

<b>Committee(s):</b> Street and Walkways Projects Sub	<b>Date(s):</b> 11 February 2013 12 February 2013
<b>Subject: Gateway 3</b> Outline Options Appraisal - Aldgate Highway Changes and Public Realm Improvements Project	<b>Public</b>
<b>Report of:</b> <b>Director of the Built Environment</b>	<b>For decision</b>
<p style="text-align: center;"><b><u>Summary</u></b></p> <p>The main aim of the project is to achieve transformational change, removing barriers to movement and providing public realm amenity, which will attract investment to this key opportunity area to create jobs and regenerate the area. The project is to convert the Aldgate gyratory to two-way working on Aldgate High Street and St Botolph Street, creating a new public square between the Sir John Cass Primary School and the St Botolph Without Aldgate Church.</p> <p>In January 2012 the project was approved at Gateway 2 (G2) with an estimated cost of £6.5-7m. Projects Sub Committee approved a budget of £400k, funded from an original £539k from a Transport for London (TfL) Major Scheme Bid, and in September 2012 agreed an additional £70k to be used. This left £69k unallocated. The project is progressing successfully and has the continued financial support of key stakeholders, such as TfL.</p> <p>TfL are closely linked to the project through the Aldgate Project Board and through a joint design process. This has proved invaluable, as TfL have intimate knowledge of the project by being so closely involved in its development and therefore awarded the City a further £360k for 2013/14 to continue development work without having to go through the formal bidding procedures. This is very positive and shows TfL's support for the project.</p> <p><b><u>Dashboard</u></b></p> <ul style="list-style-type: none"> <li>• Project status: Green.</li> <li>• Timeline: Gateway 3</li> <li>• Total Estimated Cost: £7-12m.</li> <li>• Spend to Date: £425,119.49 (as at 14 December 2012) all funded by Transport for London (TfL).</li> <li>• Overall Project Risk: Amber.</li> <li>• Alderman Bear has agreed to be the lead Ward representative for the Project.</li> </ul> <p>An enormous amount of work has been undertaken to understand specialist areas and this prompted us to have 12 working groups to manage specific areas of the project, for example: movement analysis, structures, environmental factors, enhancement of the public realm, assessment of subway re-use, liaison with developments, construction and traffic management phasing considerations, consideration of the Traffic and Environment Zone, project management and production of a business case. These groups fed into the production of highway design layouts and the tender for the urban</p>	

realm and landscaping designer. This work has been intensive and has taken the last year. This work has been well received by the 'Planned Interventions Team' at TfL who have praised the quality of the data analysis undertaken to date. The analysis has been used to validate the traffic model and establish a selection of highway layouts that can now be thoroughly tested.

It was estimated at G2 that the cost of the project would be in the region of £7m. Changes to the scope of the project have occurred and include the possible conversion to two-way traffic on Minories, the inclusion of Whitechapel High Street corridor and the potential for permanent facilities within the new public square to encourage active use of the space. The new estimate is now £7-12m.

In order to progress to Gateway 4 (G4), it is estimated that it will cost approximately a further £475k, this would bring the total project spend up to an estimated £901k. Development of G4 will be funded by the inclusion of the remaining £429k from TfL into the budget and the rollover of any unneeded balance of the £470k approved to reach G3, as indicated in Table 1. Table 1 details the financial committee approvals sought to proceed to G4.

Table 1: TfL Funding

	2011/12 £ 000's	2012/13 £ 000's	2013/14 £ 000's	Total £ 000's
TfL Approved funding to the City	30	509	360	899
Funds approved by Committee to the end of G3	(30)	(440)	0	(470)
<b>Funds subject to committee approval to reach G4</b>		69	360	<b>429</b>
Remaining balance of funds from G3 to be used to reach G4		44	0	<b>44</b>
<b>Total TfL funding available to spend from G3 to reach G4</b>		113	360	<b>473</b>

It is proposed that officers draw down on the S106 agreement for St Botolph House (of which a total of £926k, plus interest, is available specifically for the new public square) to cover the remaining balance to reach G4, if it is necessary.

Funding for the implementation of the project is not yet fully identified and a funding gap of up to £10.2m currently exists. A funding strategy will be detailed at the G4 report stage.

### Context

The Aldgate project aims to achieve transformational change that will attract investment to the area and encourage regeneration. The City's Core Strategy policy CS8 (See Appendix 1) advocates the removal of the gyratory and creation of a public square to enhance amenity and improve links between the communities north and south of the gyratory. It also conforms to the London Plan policy 2.13 that sets Aldgate within the "City Fringe Opportunity Area" where authorities and the Mayor's agencies are

encouraged to work collaboratively and proactively to encourage growth potential.

