

Committees:	Dates:	
Projects Sub	19 July 2019	
Port Health and Environmental Services (for information)	23 July 2019	
Streets and Walkways Sub-Committee	22 July 2019	
Subject: Middlesex Street Area Enhancement Phase 2: Petticoat Lane Market Improvements and Public Realm	Gateway 4 Detailed Options Appraisal (Complex)	Public
Report of: Director of the Built Environment and Director of Markets and Consumer Protection	For Decision	

Summary

Dashboard

Project status: Green

Timeline: Gateway 4

Project estimated to cost: £916,274 is the current given total cost of the City's funded element of the public realm project.

There is also a £2m - £4m cost range for the project which is for public realm enhancements and market improvement for the City and the London Borough of Tower Hamlets combined.

Latest Approved Budget: £118,000

Spend to date: £97,146

Estimated cost to reach next Gateway: £205,000

Overall project risk: Low

Strategic Overview

The project aims to improve Petticoat Lane Market and enhance the central section of Middlesex Street between Sandys Row and St Botolph Street, celebrating the character and history of the area whilst improving the visitor experience. This is expected to be achieved through public realm enhancements to the area, alongside much-needed improvements to the operation of the market, a strategy to bring new visitors into the area, and community and public art programmes, thereby making the ongoing life of the Market viable for the future.

The market is operated by both the City (at the northern end) and Tower Hamlets (along the middle and southern sections), therefore this project involves close working in partnership with the London Borough of Tower Hamlets (LBTH), as well as consultation with market traders, residents, and other local stakeholders. A Working Party sets the aims of the project and drives it forward; it is chaired by City and Tower Hamlets Ward Members, and its membership includes City and LBTH officers, Market trader representatives, and local stakeholders.

The project is fully funded through local funding sources and therefore is outside the scope of the fundamental review. It mitigates the impact of developments from which the funds were generated and support the outcomes of the Corporate Plan.

Progress to date

In accordance with Committee approval at Gateway 3, progress has been made on a number of key areas. All activities are coordinated with the Markets and Consumer Protection Department, the Department for Community and Children's Services, the City Surveyors and the LBTH.

- Concept design options for the public realm (see appendix 3)
- Completion of a vision for Petticoat Lane that draws on its history and promotes a 'proper' east end market experience and new branding including a new logo and other items to be used on market stalls: signage, advertising, website, print drawing on the name 'Petticoat Lane' and its historic link with clothing and fabrics (appendix 2)
- Market layout and operations study is ongoing

Traffic surveys and proposals for the re-naming of the street will be undertaken at the next gateway. A review of the potential uses for Middlesex Street Estate car park is ongoing with officers in DCCS and City Surveyors to determine if these uses can be complementary to the market operations (e.g. storage space for markets stalls). This will also be presented in the next report.

Stakeholder engagement has taken place on the vision, branding and public realm options, which has informed the options and studies presented to Committee in this report. This includes monthly public meetings; attending market days to engage with traders; a local history project; and an email bulletin. A new online consultation tool has also been launched as a way of updating people about the project and related events and providing a medium through which stakeholders can continually engage with the project. It is proposed that this engagement continue throughout the life of the project and will feed into the development of the project as it goes forward.

Overview of Options

It is proposed that all options include the roll-out of the branding, publicity and website, consultation on possible re-naming of Middlesex Street, minor improvements to market operations including rationalisation of waste management.

For the improvements to the public realm specifically, three options have been developed, ranging in scale based on the consultant's recommendations. Costs for all three options relate only to the City of London's contribution from the public realm budget for works within the City boundary, and do not include LBTH funding for their area. Whilst Appendix 3 shows the full scope of the joint project and therefore includes LBTH area, any enhancement within the LBTH boundary is not within the City's remit and will be subject to LBTH decision-making processes and will be funded by LBTH. Officers are working together to ensure that both the City and LBTH work is aligned properly.

Option 1: Minimal change (not recommended)

This option includes the items above plus limited public realm improvements, including lighting, street furniture, wayfinding and greening (where possible); and introduction of water and power for markets and events use; but no changes to the layout, surface or function of the street. This option is a lower cost but would have a smaller impact as it

would not address the need for a much higher quality street surface and a flexible layout of market stalls.

