

<b>Committees:</b>	<b>Dates:</b>	
Resource Allocation Sub-Committee Streets and Walkways Sub-Committee	Delegated Authority 28 May 2019	
<b>Subject</b> <b>Review of Deferred Schemes – All Change at Bank</b>	<b>Issue Report:</b> <b>Complex</b>	<b>Public</b>
<b>Report of:</b> Director of the Built Environment <b>Report Author:</b> Simon Glynn	<b>For Decision</b>	
<b><u>Summary</u></b>		
<ul style="list-style-type: none"> <li>• Dashboard -RAG status is Green, subject to report approval</li> <li>• Last Gateway approved – Gateway 3.</li> <li>• Progress to date including resources expended - £886,791.</li> <li>• Summary of issue – <ul style="list-style-type: none"> <li>• Decision required on proposed funding strategy for All Change at Bank project to Gateway 4.</li> <li>• Decision required on the use of the proposed S106 deposits in the Bank area.</li> <li>• Consideration of the recommendations of the previous issues report to Streets and Walkways Sub Committee on 17 April 2019.</li> </ul> </li> <li>• Proposed way forward - Use of local funds (S106 deposits) in the Bank Area instead of On Street Parking Reserve as previously requested. Total Estimated Cost (to G4) - £1,810,761.</li> </ul>		
<b>Recommendations</b>		
<p>That the Town Clerk, in consultation with the Chair and Deputy Chairman of Resource Allocation Sub, Agree:</p> <ul style="list-style-type: none"> <li>• the funding strategy of using S106 deposits identified in Appendix A to fund the All Change at Bank project to Gateway 4, at a cost of £659,584, plus any interest and indexation accrued by these deposits.</li> </ul> <p>That the Streets and Walkways Sub-Committee:</p> <ul style="list-style-type: none"> <li>• Agree that the S106 deposits identified in Appendix A be used to fund the All Change at Bank project to Gateway 4, at a cost of £659,584, subject to the agreement of the Resource Allocation Sub-Committee; and</li> <li>• Agree the original recommendations set out in the All Change at Bank project Issues report of 17 April 2019. These recommendations are set out in the report in Appendix B.</li> </ul>		

### **Main Report**

<p><b>1. Issue description</b></p>	<p>An Issues report on the All Change at Bank transportation and public realm project was received by the Streets and Walkways Sub-Committee on 17 April 2019. This set out the proposed way forward for the project in terms of programme following the agreement to restart the project in January/February 2019.</p> <p>The Issues report recommended approving the use of £659,584 from the On-Street Parking Reserve in order to reach Gateway 4. A copy of this report to Streets and Walkways Sub Committee is included in Appendix B. No decision on the recommendations of the report was taken because of the subsequent approval (on 11 April 2019) of Policy and Resources Committee to defer the delivery of All Change at Bank for the duration of the Fundamental Capital Review.</p> <p>The relevant draft minute of the Streets and Walkways Sub-Committee states: “The Sub-Committee noted that following the publication of the [Sub-Committee] agenda, the Policy and Resources Committee, at its meeting on 11 April 2019, had approved the deferral of the All Change at Bank project as part of the Fundamental Capital Funding Review report”.</p> <p>A debate followed which concluded in the Sub-Committee resolving to support a Resolution to the Resource Allocation Sub Committee (RASC) on 2 May 2019, which stated:</p> <p style="padding-left: 40px;"><b>RESOLVED</b> – That the Streets &amp; Walkways Sub-Committee request that the All Change at Bank project proceed during the Fundamental Capital Funding Review, on the grounds that:</p> <ul style="list-style-type: none"> <li>• Pausing the project would have significant implications for public safety. The junction is still dangerous, particularly when fully open in the evenings or opened to provide resilience when other roads are closed. Delaying the project also risks the 2022 deadline to align with capacity upgrades at Bank Station;</li> <li>• The project directly addresses two areas of the Corporate Risk register, Road Safety and Air Quality;</li> <li>• Pausing the project would therefore create a significant risk of reputational damage for the City of London Corporation;</li> <li>• The project can be funded to the next Gateway using On Street Parking Reserve; and</li> <li>• The project has a lot of support and represents one of the City of London Corporation’s key political priorities.</li> </ul>
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Because of this resolution, Projects Sub-Committee agreed the recommendations of the issues report on 24 April 2019 subject to the outcome of the proposed resolution.

