

# Project Coversheet

## [1] Ownership

**Unique Project Identifier:** 11346      **Report Date:**  
**Core Project Name:** Shoe Lane Quarter Phase 2 – Public Realm Enhancements  
 (London Development s278)  
**Programme Affiliation** (if applicable): n/a  
**Project Manager:** Daniel Laybourn  
**Next Gateway to be passed:** Gateway 6 (Outcome report) - Complex

## [2] Project Brief

**Project Mission statement:** Public Realm and Highway Improvements surrounding the S106/278 London Development Project (Goldman Sachs).

**Definition of need:** Delivering public realm to meet the needs of the new development including enhanced footways and vehicle access, greening and security measures.

### Key measures of success:

- 1) Creation of secure 'Stand-off' and security infrastructure to the appropriate British Standard
- 2) Reduce road danger
- 3) Creating usable additional public space from excess carriageway
- 4) Tree planting as climate change mitigation
- 5) Improved street appearance
- 6) Securing Goldman Sachs' commitment to this City location

## [3] Highlights

### Finance:

**Total anticipated cost to deliver [£]:** Approximately £7.78m

**Total potential project liability (cost) [£]:** n/a – fully reimbursable

**Total anticipated on-going commitment post-delivery [£]:** n/a – Goldman Sachs are required to enter an Annual Maintenance Plan with the City to account for the uplift in post-implementation maintenance.

**Programme Affiliation [£]:** n/a

| [A] Budget Approved to Date*                 | [B] New Financial Requests  | [C] New Budget Total (Post approval)                                |
|--|---|---|
| £7.6m  | Approximately £174k (fully funded by Developer)   | £7.78m  |
| [D] Previous Total Estimated Cost of Project | [E] New Total Estimated Cost of Project   | [F] Variance in Total Estimated Cost of Project (since last report) |
| £7.6m  | £7.78m  | Approximately £174k (fully funded by Developer)                     |
| [G] Spend to Date                            | [H] Anticipated future budget requests  |   |
| £6.5m  | None anticipated at presented but as detailed in the issues report, unforeseen increases in costs may arise due to the complexity of the project. |   |

**Headline Financial changes:****Since 'Project Proposal' (G2) report:**

- Required budget to next Gateway - +£100k
- Total estimated cost of project – Approximately £7m
- Estimated Programme dates – Completion between Jan 2019 – Jan 2020 to coincide with the occupation of the development.

**Since 'Options Appraisal and Design' (G3-4) report:**

- Required budget to next Gateway - +£550k
- Total estimated cost of project – Approximately £8m (+£1m)
- Estimated Programme dates – Completion between Jan 2019 – Jan 2020 to coincide with the occupation of the development.

**Since 'Authority to start Work' (G5) report:**

- Required budget to next Gateway - (additional) £6.95m
- Total estimated cost of project – Approximately £7.6m (-0.4m)
- Estimated Programme dates – Construction between Jan 2018 to April 2019

**Project Status:****Overall RAG rating:** Green**Previous RAG rating:** Green**[4] Member Decisions and Delegated Authority**

Gateway 5 (Approval to start Work) was approved in October/ November 2017.

**[5] Narrative and change****Date and type of last report:**

Update Report – October 2018.

**Key headline updates and change since last report.**

Work has commenced on-site and has been progressing well despite Developer delays. Please see the main report for more details.

**Headline Scope/Design changes, reasons why, impact of change:****Since 'Project Proposal' (G2) report:**

n/a

**Since 'Options Appraisal and Design' (G3-4 report):**

n/a

**Since 'Authority to Start Work' (G5) report:**

n/a

**Timetable and Milestones:****Expected timeframe for the project delivery:** September 2019**Milestones:**

- 1) On-site completion of the scheme in September 2019
- 2) Practical completion of work on Farringdon Street with handover to TfL – August 2018 (**achieved**)
- 3)

**Are we on track for this stage of the project against the plan/major milestones?** Yes

**Are we on track for completing the project against the expected timeframe for project delivery?** Yes, at present.

**Risks and Issues****Top 3 risks:**

|                         |   |
|-------------------------|---|
| <i>Risk description</i> | Further delays to delivery related to the late release of highway to be worked on by the Developer. |
| <i>Risk description</i> | Delays associated with outstanding utilities work.  |
| <i>Risk description</i> |   |

See 'risk register template' for full explanation.