Expressions of Interest for the Urban and Landscape Design have been received and assessed. The scoring process and relative scores of the top six tenders can be found in Appendix 8 (the detail of tenders is non-public for commercial reasons). The Aldgate project board on 23 January 2013 agreed that WSAtkins should be recommended for appointment. The design of the public spaces will be influenced by the final highway layout option and the location of the pedestrian crossing points, however the landscape architect will develop sketch design options which will be presented to Members of Streets and Walkways and Project Sub Committee in an issues report in May/June for their consideration. The ten objectives of the brief can be found in Appendix 7 and a full copy is available in the Members Reading Room.

#### Brief description of the project

The key aim is to achieve transformational change that will attract investment to this key opportunity area to create jobs and regenerate the area.

The core project involves:

- the conversion of Aldgate High Street and St Botolph Street to accommodate two way traffic;
- the creation of a new public square between the Sir John Cass Primary School and the St Botolph Without Aldgate Church; and
- the removal of the pedestrian subway access points to provide additional surface space and public realm improvements.

The project should also contribute to improving traffic flow and road safety in the area. With the removal of the subway access this could also contribute to a decrease in antisocial behaviour.

#### Options

Certain aspects of this project are considered essential to meet regulation and policy requirements and external funding and approval mechanisms. Therefore the following will be a requirement of each option:

- Aldgate High Street and St Botolph Street being made two-way, thus creating a new public square;
- a highway layout that is acceptable to TfL and London Borough of Tower Hamlets (LBTH), as well as the City of London which meets TMA requirements;
- structural design assessment and caveats (outlined in the Potential Risk Implications, section 14);
- inclusion of Whitechapel High Street to the junction with Commercial Road within the project to reduce traffic congestion to the east of Aldgate. This will improve the flow of traffic on the approaches to/from Aldgate. Without inclusion, it would constrain our ability to consider more ideal improvements for vulnerable road users and reduce the possibility of further TfL funding and the likelihood of TMA approval;
- closure of all the pedestrian subway accesses. These closures will provide substantial additional public space and improve the urban realm. Antisocial behaviour is also likely to be reduced;
- There are specific technical challenges associated with this project including the two London Underground (LU) structures which are situated under Aldgate High Street

and the necessary removal of the pedestrian subway access ramp between Aldgate Underground Station and Aldgate House. These challenges have been carefully considered to ensure that the proposed changes are feasible. Further assessment will be required; and

- the requirement for the urban and landscape design to improve the public realm so that Aldgate becomes a destination; a place where people will choose to spend time.

There are three highway layout scenarios jointly proposed by LBTH, TfL and the City. These will be progressed through full traffic modelling sensitivity testing to judge what the appropriate number of pedestrian crossing signal installations are, along with the number of lanes that provides the best balance for all users; balancing the enhanced movement of pedestrians, ease of movement for vulnerable road users such as cyclists and powered two wheelers, with the smooth flow of traffic. It is likely that only one of these highway layout scenarios, or a version of, will receive Traffic Management Act 2004 (TMA) approval. TMA approval is essential to progress the project to the implementation phase. The TMA approval is granted by TfL following consideration of the impact the changes will have to the road network as a whole, but specifically the TfL Road Network (TLRN) and the Strategic Road Network (SRN). Appendix 2 shows the various road ownership and classifications in context to this project area. Officers are working positively with both TfL and LBTH to achieve a TMA viable scheme that is acceptable to all three parties.

It may also be necessary to include the option of making Minories two-way in order to achieve a TMA approved scheme. This decision can only be made following further modelling work. If this option is progressed as the best layout, it will have an impact on the cost of the core highway changes as there will be significantly more signal work and highway alignment that will need to be undertaken. The estimated cost implication has been incorporated in Table 2.

The highway layout scenarios, all with the underlying core project of two-way working on St Botolph Street and Aldgate High Street with the creation of a public space, that are being taken forward for full traffic modelling in order to inform the design of a TMA compliant scheme are:

- Layout Scenario 1: Two-way conversion of St Botolph Street and Aldgate High Street with formal pedestrian crossing facilities and associated changes to Whitechapel High Street.
- Layout Scenario 2: Two-way conversion of St Botolph Street and Aldgate High Street and associated changes to Whitechapel High Street but investigating using fewer traffic signals, smoothing flow for road users while also providing a pedestrian friendly environment.
- Layout Scenario 3: Same as layout 1 but including the two-way working of Minories which changes the location of the formal pedestrian crossings.

Either one or a variation of one of the above layouts will be identified as the most appropriate by the forthcoming modelling. The outcome could narrow the range of project options (shown in Table 2) that are presented at G4.