The approximate cost for this option would be £650,000

Option 2: Specific targeted improvements (recommended)

This option develops the top priority items from the consultant's report. The option includes:

- all the items included in 'all options' and Option 1 above
- raising the carriageway at certain key areas to allow for flexibility of stall layout in those places;
- creating a new public plaza halfway down Middlesex Street, to create a 'heart' of the market;
- strengthening gateways through feature lighting and bespoke kiosks (to be implemented subject to all the correct Planning permissions and approvals);
- decluttering the streetscape;
- introducing additional trees and planting where possible;
- retrofitting the redundant stairs at the Middlesex Street Estate into a feature and a possible setting for events;
- introducing informal wayfinding (e.g. artworks referencing history of the area).

The approximate cost for this option is £916,274.

Option 3: Full-scale improvements (not recommended)

The option includes all of the above at Option 2, plus:

- raising and resurfacing the carriageway throughout the project area, in line with the City's SPD for public realm, including York stone paving and granite setts where appropriate;
- changing the alignment of the carriageway at the Bishopsgate end to provide a better gateway and introduce a permanent 'welcome' kiosk (to be implemented subject to all the correct Planning permissions and approvals);
- a second permanent kiosk at the junction of Widegate Street and Middlesex Street;
- options for a canopy across a featured area of the market
- feature lighting throughout the area;
- reinstating shop awnings;
- building out the pavement, narrowing the carriageway and introducing trees at the southern end of Middlesex Street.

The approximate cost for this option is £2.1m. This option exceeds the current project budget and is not recommended.

Proposed Way Forward

Option 2 is proposed. This option strikes a balance between making a significant impact whilst restricting costs to within the project budget.

Financial implications

Table 1 below shows the resources expended to date. Table 2 sets out the resources required to reach the next gateway, and a brief explanation of the tasks to be completed.

Table 1 – Spend to date:

Description	Allocation	Spend	Balance Remaining
Fees	50,000	38,597	11,403
Staff costs	68,000	58,549	9,451
Total Approved up to Gateway 4	118,000	97,146	20,854

Table 2 – Funding needed to get to Gateway 5:

Item	Cost	Reason
Fees	£55,000	To include fees relating to engagement, brand rollout and website, design, research and evaluation, market operations consultancy. Part of this budget to be funded by the underspend in fees from Gateway 3.
Design (to be undertaken in house)	£75,000	To develop the public realm designs to Gateway 5 stage
Traffic assessment	£20,000	To assess options for removing traffic/ timed closures, carriageway realignment, and parking issues
Works	£15,000	Budget for experimental/ trial elements if needed prior to Gateway 5, e.g. street furniture or street art
Staff costs	£40,000	For City Public Realm, City Transportation, Highways and Open Spaces officers. To manage the project, commission and manage assessments, liaise with stakeholders, write reports. Part of this to be funded by underspend since Gateway 3.
Total required to Gateway 5	£205,000	

From the £205,000 required to get to Gateway 5, £20,854 will be funded from project underspend from the approved funds for the previous stage (for fees and staff costs as set out in Table 1). The remaining £184,146 will be funded via S106 contributions, as approved in the 'Review of Projects in the Built Environment Directorate report from December 2018.

LBTH will contribute financially to the joint project (i.e. the City will fund changes within the City boundary and LBTH will fund changes within their boundary); to date they have match-funded the City's contributions to the public realm and branding consultants work as well as LBTH staff time. The figures above and throughout this report are for the City's contribution only. The contributions from LBTH are expected to match those of the City, where they specifically relate to improvements within their local authority boundary.

Procurement approach

A number of appointments may be required in order to progress to the next Gateway. These appointments will be tendered competitively through City Procurement, to ensure best value is achieved.

Recommendations

It is recommended that Members:

- Approve Option 2 for the public realm enhancements to be progressed to Gateway 5 stage;
- Authorise the progression of the project and approve funds of £184,146, as set out in Table 2;

Options Appraisal Matrix

See attached.