**Top 3 issues realised**

| <i>Issue Description</i>            | <i>Impact and action taken</i>  | <i>Realised Cost</i> |
|-------------------------------------|---|----------------------|
| Utilities Costs                     | Utility diversions are currently overbudget, but it's expected that the Utility companies will return a significant amount of this overspend once their works are complete. Until that point however, its difficult to say how much and when monies would be returned. These overspends have to date been accommodated within the approved budgets and the Developer has been requested to recontribute this overspend back to the project under the existing S106/278 legal agreement. | ~£88,500             |
| Developer Delays (and acceleration) | The City's highways contractor has been delayed by the Developer and their overrunning utility works, and this has resulted in increased costs. Also, the Developer wishes for the City to accelerate its work to ensure the work completes in time for their occupation of the new building. Therefore, the Developer has been requested to recontribute the increased costs, and pay additional funds for acceleration.   | ~£85,500             |
| N/A                                 |   |                      |

**Has this project generated public or media impact and response which the City of London has needed to manage or is managing? No.**

Authorised

Date

## Appendix 2 – Finance table (as of 3/6/19)

| <b>S106 - 16100309</b>              |                            |                        |                    |                               |                       |
|-------------------------------------|----------------------------|------------------------|--------------------|-------------------------------|-----------------------|
| <b>16100309 - Description</b>       | <b>Approved Budget (£)</b> | <b>Expenditure (£)</b> | <b>Balance (£)</b> | <b>Requested Increase (£)</b> | <b>New Budget (£)</b> |
| Env Servs Staff Cost                | 76,211                     | 67,778                 | 8,433              | 0                             | 76,211                |
| Open Spaces Staff Co                | 4,725                      | 104                    | 4,621              | 0                             | 4,725                 |
| P&T Staff Costs                     | 56,446                     | 29,466                 | 26,980             | 0                             | 56,446                |
| Structures Staff Co                 | 779                        | 0                      | 779                | 0                             | 779                   |
| C3 Fees                             | 10,677                     | 0                      | 10,677             | 0                             | 10,677                |
| Consultancy Fees                    | 173,033                    | 168,033                | 5,000              | 0                             | 173,033               |
| Radar Surveys                       | 50,000                     | 50,000                 | 0                  | 0                             | 50,000                |
| SUD Design                          | 9,757                      | 9,756                  | 1                  | 0                             | 9,757                 |
| Env Servs Works (Highways work)     | 1,792,375                  | 1,601,959              | 190,416            | 63,193                        | 1,855,568             |
| <b>16100309 Sub-total</b>           | <b>2,174,003</b>           | <b>1,927,096</b>       | <b>246,907</b>     | <b>63,193</b>                 | <b>2,237,196</b>      |
| Maintenance                         | 156,547                    | 0                      | 0                  | 0                             | 156,547               |
| <b>S106 Sub-total</b>               | <b>2,330,550</b>           | <b>1,927,096</b>       | <b>246,907</b>     | <b>63,193</b>                 | <b>2,393,743</b>      |
| <b>S278 16100374 &amp; 16800075</b> |                            |                        |                    |                               |                       |
| <b>16800075 - Description</b>       |                            |                        |                    |                               |                       |
| PreEv ENV Staff Cost                | 9,990                      | 9,990                  | 0                  | 0                             | 0                     |
| PreEv OP Staff Costs                | 910                        | 910                    | 0                  | 0                             | 0                     |
| PreEv P&T Staff Cost                | 90,000                     | 90,000                 | 0                  | 0                             | 0                     |
| PreEv P&T Fees                      | 30,518                     | 30,518                 | 0                  | 0                             | 0                     |
| <b>16800075 Sub-total</b>           | <b>131,418</b>             | <b>131,418</b>         | <b>0</b>           | <b>0</b>                      | <b>131,418</b>        |
| <b>16100374 - Description</b>       |                            |                        |                    |                               |                       |
| DBE Structures Staff                | 4,417                      | 0                      | 4,417              | 0                             | 4,417                 |
| Env Servs Staff Cost                | 401,827                    | 320,741                | 81,086             | 35,000                        | 436,827               |
| Open Spaces Staff                   | 39,144                     | 13,399                 | 25,745             | 0                             | 39,144                |
| P&T Staff Costs                     | 229,766                    | 178,770                | 50,996             | 0                             | 229,766               |
| P&T Fees                            | 112,328                    | 101,595                | 10,733             | 0                             | 112,328               |
| J B Rineys                          | 3,886,394                  | 3,514,625              | 371,769            | 75,435                        | 3,961,829             |
| Other Works                         | 602                        | 602                    | 0                  | 0                             | 602                   |
| Security Bollards                   | 280,000                    | 279,016                | 984                | 0                             | 280,000               |
| Soft Landscaping                    | 89,643                     | 83,668                 | 5,975              | 0                             | 89,643                |
| <b>16100374 Sub-total</b>           | <b>5,044,121</b>           | <b>4,492,416</b>       | <b>551,075</b>     | <b>110,435</b>                | <b>5,154,556</b>      |
| Maintenance                         | 102,459                    | 0                      | 0                  | 0                             | 102,459               |
| <b>S278 total</b>                   | <b>5,277,998</b>           | <b>4,623,834</b>       | <b>551,705</b>     | <b>110,435</b>                | <b>5,388,433</b>      |
| <b>PROJECT TOTALS</b>               | <b>7,608,548</b>           | <b>6,550,930</b>       | <b>798,612</b>     | <b>173,628</b>                | <b>7,782,176</b>      |