There are however still many other choices which will need to be made within this project, particularly regarding the design options for the public realm and square. Some of the other key choices are listed below:

- Removal of the pedestrian subway access points provides an opportunity to create greater amenity and improved public realm at surface level but also presents an opportunity for reusing the structures rather than just decommissioning them. Potential re-use options include piped subways, storage for City departments (highways, open spaces or cleansing) and sustainable drainage (storage to reduce peak rainfall impacts on drains or processing for re-use of the water). Re-use requires this project to cap off the subway structures and provide for future manhole access. It is not currently within the scope of this project to provide the funding or deliver the implementation of the subsequent re-use of the structures other than where this is directly associated with the highway or urban realm scheme. A cost and benefit comparison will be carried out on the different options for consideration at G4 to help Members make a decision as to whether the subways are permanently decommissioned or retained for a specific future use.
- Construction working times are likely to be constrained due to noise (for residents, school children, parishioners or office workers), hours of working over the live underground and requirements to dig by hand in the vicinity to certain structures. A balance of reducing traffic disruption against these constraints will be required. The options to achieve this balance will have different cost and programme implications and will be presented at G4. At this time it is anticipated that the construction timetable will be in the region of 12 to 18 months.

Table 2 outlines the likely option combinations that may be available with an indication to likely costings. Currently there is a large tolerance as the extent of any permanent facilities and the final highway layout are not yet known.

Table 2: indicative cost range by project option

	Option 1	Option 2	Option 3	Option 4	Option 5
Description	Core highway changes* with a high quality public square	Option one, plus inclusion of Minorities two-way working	Option 1, plus High quality** public realm throughout the project area	Option 2, Plus High quality public realm throughout the project area	Option 1,2,3 or 4 plus inclusion of permanent facilities on the square i.e. kiosk, toilets etc.
Total Estimated Cost £	7-9m	7.5-10m	8-10m	8.5-11m	8-12m
Likely Funding Strategy	TfL / S106 / CIL	TfL / S106 / CIL	TfL / S106 / CIL	TfL / S106 / CIL	TfL / S106 / CIL

\*Core Highway changes reference conversion of St Botolph and Aldgate High Streets for two-way traffic and closure of Public Subways

\*\* High quality public realm suggests using higher quality materials such as York Stone paving as opposed to the use of blacktop/mastic etc. materials will be considered in more detail at G4.

## Recommendations

### Option(s) recommended to develop to next Gateway

It is recommended that all highway layout scenarios continue to be developed to G4 to ensure the optimum layout is chosen.

### Next Steps

- Undertake traffic modelling on three highway layout scenarios. Review with external stakeholder groups and develop a highway layout that will meet with the City, LBTH and TfL approvals, including the TMA approval.
- Develop the landscape and urban design.
- Develop a funding strategy for the implementation of this project.
- Prepare to undertake a public consultation in the summer of 2013 on the highway option(s) and the proposals for the new open space design options.
- Write an issues report for consideration of the proposed consultation materials to be presented to Members in May/June 2013.
- Undertake workshops/events as appropriate to develop the proposals and communicate the project to key stakeholders. Alderman Bear of Portsoken Ward has agreed to chair the first event scheduled for key stakeholders on 1 March 2013.
- Submit a Step Two Major Scheme bid submission to TfL, in September 2013.

#### Resource requirements to reach next Gateway and source of funding

It is estimated that to move from G3 to G4, expenditure will be in the region of £475k. This is made up of

- Estimated staff costs of £224k
- Estimated fees of £251k (to include modelling work, structural assessment, landscape design etc)

**Estimated total of £475k.**

The source of funding has been identified as predominately from TfL, as set out in Table 1. It is also proposed to roll over any underspend from the existing approved budget used to get to G3 (and still to be utilised by the end of the financial year). This is likely to be in the region of £44k. The TfL funding will cover a significant proportion of the next stage. The remaining funds to be utilised, if needed, will be from the St Botolph House S106 agreement.

#### Financial assessment/Investment Appraisal to be provided in the Detailed Options Appraisal report

It is anticipated that further TfL major scheme funding (£2.8m) will be made available, but this is subject to the Step Two Major Scheme bid submission in September. This figure may increase given the inclusion of Whitechapel High Street to the project. S106 contributions from existing and future agreements may also be used, as may any CIL funding that is made available from April 2014. Early attempts to identify funding can be seen in Appendix 3. A funding strategy will continue to be worked on so that at G4 Members can be presented with more specific details of funding options for the implementation of this project.

There will be a need to prioritise this scheme for the Aldgate area, so that it can appropriately pool resources from local S106 contributions and/or future CIL contributions in the area.

#### Plans for consultation prior to the next Gateway report

Public consultation material will be prepared for the summer of 2013 to present the proposed highway option(s) and the urban and landscape design options for the public

spaces. The public consultation will take place prior to G4 in order to help inform Members in making their decision on the detailed option to be progressed. It is planned to submit an issues report containing the consultation option(s) prior to publically consulting.

### Tolerances

The project's tolerances are currently mainly related to specification and time parameters.

