£ 10,000	Applied
Cheapside S106 underspend	£ 20,000	Applied
Transport for London Grant - 2014/15	£ 250,909	Applied
Transport for London Grant - 2015/16	£ 154,000	Applied
Transport for London Grant 2016/17	£ 200,000	Applied
Transport for London Grant 2017/18	£ 114,268	Applied
TOTAL funds available	£ 1,151,177	

Table 1 shows that there is a current shortfall of funds on the existing approved budget of £1,179,000 of £28K. This resulted from the project being put on hold, meaning that the required spend to utilise the TfL funding grant could not be achieved in 2017/2018. To account for this shortfall in our existing funding and covering the additional funding requested in this report is shown in table 2.

Table 2: Requested funding

Description	Amount	Status of funds
On-Street Parking Reserve	£ 659,584	Requested
Total budget requested	£ 1,810,761	Requested

4. Issue description**Overview of the current position**

1. An issues report was presented to Members in January 2019 which formally restarted the Bank Junction Improvements project (All Change at Bank). It also re-established the project in the context of changes to the corporate project management and governance processes.
2. Members were also asked to choose a strategic option to take forward for further investigation which included:
 - Option 1 - maximisation of place, with limited, if any, vehicle movement.
 - Option 2 - semi pedestrian priority with some vehicle movement. This option looks to restrict 2-3 arms of the junction to provide greater pedestrian and place benefits.
 - Option 3 – retain the ability for vehicle movements, improving the pedestrian experience with greater space and priority, but little opportunity for place activities.
3. Members agreed to proceed with progressing strategic option 2 but requested in addition that strategic option 1 was retained as a long-term aim. The outcome of this option will be designed so as to not preclude the ability to achieve the future aim of strategic option 1. The requirement to deliver a scheme prior to the Bank Station capacity upgrade in 2022 was a primary consideration in this decision.
4. Utilising the knowledge gained from undertaking the Bank on Safety scheme, and to incorporate the corporate changes to project management, officers have updated all of the project management documentation. This includes the project initiation documentation, communications strategy, governance, programme, and risk and issues register. New baseline data, against which the project will be measured in the future (to determine if it has met its objectives or not), has also been established or planned to be obtained.

	<p>5. Now that we have a clear vision and programme, a review of costs to reach Gateway 4 has also been undertaken. With the desire to keep the highways design ‘in house’, there needs to be a redistribution of funds from the Fees budget to the Staff costs budget lines.</p> <p>6. As detailed more fully in the previous issues report we have already spent some of the funds agreed to reach the previous planned gateway 4, so there is also a need to seek further funding for the project. In short, spend to date has been on survey and investigative works, staff time to undertake investigation into procurement routes and engagement with stakeholders.</p> <p>7. This report sets out how options for Bank Junction will be explored and how it is intended to approach the project. Updates on cost, procurement and risk are also provided. Much of the detail presented is for Member’s information only.</p>
<p>5. Options</p>	<p>Project Approach</p> <p>8. The next stage of this project is centred around understanding which two or three arms of Bank Junction could be closed to motor traffic to provide greater pedestrian priority. At a basic level, when considering all combinations, there are a total of 35 options which could be looked at. Due to the need to progress with work quickly, it is not viable to investigate all 35 in detail. It is believed that a balance of technical evidence, stakeholder feedback, engineering input and Member guidance is required to arrive at the right option.</p> <p>9. In order to put this process into action, the following project approach is proposed by the project team;</p> <ul style="list-style-type: none"> i. Between now and May 2019 work will be undertaken on preparing to procure consultancy support. Design work, including review of existing utility surveys and undertaking of outstanding surveys will be conducted by the internal design team. The main objective around the design work will be to ensure that the options which are presented to Members later in the year are actually achievable in construction terms. ii. Work will be undertaken to shortlist the number of options from 35 to closer to 20. This will include identifying the combinations of closed arms which would be least likely to meet project objectives. An officer focus group will be established to provide input on the least suitable options. The evaluation of options will be carried out in compliance with the City’s traffic authority responsibilities for traffic

movement and the efficient use of the road network. TfL Healthy Streets Tool will be used to rank options.

- iii. In May / June, initial traffic modelling work will begin on the remaining options (circa 20). The aim will be to understand how different options affect journey times. An existing traffic model which was built for Bank on Safety will be used, to save time and cost (circa £50k-£70k). The work will be undertaken between the project team and a consultant.
- iv. At the same time, officers will engage with external stakeholders via the project working group. The group will invite feedback on how any combination of closures might affect stakeholders, and how their needs might be accommodated within the design process. The biggest consideration will be Transport for London buses, and understanding how different options would be achieved by re-routing services.
- v. A number of options will then be eliminated. Focus will be on eliminating options which do not meet project objectives, are unsuitable in traffic management and network terms, or it is deemed they cannot be physically constructed. The number of options should be reduced from around 20, to closer to 5.
- vi. More modelling work will then take place on these options to understand how each of them might displace traffic in the surrounding area and how this could be mitigated.
- vii. An issues report will then be presented to Members in November / December 2019. This will present the work undertaken and seek agreement on a limited number of options to take through to the final more detailed feasibility work. This will be similar in content to a Gateway 3 outline options appraisal report.
- viii. The options chosen will then be subject to further work between December 2019 and February 2020 taking into consideration the feedback provided by Members. Further discussions with stakeholders will take place during this period. The design team will seek cost estimates to assist decision making, and some further traffic modelling may take place.
- ix. Following this work, a maximum of 3 options, with a recommendation on the most suitable option for the arm closures, will be put forward to Members at

Gateway 4 in Spring 2020. This will also include preliminary information about options for the vehicle mix through the junction.