Appendices

Appendix 1	Project Area
Appendix 2	Vision and Branding Proposals for Petticoat Lane Market
Appendix 3	Public Realm plan

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Options Appraisal Matrix

	<i>Option 1</i>	<i>Option 2</i>	<i>Option 3</i>
1. Brief description	Minimal change	Specific targeted improvements	Full-scale improvements
2. Scope and exclusions	<p>This option includes only some smaller changes, including lighting and wayfinding but no streetworks. This option is the lowest cost but would have a much smaller impact and would not address the need for a much higher quality street surface for the market.</p>	<p>Public Realm improvements:</p> <ul style="list-style-type: none"> - raising the carriageway to allow for different types of stall layout in those places - creating a new public 'plaza' halfway down Middlesex Street, at the heart of the market, using asphalt and York stone paving - strengthening gateways through surfacing, feature lighting and bespoke kiosks - a potential for a future project, funding permitting, to reinstate shop awnings - decluttering the streetscape - introducing additional trees if possible - retrofitting the stairs at the Middlesex Street Estate into a feature and a possible setting for events 	<p>All of the items listed in option 2, plus:</p> <ul style="list-style-type: none"> - resurfacing throughout to meet the City's SPD for streetscene, including York Stone paving and Granite Sets where appropriate - Using granite setts at the new 'plaza' area in the centre to clearly delineate this area - changing the alignment of the carriageway at the Bishopsgate end to allow for a better gateway and introduce a welcome kiosk - second permanent kiosk at the junction of Widegate Street and Middlesex Street - feature lighting throughout to add interest - reinstating shop awnings as part of the project

	<i>Option 1</i>	<i>Option 2</i>	<i>Option 3</i>
		<ul style="list-style-type: none"> - rationalising waste management - introducing Legible London signage (City-located signs to be funded from central Legible London project) - introducing informal wayfinding (e.g. artworks referencing history of the area) - providing power and water to certain areas of the street 	building out the pavement, narrowing the carriageway and introducing trees where possible on the eastern part of the southern end of Middlesex Street
<i>Project Planning</i>			
3. Programme and key dates	<p>Next stage of design work and traffic surveys: August 2019 – December 2019</p> <p>Detailed design: December 2019– March 2020</p> <p>Reviewing design and agreements with Tower Hamlets, ‘quick wins’ implementation and continued stakeholder engagement: ongoing</p> <p>Public Consultation on proposals: March 2020</p> <p>Gateway 5 to Committee: May 2020</p> <p>Construction begins (phased): July 2020</p> <p>NB - the proposed first construction phase is wholly within LBTH. The second phase, within the City of London, would not commence until this first phase is complete, expected to be late-2020.</p>		

	<i>Option 1</i>	<i>Option 2</i>	<i>Option 3</i>
4. Risk implications	<ul style="list-style-type: none"> - Relationship/ partnership: this project is a partnership with Tower Hamlets and therefore parts of it depend on both bodies agreeing on scope, costs and objectives. - Timescale: the Market is declined rapidly, and this project is therefore needed quickly. The risk is that it is not enacted quickly enough to halt the decline in the market. 	<ul style="list-style-type: none"> - Relationship/ partnership: this project is a partnership with Tower Hamlets and therefore parts of it depend on both bodies agreeing on scope, costs and objectives. - Timescale: the Market is declined rapidly, and this project is therefore needed quickly. The risk is that it is not enacted quickly enough to halt the decline in the market. - Budget: this option is much more expensive and it would be difficult to find the full amount from within S106 and other funds 	<ul style="list-style-type: none"> - Scope: the Market is declined rapidly, and this project is therefore needed; if the interventions are not transformational enough they will not achieve the impact needed to renew the Market.
5. Benefits and disbenefits	<ul style="list-style-type: none"> - some additional facilities to the market operations and for visitors - no street surfacing enhancements 	<ul style="list-style-type: none"> - additional facilities to the market operations and for visitors - surfacing enhancements 	<ul style="list-style-type: none"> - full suite of improvements to the market facilities and streetscape