Between G3 and G4, Members are requested to grant delegated authority to the Director of the Built Environment to adjust the project budget between staff costs and fees if above the recommended variance. This would be conditional upon the overall budget not being exceeded. This will allow the project staff to be reactive in a timely manner to the outcomes of the design by being able to commission expertise where necessary or undertake more stakeholder engagement to ensure the design options meet stakeholders needs and aspirations.

Further work may be required on the London Underground bridge under Aldgate High street depending on the outcome of the impact of the change of vehicle loading by changing the traffic flow. Work will progress on this as necessary and Members will be updated if there is any change to the scope of the project.

**It is recommended that members agree that:**

- **All options continue to be developed to G4 to ensure that the optimum highway layout is presented;**
- **Delegated authority be given to the Director of the Built Environment and Head of Finance to adjust the project budget between staff costs and fees if above the recommended variance providing the overall budget is not exceeded;**
- **The TfL funding of £429k is included into the project budget;**
- **Approval to use the underspend from the delivery of the project to G3 to be used to deliver G4 (approximately £44k at the time of writing);**
- **Approval to utilise the St Botolph House S106 contribution for the "New Public Square" development, if required, to reach G4. (It is anticipated that is likely to be between £2k and £20k.)**
- **The appointment of WSAtkins is approved for a sum in the region of £100k (see Appendix 8) to develop the urban design for the scheme (included within the £475k estimate of expenditure).**

## **Main Report**

### Overview

#### **1. Evidence of Need**

The City of London's CS8 Policy (see Appendix 1) advocates the removal of the gyratory and the creation of a public square to enhance amenity and improve

	<p>links between the communities north and south of the gyratory.</p> <p>The justification to the Mayor's London Plan policy 2.13 identifies that public intervention is required in 'Areas of Opportunity', which the Mayor has classed Aldgate, in order to achieve their growth potential. Policy 2.9 identifies that boroughs, the Mayor and other stakeholders should work to realise the potential of inner London in order to enhance economic growth, support existing and new communities and improve quality of life for those living, studying, working or visiting.</p> <p>The local businesses and residents have been pushing for transformational change which has become apparent in the consultation and development of the Aldgate and Tower Area Strategy which was undertaken in 2011/12. Stakeholders expressed a desire for the removal of the gyratory, the addition of better quality public spaces and the greening of the area. Businesses have also joined together in the area to promote change. Environmentally the area is of a poor quality and improvements are needed, particularly regarding air quality by the Sir John Cass School. Road safety is also a concern as pedestrians choose to cross the gyratory at street level but not at formal crossing points. Changing the traffic arrangements will improve this and link with the Road Danger Reduction Plan.</p>
<p><b>2. Success Criteria</b></p>	<ul style="list-style-type: none"> <li>• Creation of the public square and improvement of the appearance/amenity of the area</li> <li>• Improvement of mobility (for all modes) through the area</li> <li>• Improved rentable values and development of disused sites</li> <li>• Improved satisfaction rates for all users of the streets and spaces.</li> </ul>
<p><b>3. Project Scope and Exclusions</b></p>	<p>Replace the Aldgate gyratory with two-way working on Aldgate High Street and St Botolph Street and create a public space between Sir John Cass School and St Botolph Without Aldgate Church. Pedestrian subways will also be removed with other highway uses being investigated.</p> <p>The project aims to:</p> <ul style="list-style-type: none"> <li>• make it easier for people to find their way around,</li> </ul>



	<ul style="list-style-type: none"> <li>• improve the appearance of the area using a consistent material palette,</li> <li>• improve links between public transport provision in the area,</li> <li>• green the area,</li> <li>• enhance the environment while maintaining traffic journey times and cycle provision.</li> <li>• Reduce antisocial behaviour by the removal of the subway access.</li> <li>• Improve Road Safety</li> </ul> <p>Improvements will be made to Whitechapel High Street to enhance traffic flow and reduce conflicts for vulnerable road users.</p> <p>Specific exclusions include the future use and development of the subways.</p>
<p><b>4. Link to Strategic Aims</b></p>	<p>City of London's Core Strategy Policy CS8 is to replace the Aldgate gyratory with two-way streets and create a public open space between Sir John Cass School and St Botolph Church.</p> <p>This project also cuts across all of the five themes in the Community Strategy.</p>
<p><b>5. Within which category does the project fit</b></p>	<p>Substantially reimbursable.</p>
<p><b>6. What is the priority of the project?</b></p>	<p>Advisable.</p>
<p><b>7. Governance arrangements</b></p>	<p>Project Board.</p> <p>A project of this scale has many key stakeholders and so the Aldgate project board has been set up. The board includes officers of the City of London, TfL, an officer from the LBTH and a developer representative from Minerva (with a key interest in the development of the public space). Appendix 4 sets out the governance structure of the project.</p> <p>The project board has already met four times and the strength of the board is encouraging the buy in and timely actions from the many facets of TfL which is helping us to achieve good partnership working. It also meant that the TfL Borough Programme team agreed the 2013/14 funding of £360k without the formal submission of evidence given their overview of the project's issues and risks from being part of the project</p>