At the Policy and Resources Committee meeting on 2 May 2019, Members agreed to delegate a decision regarding the continuation of, and further capital spending on, the All Change at Bank project during the period of the fundamental review to the Chair and Deputy Chairman of Resource Allocation Sub Committee. Members agreed this approach subject to the reprioritisation of funding within the Department of the Built Environment and on the basis that there be no resultant increase in central budgets in the 2019/20 financial year. Officers were instructed to produce a report under urgency to the Chair & Deputy Chairman of Resource Allocation Sub-Committee setting out the detail of how this is to be achieved.

Officers have undertaken a review of DBE priorities. Of those DBE projects which:

- fulfil the Fundamental Review prioritisation criteria,
- are recommended for approval, and
- can use central funding during 2019/20 financial year;

Two are dependencies of the three major corporate projects:

1. Museum of London/Markets/West Smithfield transportation and public realm and
2. Combined Criminal Courts transportation and public realm.

A further four relate to the mitigation of corporate risks:

1. Snow Hill/Holborn Viaduct Pipe Subway,
2. Bank on Safety,
3. Hostile Vehicle Mitigation Programme, and
4. Beech Street transportation and public realm.

There are significant negative impacts for the Corporation in deferring any of the above schemes. Therefore no changes to the status of these projects is proposed. Instead, officers have identified local funding in the form of two S106 deposits associated with private development in the Bank Area. The All Change at Bank project is eligible to use these deposits on the basis that the project mitigates the specific impacts of these private developments. The S106 deposits are restricted in geography and purpose to transportation and public realm improvements in the Bank Area.

The relevant deposits are:

- 11/00935/FULEIA Bucklersbury House
- 14/00860/FULMAJ King William Street 33

	<p>The specific amounts proposed to be allocated to All Change at Bank from these S106 deposits are set out in Appendix A. This funding approach will not impact any other approved scheme.</p> <p>During the Streets and Walkways Sub Committee meeting on 17 April, these S106 deposits were not proposed for use on the All Change at Bank project as the DBE review of resources had not completed. The use of all S106 deposits is under consideration by officers ahead of a S106 spend plan, to be submitted to Committees in July 2019. It is anticipated that these two specific S106 deposits would be proposed to be utilised in the delivery of the project at a later date. However, to accommodate the request of the Streets and Walkways Sub Committee to proceed to the next Gateway on the All Change at Bank project, and to accommodate the instruction from Policy and Resources Committee that there be no resultant increase in central funding in 2019/20; the use of these limited local funds to progress All Change at Bank is considered to be the best available approach.</p> <p>If the Chair and Chairman of Resource Allocation Sub Committee are content to approve the approach outlined above to fund the All Change at Bank project; it is requested that the Chairman and Deputy Chairman of Streets and Walkways Sub-Committee approve the use of the S106 deposits as described and consider the recommendations of the original Issues report in Appendix B.</p> <p>This would then allow Officers to proceed with progressing the All Change at Bank project to gateway 4.</p>
<p><b>2. Last approved limit</b></p>	<p>The last approved limit for the project is £1,179,000 but the funding secured is £1,151,177.</p>
<p><b>3. Options</b></p>	<p>1. Approve continuation of All Change at Bank project proposed funding approach</p> <p>2 Do not approve continuation of All Change at Bank project proposed funding approach.</p>

**Appendices**

<p><b>Appendix A</b></p>	<p>Revised funding strategy for the total estimated cost of £1,810,761 to Gateway 4.</p>
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<b>Appendix B</b>	Issue Report - Bank Junction Improvements Project: All Change at Bank
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**Contact**

<b>Report Author</b>	Simon Glynn
<b>Email Address</b>	Simon.glynn@cityoflondon.gov.uk
<b>Telephone Number</b>	0207 332 1095

**Appendix A - Revised funding strategy for the total estimated cost of £1,810,761 to Gateway 4.**

<b>Description</b>	<b>Total confirmed funds to be utilised by project to Gateway 4</b>	<b>Status of funds</b>
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
<b>11/00935/FULEIA Bucklersbury House - LCEIW</b>	<b>£75,138</b>	<b>Requested</b>
<b>14/00860/FULMAJ King William Street 33 - LCEIW</b>	<b>£264,929</b>	<b>Requested</b>
<b>14/00860/FULMAJ King William Street 33 - Transport</b>	<b>£319,517</b>	<b>Requested</b>
TOTAL funds available	£1,810,761	

Appendix B - Issue Report - Bank Junction Improvements Project:  
All Change at Bank