

<b>Committees:</b> Streets and Walkways Sub - <i>for decision</i> Projects and Procurement Sub - <i>for information</i>	<b>Dates:</b> 30 January 2024 12 February 2024
<b>Subject:</b> 2-6 Cannon Street Public Realm Improvements Closedown Report <b>Unique Project Identifier:</b> 11004	<b>Gateway 6:</b> <b>Outcome Report</b> Regular
<b>Report of:</b> Interim Executive Director Environment  <b>Report Author:</b> Emmanuel Ojugo, Policy and Projects, City Operations	<b>For Decision</b>
<h1>PUBLIC</h1>	

## Summary

<b>1. Status update</b>	<b>Project Description:</b> 1.1. This project proposed public realm improvements related to the redevelopment of 2-6 Cannon Street (formerly Scandinavia House). The project was to be delivered in three phases as previously reported to committee in July 2018: <ul style="list-style-type: none"> <li>• <u>Phase 1</u>: Resurfacing footways and carriageway around the new building at Distaff Lane in Yorkstone.</li> <li>• <u>Phase 2</u>: Re-landscaping the garden space between Old Change House and Nicholas Cole Abbey Church with new greenery, new seating areas and a new modern water bottle refill point.</li> <li>• <u>Phase 3</u>: Re-landscaping the small parcel of land with a new planting schedule, to the south of Nicholas Cole Abbey Church on Queen Victoria Street. (Works element commenced in September 2023).</li> </ul> <u>Summary</u> Phase 1 and 2 works are practically complete, with a small section of street furniture awaiting delivery to be installed. There are some minor Phase 3 works adjacent to Nicholas Cole Abbey Church due to commence in January 2024 to reinstate two damaged planters with associated planting as part of the City's obligation to maintain a parcel of land under its lease.
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	<p>The Diocese of London required some updates to the City’s Service Level Agreement (SLA) to validate the works. This meant some additional officer time to finalise the SLA with the Diocese</p> <p>These works are considered minor and non-invasive, having agreed a way forward with the Diocese of London and are expected to begin in January 2024 for a duration of 4-6 weeks.</p> <p><b>Appendix E</b> shows a breakdown of the funding total and funding sources attributable to this project.</p> <p><b>RAG Status:</b> Green.</p> <p><b>Risk Status:</b> Low (as last report to committee).</p> <p><b>Costed Risk Provision Utilised:</b> N/A.</p> <p><b>Final Outturn Cost:</b> £1,175,</p>
<p><b>2. Next steps and requested decisions</b></p>	<p><b>Requested Decisions:</b></p> <ol style="list-style-type: none"> <li>I. Agree to adjust the budget as set out in Appendix E to cover the additional staff time expended.</li> <li>II. Approve the revised project budget to be utilised to complete minor outstanding public realm works to complete the project.</li> <li>III. Approve outstanding actions in Section 13 of this report are completed on which final accounts and project closure can commence.</li> </ol>
<p><b>3. Key conclusions</b></p>	<ul style="list-style-type: none"> <li>• The main works are complete, and the greening elements have been largely successful providing a pleasant backdrop to the vehicular traffic on Queen Victoria Street.</li> <li>• The developer’s aspirations and requirements were met by ensuring the surrounding highways works were completed to the City standard in accordance with the public realm enhancement Supplementary Planning Document (SPD) 2016.</li> </ul> <p>Key learning and recommendations for future projects:</p> <ul style="list-style-type: none"> <li>• The project area was adjacent to three competing works programmes. Aside from the 2-6 Cannon Street developer, Old Change House, Bracken House and Nicholas Cole Abbey Church were engaged in refurbishment programmes so it was essential to maintain good relationships over a long period of time, and closely coordinate between them and phasing public realm improvement works.</li> <li>• Early engagement with utilities programmes and other highway activities, enabling works to facilitate adjacent development; reduces the impact on the City’s improvement</li> </ul>

	<p>works, as developments are often impeded by other surrounding factors.</p> <ul style="list-style-type: none"> <li>• It is important that information is tracked and shared more efficiently between the City's service areas to manage highway activity and reduce areas of conflict.</li> <li>• Continuous engagement with the developer and the City's development management division was invaluable to ensure the developer discharged conditions in accordance with their planning approval, prior to the commencement of public realm works.</li> <li>• When proposing works adjacent to a church building, it is important to engage with the operational management team of The Archdeaconry of London. Such engagement ensures clear guidance on whether faculty approval is required or whether another mechanism must be entered into to achieve consensus. These processes are often quite lengthy so establishing what is required early on is essential for project programming and minimising delays.</li> </ul>
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## Main Report

### Design & Delivery Review

<p><b>4. Design into delivery</b></p>	<p>The design of the scheme utilised the City's existing palette of materials in accordance with the Public Realm SPD (2016).</p> <p>The scope of the scheme was specified in the Section 106 Agreement.</p> <p>One of the aspirations was to increase greenery in the central area west of the Nicholas Cole Abbey Church. Unfortunately, as previously reported, in-ground planters proposed for the central area were removed from the design in favour of free-standing planters, due to some identified voids when excavation started.</p> <p>Areas adjacent to the Church saw a marked increase in the quality of greenery and seating. New trees and underplanting replaced an area of fixed granite seating flanked by flat perimeter box hedging increasing plant variety and local biodiversity. New seating has been installed in around the new planters.</p>
<p><b>5. Options appraisal</b></p>	<p>The design scope was agreed with the developer as part of the Section 106 Agreement (S106) originally completed in 2015. The progression of a single option to be delivered in phases was agreed that would utilise the City's standard palette of materials in accordance with the S106.</p>