	<p>board.</p> <p>The project board agreed the Terms of Reference that will be used to guide the board in delivering the project objective of transformational change in the Aldgate area. (See Appendix 5 for the Terms of Reference.)</p>
<p><b>8. Resources Expended To Date (14 December 2012)</b></p>	<p>Staff costs: £122,254.21</p> <p>Fees (actual and committed): £302,865.28</p> <p><b>Total: £425,119.49</b></p> <p>The approved budget to the end of G3 was £470k all funded by TfL. This has been drawn down against to define the feasible highway layout options which can now be tested through detailed modelling work. This should define the optimum solution for the highway layout.</p> <p>Actual spend, plus commitments to date (14 December), is £425,119.49. Any remaining budget when this G3 report is presented to committee will be applied towards reaching G4, but still spent before the end of the financial year.</p>
<p><b>9. Results of stakeholder consultation to date</b></p>	<p>No formal public consultation has been completed to date. However a Design Review Group (DRG) which invited a representative from every form of transport mode was held at the beginning of December. Ideas for possible highway layout options were discussed and the background work on movement in the area was used to illustrate how these ideas had been developed (full movement analysis data is available in the Members Reading Room). From the meeting further changes to the layout options were undertaken, specifically the option to reduce the number of signals and to investigate whether shared space in this area could work safely for all modes. It is planned to undertake further DRG's as the design progresses.</p>
<p><b>10. Consequences if project not approved</b></p>	<p>The City would need to revisit its Core Strategy policy. Transformational change is unlikely to occur and the communities and regeneration potential in the area will be restricted. The changes this project proposes to achieve are seen as the key drivers to unlocking the potential of the area to develop and regenerate.</p> <p>The 'ear-marked' TfL major scheme funding (£2.8 million unconfirmed) will be lost.</p> <p>Reputational risk is a possibility if the project doesn't progress as the Aldgate area contains one of top 25% most deprived wards in the country.</p>

## Outline Options Appraisal

### **11. Commentary on the options considered**

Option 1 and 2 are the do minimum options, but option 2 includes the conversion of Minories which may be a requisite of the scheme working. It allows for the removal of the gyratory and the creation of a public square but may not produce a level of transformational change that an enhanced environment can do to attract developers to react accordingly. The inclusion of Whitechapel High Street in the scope could not only benefit traffic smoothing for general traffic but could also include improvements for cyclists and pedestrians. Removal of the current 'bottlenecks' will allow flexibility of the use of the space which could improve cycle safety and improvements to pedestrian crossing facilities. The exact benefits will be established during the next phase of design.

Options 3 and 4 are the same as options 1 and 2 respectively but would provide higher quality urban and landscape design elements to help achieve the transformational change across the project area. These elements might include for example York stone paving as opposed to black top/mastic.

Options 2 and 4, introducing two-way traffic to Minories, provide an opportunity for a different bus re-routing strategy that would provide for the efficient placement of crossing facilities along Aldgate High Street. Making Minories two-way featured positively during the Aldgate and Tower Area Strategy consultations. The locations of crossings over Aldgate High Street would better align with cycle desire lines.

Option 5 is the inclusion of the activation and vibrancy of the public square. This could include permanent facilities such as a kiosk, toilets, art installations etc. that would go some way to improving the perception of safety in the area and encourage people to use the space throughout the week and day. Making the space vibrant will deter antisocial behaviour which could blight the success of the space and limit the ability to achieve transformational change. Ways in achieving this will be more thoroughly investigated in the Landscape Design commission.

The urban and landscape design brief key objective is "to create attractive, inviting and comfortable spaces that are destinations in their own right. The spaces must feel public with a consistent, joined-up feel that lifts the quality of the area. Account must be taken of the needs

	<p>of the variety of users from the community, including children and parents, workers, residents and visitors that will be using the spaces at different times of the day". The full brief can be found in the Members Reading room.</p>
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**Information Common to All Options**

<p><b>12. Key benefits</b></p>	<ul style="list-style-type: none"> <li>• Barriers to movement are reduced for all vulnerable road users.</li> <li>• Generates interest from local developers to invest in the area.</li> <li>• Improvement to road safety and the perception of safety.</li> <li>• Improvements to air quality – particularly by Sir John Cass School.</li> <li>• Improved public safety and a possible decrease in antisocial behaviour by the removal of the subways from public use.</li> </ul>
<p><b>13. Estimated programme and key dates</b></p>	<p>Modelling on highway layout scenarios is to be completed by the end of March 2013.</p> <p>The Landscape Architect is to develop sketch design proposals for the public spaces by the end of May 2013.</p> <p>It is estimated that an issues report will be submitted to Members on the highway layout option(s) and also the emerging design for the public spaces in May/June 2013.</p> <p>A G4 report will be submitted to Members in the Autumn 2013, following the public consultation in June/July.</p> <p>Completion of the detailed design with a G5 report will be submitted by the end of 2013.</p> <p>Implementation estimated to start in 2014 for a period of 12-18 months (at this time).</p>
<p><b>14. Potential risk implications</b></p>	<p><u>Stakeholder support</u></p> <p>There is a risk that traffic reassignment may occur and if so, this could possibly impact the level of support received from LBTH and TfL.</p> <p><u>Legal</u></p>