City of London: Projects Procedure Corporate Risks Register

|                            |  |                                 |             |                                  |     |                              |     |              |   |
|----------------------------|--|---------------------------------|-------------|----------------------------------|-----|------------------------------|-----|--------------|---|
| Project Name:              | Shoe Lane Quarter Public Realm Enhancements - PH | PM's Overall risk rating:       | Low         | Costed risk provision requested: | £ - | Average unmitigated risk     | 1.9 | Open Risks   | 7 |
| Unique project identifier: | 11346  | Lifetime total budget estimate: | £ 7,782,176 |                                  |     | Average mitigated risk score | 1.6 | Closed Risks | 0 |

| General risk classification |                                   |   |   |                           |                       |            |                   |                                     |                              | Mitigation actions   |                     |   |  |                                    | Ownership & Action   |             |   |  |   |            |
|-----------------------------|-----------------------------------|---|---|---------------------------|-----------------------|------------|-------------------|-------------------------------------|------------------------------|--|---------------------|---|--|------------------------------------|----------------------|-------------|---|--|---|------------|
| Risk ID                     | Category                          | Description of the Risk   | Risk Impact Description   | Likelihood Classification | Impact Classification | Risk score | Costed impact (£) | Costed Risk Provision requested Y/N | Confidence in the estimation | Mitigating actions   | Mitigation cost (£) | Likelihood Classification on after mitigation | Impact Classification after mitigation | Costed impact after mitigation (£) | Mitigated Risk score | Date raised | Named Departmental Risk Manager/Coordinator | Risk owner (Named Officer or External Party) | Date Closed OR/ Realised & moved to Issue   | Comment(s) |
| R13                         | (1) Service Delivery/ Performance | Failure of developer to vacate areas on time  | Delays in the developer vacating site with delay the City's highways work   | Possible                  | Minor                 | 3          |                   | N                                   | A - Very Confident           | Departments monitor schedule frequently & coordinate with Highways/Contractor  |                     | Rare  | Minor                                  | 1                                  | 16/11/2016           |             | Daniel Laybourn                             |  | Departments identify lead-in times/ mobilisation periods to allow development of schedules. Highways Manager to assist and liaise with developers over the dates when the sites will be available to start works. |            |
| R16                         | (3) Reputation                    | Neighbours - dust, noise, traffic and the proximity of the Church and Temple. pedestrians: lack of sufficient TM barriers/acoustic barriers around site.          | There is a reputational risk to the city when the detrimental effects of LDP's development and the City's works are considered as one large project by the local neighbours | Possible                  | Minor                 | 3          |                   | N                                   | A - Very Confident           | Main Contractor to provide regular progress reports on the management of the site.   |                     | Possible                                      | Minor                                  | 3                                  | 16/11/2016           |             | Daniel Laybourn                             |  | Management issue of main contractor's site logistics.   |            |