	<i>Option 1</i>	<i>Option 2</i>	<i>Option 3</i>
6. Stakeholders and consultees	LB Tower Hamlets Local residents Market Traders Local businesses City and LBTH Members and Councillors		
Resource Implications			
7. Total Estimated cost	£650,000	£916,274	£2,100,000
8. Funding strategy	Section 106 funding has been confirmed by the City for public realm improvements within the City of London boundary Markets team contribution: to be confirmed for market operation improvements LBTH will provide funding for the project for all public realm work within LBTH area.		
9. Estimated capital value/return	n/a	n/a	n/a
10. Ongoing revenue implications	There would be no additional revenue implications associated with this option. The street	Rationalising the waste management approach in the area may potentially reduce revenue costs. There would be small additional costs	Rationalising the waste management approach in the area may potentially reduce revenue costs. There would be small additional costs

	<i>Option 1</i>	<i>Option 2</i>	<i>Option 3</i>
	would continue to be serviced and maintained as it is today.	associated with maintaining new green infrastructure. Capital improvements may induce increased revenue from market pitch fees.	associated with maintaining new green infrastructure. Capital improvements may induce increased revenue from market pitch fees.
11. Investment appraisal	Revenue increases from pitch fees may not materialise if changes are not substantial enough to bring traders to the area	The investment in the Market aims to increase pitch and trader take-up, which is currently in decline. This would increase revenue.	
12. Affordability	TBC	TBC	TBC
13. Procurement Strategy	Refer to the PT4 completed at Gateway 3 as needed	Refer to the PT4 completed at Gateway 3 as needed	Refer to the PT4 completed at Gateway 3 as needed
14. Legal implications	In all options, officers will review the legal implications of proposals including examining any relevant byelaws or legislative requirements or restrictions, including any relevant highways or planning provisions. Legal Implications will be set out at Gateway 5		
15. Corporate property implications	A related project is underway to consider feasibility into using park spaces in Middlesex Street Estate to support the market. Any decision about this property will be subject to further committee reports in due course.		
16. Traffic implications	A traffic study, to include trader loading, movement and parking will be undertaken as part of the next stage of work. The findings of this will be presented at the next Gateway.		

	<i>Option 1</i>	<i>Option 2</i>	<i>Option 3</i>												
17. Sustainability and energy implications	<p>The greening and planting options developed to the next stage will aim to include additional trees in the area (where possible) and will aim to increase levels of greenery at a local level.</p> <p>The waste consolidation elements of the project will include a shift to low-emission vehicles for waste</p>														
18. IS implications	A bespoke Petticoat Lane Market website and social media strategy will be developed as part of the project														
19. Equality Impact Assessment	An EQIA will be completed as the designs develop.	An EQIA will be completed as the designs develop. Designs will aim to improve conditions generally in the area.													
20. Recommendation	Not recommended	<u>Recommended</u>	Not recommended												
21. Next Gateway	Gateway 5 - Authority to Start Work	Gateway 5 - Authority to Start Work	Gateway 5 - Authority to Start Work												
22. Resource requirements to reach next Gateway	<table border="1"> <thead> <tr> <th>Item</th> <th>Cost</th> <th>Reason</th> </tr> </thead> <tbody> <tr> <td>Fees</td> <td>£55,000</td> <td>To include fees relating to engagement, brand rollout and website, design, research and evaluation, market operations consultancy. Part of this budget to be funded by the underspend in fees from Gateway 3.</td> </tr> <tr> <td>Design (to be undertaken in house)</td> <td>£75,000</td> <td>To develop the public realm designs to Gateway 5 stage</td> </tr> <tr> <td>Traffic assessment</td> <td>£20,000</td> <td>To assess options for removing traffic/ timed closures, carriageway realignment, and parking issues</td> </tr> </tbody> </table>			Item	Cost	Reason	Fees	£55,000	To include fees relating to engagement, brand rollout and website, design, research and evaluation, market operations consultancy. Part of this budget to be funded by the underspend in fees from Gateway 3.	Design (to be undertaken in house)	£75,000	To develop the public realm designs to Gateway 5 stage	Traffic assessment	£20,000	To assess options for removing traffic/ timed closures, carriageway realignment, and parking issues
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