	<p>Numerous third parties consents are required from individuals or bodies whose land or apparatus/infrastructure will be affected.</p> <p>The proposals would be subject to the making of the necessary Traffic Management Orders which will be subject to separate statutory processes.</p> <p><u>Funding</u></p> <p>There is a risk that full funding for implementation is not available at the required time to allocate it to proceed to programme.</p> <p><u>Reputational</u></p> <p>If funding is not available at the required time to implement the full scheme while support for the scheme is high, there could be a reputational risk if we cannot proceed due to funding.</p> <p><u>Technical</u></p> <p>Numerous external approvals are required, including those from LBTH and TfL in respect of the highway changes.</p> <p>Specific technical challenge/risk associated with this project includes the two London Underground (LU) structures which are situated under Aldgate High Street. Structural technical assessments to date indicate that the proposed changes suggested are feasible, albeit with the following caveats, that:</p> <ul style="list-style-type: none"> <li>▪ the traffic loading pattern on the Aldgate High Street bridge is no worse than the existing loading pattern (on a one-way road often heavy vehicles load the nearside lanes and on a two-way road heavy vehicles are spread to either side of the road). If found to be worse, further strengthening work would possibly be required;</li> <li>▪ a fire door and 60 minute fire retardant wall is installed at the end of the LU's storage rooms;</li> <li>▪ the LU station is protected from encroachment of vehicles travelling westbound on St Botolph Street.</li> </ul>
<p><b>15. Anticipated stakeholders and consultees</b></p>	<p>London Borough of Tower Hamlets, Transport for London, residents, the St Botolph without Aldgate Church, Sir John Cass Primary School, Sir John Cass Foundation, local businesses, road users, workers, students and visitors.</p> <p>Due to the various land and structure ownership rights in the area, there are a number of complexities to</p>

	<p>ensuring that everyone who needs to be involved is engaged with at the right time. We have set up numerous working parties for the key strands of the project, structures being one, to ensure that the design options are compatible with the key stakeholders aspirations and approvals to minimise the risk to the project.</p>
<p><b>16. Legal implications</b></p>	<p>These are outlined above in 14 (“potential Risk Implications”). Further detail will be provided in future reports as the proposals progress and further investigation and research is carried out (for example , into any third party interests which will be affected and any consents required from affected owners).</p>
<p><b>17. HR implications</b></p>	<p>N/A</p>
<p><b>18. Anticipated source(s) of funding – capital and revenue</b></p>	<p><u>Capital funding</u></p> <p>A TfL Major Scheme bid, S106 contributions (existing and future) and/or from April 2014 CIL funding, are all anticipated to be utilised.</p> <p>TfL have indicated that a further £2.804m of funding is likely to be available to the City from the Major Scheme funding pot. Accessing this funding will require the submission of a Step Two Major Scheme bid submission in September 2013.</p> <p>It is anticipated that any funding shortfall from TfL will have to be met by the City through the use of S106 receipts and/or CIL contributions. This requires a decision to prioritise this scheme over others. Officers have currently identified £5.155m of potentially relevant S106 contributions (see Appendix 3). This includes contributions of which the City is not currently in receipt of the funds (currently £4.805m), therefore these funds are not guaranteed. Beyond 2014, there is potential to use the future CIL receipts.</p> <p>A more detailed funding strategy will be developed to present to Members at G4 and will include an assessment of the potential funding gap, if any, and recommendations for prioritisation of S106 and/or CIL receipts received or awaited.</p> <p>The cost of the detailed design to reach G4 is estimated to be £475k. The majority of the source of funding has been identified from TfL, as set out in Table 1. With the inclusion of the additional £429k in the project budget and rolling over any underspend from the existing approved budget used to get to G3, this will fund a significant proportion of the next stage. The remaining</p>