| R20                         | (1) Service Delivery/ Performance | Existing piped subways and utility service ducts below ground cause problems during the works.  | Any such issue with utilities or pipe subways would result in delays and potentially costs to the project whilst they're rectified.   | Rare                      | Minor                 | 1          |                   | N                                   | A - Very Confident           | Further work required by developer to provide Utilities strategy that is acceptable to the City                              |                     | Rare  | Minor                                  | 1                                  | 16/11/2016           |             | Daniel Laybourn                             |  | Piped Subways and utility ducts drawing issued by developer but not felt to be adequate. Further discussion required with the designers.  |            |
| R24                         | (1) Service Delivery/ Performance | City operations disrupted by construction works - entrance areas, lifts, pedestrians, users with buildings department, traffic, parking, deliveries, skips, etc.. | Should the project be required to alter its plans to accommodate external influences, delays and costs could be incurred.   | Possible                  | Minor                 | 3          |                   | N                                   | A - Very Confident           | Monitor execution of the works in accordance with the plans agreed.  |                     | Possible                                      | Minor                                  | 3                                  | 07/11/2016           |             | Daniel Laybourn                             |  | Establish strategy for pedestrian movements, users movements, traffic movements with Developer and Contractor prior to start of works and obtain sign-off.  |            |
| R26                         | (1) Service Delivery/ Performance | Failure to meet programme at Handover   | Extra funding may be required to accelerate completion of the required documentation for handover.  | Rare                      | Minor                 | 1          |                   | N                                   | A - Very Confident           | Handover plan to be done.  |                     | Rare  | Minor                                  | 1                                  | 07/11/2016           |             | Daniel Laybourn                             |  | Plan to adopt Handover Plan and commence handover planning well in advance.   |            |
| R31                         | (6) Objectives                    | Development Design Changes  | Delays and costs would result from any developer-led changes away from the baseline/ agreed scope.  | Rare                      | Minor                 | 1          |                   | N                                   | A - Very Confident           | Continuous communication required to ensure that the users expectations are managed during the project.                      |                     | Rare  | Minor                                  | 1                                  | 07/11/2016           |             | Daniel Laybourn                             |  | May 2019 - No further change requests are expected from the developer.  |            |
| R&1                         | (4) Legal/ Statutory              | Delay in attaining the TMA works approval   | Delays in gaining network access approval would delay the involved work.  | Rare                      | Minor                 | 1          |                   | N                                   | A - Very Confident           | Have agreed with Ollie Benford @ TL the documents to be submitted, permits have been submitted along with a provisional TMAN |                     | Rare  | Minor                                  | 1                                  | 01/10/2017           |             | Daniel Laybourn                             |  | M&E requirements may mean one further weekend cycle lane closure on Farrington Street. Risk to be closed following completion of that work.   |            |