- x. To enable officers to begin this work immediately after Gateway 4, officers are aiming to conduct work to update traffic models in advance, so that this work does not have to be done next year.
 - xi. In summer 2020 the option approved at Gateway 4 would be progressed to detailed design and detailed modelling will be undertaken with Transport for London. Public consultation will take place.
 - xii. The project team will then seek the relevant TfL approvals and commence any relevant processes for making traffic orders to give effect to the proposed changes. Necessary design changes would be made. A consultation report and changes will be submitted. A construction package could then be progressed to Gateway 5, which is currently estimated for early 2021.
 - xiii. Following approval at Gateway 5, construction could start immediately, with an estimated timescale of 12 – 18 months.
 - xiv. A flowchart summarising this process is provided in Appendix 2.
10. The programme timescale to substantially complete the project prior to the London Underground capacity upgrade at Bank station, is tight. To reduce timeframes to meet the milestones set out in this report, officers are proposing to undertake more detailed design work prior to Gateway 4 than would be usual for a project of this scale. Bank Junction is a highly constrained site with the underground station position very shallow. This will reduce risk by providing a greater level of certainty that the options presented to Members in the gateway 4 report are options which can be constructed within the existing constraints.
11. To do this, a greater amount of staff time on highways design will be incurred to reach Gateway 4. This will however, mean a corresponding decrease in design work required between Gateways 4 and 5. This does however introduce another risk whereby if the project is cancelled at Gateway 4, more money would have been spent on abortive work than usual.
12. The above project approach is intended to ensure that ‘function’ is prioritised up to Gateway 4. This means selection of the option which works the best in traffic terms

(this includes pedestrians). Whilst the public realm will be given some consideration, it is anticipated that 'look and feel' will be explored more thoroughly after Gateway 4. However, some early input into possible features will be sought to determine any technical practicalities within the highway design.

Milestones

13. The key project milestones are presented in Table 3. A more detailed programme is presented in Appendix 3.

Table 3: Key project milestones

Key Milestone	Date
Report to Committees for approval of project approach	April 2019
Report to Committee with results of feasibility work	November / December 2019
Gateway 4 report	March / April 2020
Detailed Design	April 2020 – December 2020
Public Consultation	July 2020 – September 2020
Gateway 5 report	January – March 2021
Construction	April 2021 onwards

Costs

14. As set out, the proposed process for investigating options between now and Gateway 4, is intensive. This approach combined with the decision to conduct all design work in-house has resulted in a need to secure extra budget to cover staff time. Between now and the end of April 2020, it is anticipated that staff time on the All Change at Bank Project will be distributed as follows;

- 1 Project Director allocating 20% of their time
- 1 Principle Project Manager allocating 65% of their time
- 1 Project Manager allocating 100% of their time
- 1 Assistant Project Manager allocating 45% of their time
- 1 Design Engineer allocating 100% of their time
- 1 Urban Designer allocating 15% of their time
- 1 Engagement Officer allocating 30% of their time

15. It is estimated that the above will amount to approximately 6600 man hours. This will cover the technical and stakeholder work that will be required.

16. More detailed information on spend to date and the resources required to reach Gateway 4, is provided in tables 4 and 5 in Appendix 4.
17. Officers are requesting an increase of £631,761 in the budget to get to Gateway 4. Therefore, additional funds of £659,584 are requested, as explained in section 3 above. This includes a current shortfall of funds on the existing approved budget of £1,179,000.
18. Additionally, due to the decision to conduct design work in house, there needs to be a redistribution of funds from the fees budget to the staff costs budget lines. There is still a need for fees, which will include additional traffic surveys to assist with the subsequent stage of traffic modelling, areas of ground radar survey to fill in any gaps that we currently do not have and probable early urban realm consultancy support nearer the gateway 4 report

Funding from On-Street Parking Reserve

19. At the time of writing this report there is a review of funding taking place across the Capital projects. The continued funding of this project is subject to the outcome of this review.
20. It is proposed that Members of Streets and Walkways and Project Sub Committee continue with making a decision on the recommendations outlined, so that officers can continue work within the existing funding for this scheme to keep to programme. This report can then be submitted to Resource Allocation Sub Committee at a later date once decisions from the review have been taken.

Procurement

21. Between now and Gateway 4, the primary element that needs to be procured is traffic modelling. Other elements such as surveys can be procured through our existing procurement methods. It may also be necessary to obtain some urban realm design support towards the end of the year. Support will continue to be required after Gateway 4, where it is anticipated that more detailed modelling and urban realm design will be conducted.
22. When we reported in January 2019, officers suggested that a framework may be used to access the necessary support. Through officer investigations, it has been identified that the City already has access to a framework, Bloom, which allows access to suitable suppliers for the traffic modelling work. Using this framework will provide a substantial time-saving, whilst still allowing officers to test the market by way of a mini-competition, to ensure value

for money. This exercise is currently being prepared, and an updated PT4 form is provided in Appendix 5.

23. Officers are also aware that there is a forthcoming departmental framework contract which will be available for use for future projects. It may be possible to use this framework later on for Bank, such as for urban realm support. However, it is believed that the proposed arrangement will allow officers to procure adequately for the life of the project in terms of traffic modelling.

Appendices

Appendix 1	Project Coversheet
Appendix 2	Flowchart
Appendix 3	Programme
Appendix 4	Finance tables
Appendix 5	PT4 form

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