	<p>funds to be utilised, if needed, will be from the St Botolph House S106 agreement.</p> <p><u>Revenue Funding</u></p> <p>There is likely to be additional revenue costs associated with the upkeep of the project. However there are also some potential savings depending on the outcome of the future use of the subways. At this stage it is considered that any additional revenue cost for the first 5 years (possibly up to 20 years subject to the detail of the specific S106's utilised) post implementation, will be met from the relevant S106 agreements. After such time these additional costs will have to be met from existing local risk resources. More details will be available at G4.</p>
<p><b>19. Affordability</b></p>	<p>The design and evaluation phases of this project are fully funded by TfL and the St Botolph S106 agreement.</p> <p>The City is in receipt of £926k from the St Botolph House S106 which can be used for delivering this project. This S106 was agreed in April 2008 and restricts the use of this particular contribution to “the works required for the design, procurement and delivery of the New Public Square...”. Only after 31 December 2018 if the Square has not been commenced can the funding be deployed towards other local community facilities and environmental improvement works. The “New Public Square” boundary definition can be seen in the attached plan, Appendix 6</p> <p>The project is estimated to cost between £7-12m depending on the final options chosen at G4. At this time there is a possible funding gap of up to £10.2m to reach the end of the project. The funding methodology is not certain at this time and will be detailed at Gateway 4.</p> <p>See Appendix 3 for initial identification of potential funding opportunities.</p>
<p><b>20. Next steps</b></p>	<ul style="list-style-type: none"> <li>▪ Undertake traffic modelling on the 3 highway layout options. Review with external stakeholder groups and develop a highway layout that will meet with the City, LBTH and TfL approvals, including the TMA approval.</li> <li>▪ Develop the landscape and urban design.</li> <li>▪ Develop a funding strategy for the implementation of this project</li> <li>▪ Undertake workshops/events as appropriate to develop the proposals and communicate the project to key stakeholders. Alderman Bear of Portsoken</li> </ul>

	<p>Ward has agreed to chair the first event scheduled for key stakeholders on 1 March 2013.</p> <ul style="list-style-type: none"> <li>▪ Prepare to undertake a public consultation in the summer of 2013 on the highway option(s) and the proposals for the new open space design.</li> <li>▪ Opportunities for incorporating sustainable urban drainage in the design will be considered.</li> <li>▪ Undertake a cost and benefit comparison of all options for the re-use and closure of the pedestrian subway network.</li> <li>▪ In spring 2013 submit for scheme TMA approval for the highway layout.</li> <li>▪ The consideration of phasing, traffic management and working times will build the cost profiling for options.</li> <li>▪ Write an issues report for consideration of the proposed consultation materials to be presented to Members in May/June 2013.</li> <li>▪ Submit a Step Two Major Scheme bid submission to TfL, in September 2013.</li> </ul>
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### **Outline Options Appraisal Matrix**

See attached.

### **Appendices**

<b>Appendix 1</b>	City's Core Strategy policy CS8
<b>Appendix 2</b>	A map showing the location of the TLRN, SRN, borough boundary and location of the core project
<b>Appendix 3</b>	Anticipated funding sources
<b>Appendix 4</b>	Governance structure of the project
<b>Appendix 5</b>	Project Board Terms of Reference
<b>Appendix 6</b>	St Botolph House S106 funding boundary plan
<b>Appendix 7</b>	10 objectives for the Landscape Architect
<b>Appendix 8</b>	Urban/Landscape Design Evaluation Criteria
<b>Members Reading Room</b>	Movement data and analysis
<b>Members Reading Room</b>	Urban and Landscape Design brief
<b>Members Reading Room</b>	WS Atkins Urban and Landscape Design Submission
<b>Members Reading Room</b>	The Urbanists Urban and Landscape Design Submission

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	<i>Option 1</i>	<i>Option 2</i>	<i>Option 3</i>	<i>Option 4</i>	<i>Option 5</i>
<b>21. Brief description</b>	<p>Aldgate High Street and St Botolph Street with two-way working.</p> <p>Closure of all pedestrian subway access ramps and stairs.</p> <p>High quality public square,</p>	<p>Option 1, plus</p> <p>Minorities converted to two-way working where only buses, cycles, motorbikes and taxis can enter northbound from Goodman's Yard. Other local access traffic can enter from Portsoken Street.</p>	<p>Option 1, plus:</p> <p>High quality public realm throughout the area (i.e. not just the square)</p>	<p>Option 2, plus:</p> <p>High quality public realm throughout the area (i.e. not just the square)</p>	<p>Option 1 as a minimum but could be any of the options suggested, plus;</p> <p>a permanent kiosk to enhance the vibrancy of the public square. The kiosk could be licensed, could hold a City Police 'kiosk', may provide a public toilet, could be used for art installations, or it could utilise a combination of these uses.</p>
<b>22. Scope and Exclusions (where different to section 3)</b>	N/A	N/A	N/A	N/A	N/A
<b>23. Key benefits (where different</b>	N/A	N/A	N/A	N/A	N/A

	<i>Option 1</i>	<i>Option 2</i>	<i>Option 3</i>	<i>Option 4</i>	<i>Option 5</i>
to section 12)					
<b>24. Estimated Programme (where different to section 13)</b>	N/A	N/A	N/A	N/A	N/A
<b>25. Potential risk implications (where different to section 14)</b>	There is a reputational risk if we do not deliver transformational change for the local community and vulnerable road users.				
<b>26. Anticipated stakeholders and consultees (where different to section 15)</b>	N/A	N/A	N/A	N/A	N/A
<b>27. Legal implications (where different to section 16)</b>	N/A	N/A	N/A	N/A	N/A
<b>28. HR implications (where different to section 17)</b>	N/A	N/A	N/A	N/A	N/A

<b>Financial Implications</b>	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Option 4</b>	
<b>29. Total Estimated cost (£)</b>	<b>7-9m</b>	<b>7.5-10m</b>	<b>8-10m</b>	<b>8.5-11m</b>	<b>8-12m</b>
<b>30. Anticipated source of project funding (where different to section 18)</b>	N/A	N/A	N/A	N/A	N/A
<b>31. Estimated capital value/return (£)</b>	N/A	N/A	N/A	N/A	N/A
<b>32. Fund/budget to be credited with capital return</b>	N/A	N/A	N/A	N/A	N/A
<b>33. Estimated ongoing revenue implications (£)</b>	<p>Increase in cleansing costs – encouraging people to spend time in the area will likely result in increased rubbish. The high profile of this transformational public realm will also attract scrutiny of the standard of cleansing.</p> <p>Possible need to provide a replacement toilet facility to the Petticoat Lane market on Sundays via temporary toilet hire.</p> <p>Reduction in subway maintenance costs as being closed to the public reduces cleansing and vandalism repair costs. If the subways are in-filled, this reduces the maintenance cost of the structure.</p> <p>Possible increase in cost of maintaining open spaces – the balance of existing open space maintenance and the introduction of low maintenance planting will be assessed.</p> <p>Possible introduction of a cultural programme for the public square to ensure vibrancy over the first few years. Externally managed groups may be found to run and fund such a varied programme.</p>				

<b>34. Anticipated source of ongoing revenue funding (where different to section 18)</b>	N/A	N/A	N/A	N/A	N/A
<b>35. Fund/budget to be credited with income/savings</b>	<p>A temporary kiosk could earn license income to be credited to the Department of the Built Environment. A fixed structure could credit City Surveyors Department or if the facility doubles as an 'outpost' community and Children's services or the City of London Police.</p> <p>Hiring the square for events may be a possible revenue stream that can be investigated. It would have the added bonus of adding vibrancy to the public realm.</p>				
<b>36. Affordability (where different to section 19)</b>	N/A	N/A	N/A	N/A	N/A

<b>37. Recommendation</b>	It is recommended that all options be taken forward to detailed options appraisal.				
<b>38. Reasons</b>	<p>The development of all the options will cost minimally more than the development of one or two options and at this time there is too much risk associated with narrowing the options down at this stage without undertaking the full modelling work for the highway layout options.</p>				

## Appendix 3: Anticipated Funding Sources

Description	£000's TfL	£000's S106	£000's Total
<b>Confirmed Funding</b>			
Local Implementation Plan 2011/12 & 2012/13	539	-	539
Local Implementation Plan 2013/14	360	-	360
S106 - St Botolphs Minerva		926	926
<b>Sub-Total Confirmed Funding</b>	<b>899</b>	<b>926</b>	<b>1,825</b>
<b>Unconfirmed/Potential Funding</b>			
TfL LIP Major Scheme bid Step 2 Submission	2,804	-	2,804
S106 - 100 Bishopsgate Transportation 11/00332/FULEIA		2,502	2,502
S106 – 60-70 St Mary Axe Transportation 08/00739/FULEIA		268	268
S106 – 60-70 St Mary Axe LCEIW 08/00739/FULEIA		753	753
S106 - 120 Fenchurch Transportation 11/00854/FULEIA		387	387
S106 - 120 Fenchurch LCEIW 11/00854/FULEIA		895	895
S106 - Heron Transportation Improvements Payment		350	350
<b>Sub-Total Unconfirmed Funding</b>	<b>2,804</b>	<b>5,155</b>	<b>7,959</b>
<b>Grand Total</b>	<b>3,703</b>	<b>6,081</b>	<b>9,784</b>

The TfL Major Scheme Step Two bid submission is required in September 2013. It includes a requirement for a business case and design review by a TfL panel. At the point of the Step Two submission the City of London is required to agree to match fund the bid. In the case of the Aldgate project the current major scheme bid is for £2.8 million implementation funding in 2014-15.

The S106 Heron Transportation Improvements Payment of £350,000 has been received and is available for wider 'City Improvement Works', of which Aldgate is one option.

The unconfirmed S106 potential funding from 100 Bishopsgate, 60-70 St Mary Axe and 120 Fenchurch developments, (totalling £4.805m) are sources that have not yet been received as the S106 obligation has not yet been triggered. Consequently such funding is uncertain to be received by the step two submission.

A full funding strategy will be presented to Members as part of the Gateway 4 report.