	<p>The redevelopment was practically completed by June 2019 and coincided with the initiation of project works.</p> <p>Some elements of the project design were adjusted over time to respond to changes in the environment. This was mainly around the central planting area, where in-ground planters were simply replaced by free standing planters as surveys had not fully detected areas of void when excavated.</p>
<b>6. Procurement route</b>	<ul style="list-style-type: none"> <li>• The design was developed and completed in house by City Engineers working closely with the developer of 2-6 Cannon Street to progress the scheme and finalise the construction design.</li> <li>• Hard landscaping and civils works on-site were to be undertaken by the City's highway term contractor.</li> </ul>
<b>7. Skills base</b>	<ul style="list-style-type: none"> <li>• The project team had the skills, knowledge and experience to manage delivery of this and similar future projects.</li> <li>• A communication strategy was developed in the early stages of the project to include the numerous stakeholders and ensure good coordination of the public realm works whilst managing the expectations of local occupiers and Ward Members.</li> <li>• The landscape design was delivered in-house, developing designs that would inform the final construction package.</li> <li>• City officers were also engaged in the process to ensure that utilities companies' programmes were accommodated and monitored in the City's Highways Activities Programme.</li> </ul>
<b>8. Stakeholders</b>	<p>The main stakeholders were:</p> <ul style="list-style-type: none"> <li>• 2-6 Cannon Street (Developer - Section 106 contribution)</li> <li>• The Diocese of London</li> <li>• Nicholas Cole Abbey Church</li> <li>• Old Change House</li> <li>• Bracken House</li> <li>• Transport for London</li> <li>• Ward Members</li> </ul>

### Variation Review

<b>9. Assessment of project against key milestones</b>	<p>Gateway 5 – July 2020   Committee Approval</p> <p>Expected start – October 2020   Actual start – October 2021</p> <p><b>Impacts on the Delivery Programme</b></p> <p>As reported to Members in November 2022, competing programmes in the area meant that some works had to be re-scheduled and staggered to accommodate local activity. It was envisaged that this work would be completed by March 2023.</p>
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	<p>The designation of a church as either affiliated with or wholly managed by the Diocese of London was not known early enough by the project team due to structural changes that were not known at the time. This meant that approval to carry out works in an area adjacent to a church (Phase 3) was delayed. Work had to be undertaken to satisfy the needs of the freeholder (Diocese of London) and ensure the City of London was not in breach of its lease agreement regarding the space.</p> <p>Overall, the project originally anticipated that work would be complete in April 2021. However, this was hampered by refurbishment work to the Church, and the timing of the improvement works schedule coinciding with the pandemic, so these timescales had to be extended. The last elements of greening are expected to commence in January to meet the upcoming planting season deadline of March 2024.</p>
<b>10. Assessment of project against Scope</b>	The project scope remained unchanged. There was a single design approach to the completion of this project in keeping with the schedule specified within the Section 106 Agreement.
<b>11. Risks and issues</b>	<p>During the construction phase a few risks materialised affecting the overall programme:</p> <ul style="list-style-type: none"> <li>• The impact to the delivery programme was mainly as a result of: procurement issues, competing highway and development activities in the local area and being compelled to accommodate them throughout the programme.</li> <li>• Whilst ground surveys had been undertaken prior to works, a void was still uncovered in the central planting area surveys did not fully detect. An alternative option for planting was implemented that still met project objectives.</li> <li>• Noisy working hours had to be adapted to accommodate an operating Church with regular an ongoing events programme. This put some pressure on the project programme as the Church's re-activation measures to respond to the pandemic required a reduction in the duration of previously agreed noisy work times.</li> </ul>
<b>12. Transition to BAU</b>	This project utilised standard design practices with a clear plan for transitioning to business as usual. The project has remained within scope with commonly agreed maintenance regime that will commence when the project has concluded.

**Value Review**

**13. Budget**

The project is practically complete with a few outstanding actions to be carried out as summarised below:

**Outstanding Actions**

- Re-instate planters to the south of Nicholas Cole Abbey Church, implement planting plan and resurface an adjacent patch of footway/carriageway.
- Carry out signing and lining following resurfacing.
- Estimated at £ 129,006 and included in the works final outturn cost below.

<i>Estimated Outturn Cost (G2)</i>	Estimated cost (including risk): £1-3m Estimated cost (excluding risk): £1-3m
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	<i>At Authority to Start work (G5)</i>	<i>Final Outturn Cost</i>
<i>Fees</i>	£97,942	£ 86,356
<i>Staff Costs</i>	£283,460	£ 374,448
<i>Works</i>	£710,405	£ 626,010
<i>Other*</i>	£84,150	£0
<i>Total</i>	£1,175,957	£ 1,086,814

*\*Commuted Maintenance to be spent once project is complete.*  
The full budget is expected to be utilised in full. These figures represent the expected spends to complete works carry out the outstanding actions summarised earlier in this section.

**Please confirm whether or not the Final Account for this project has been verified.**

Final account will be verified upon completion of works and payment of invoices. Although it is not expected to be the case, any unspent funds will be returned to the developer of 2-6 Cannon Street, in accordance with the Section S106 Agreement with the City of London.

**14. Investment**

N/A

**15. Assessment of project against SMART objectives****Objectives from Gateway 2 report:**

- 1) Creation of new garden space that improves green coverage and improves the pedestrian experience.
- 2) Improved lighting and high-quality materials is expected to increase public perception of safety when using the new passageway.\*
- 3) The developer's aspirations and requirements will be met, by ensuring the surrounding highways work is completed to a high standard.

- The project delivered a high-quality environment by utilising natural materials in keeping with the City's Public Realm

	<p>SPD (2016). In particular, the planting coverage was increased with new trees and robust under planting.</p> <ul style="list-style-type: none"> <li>• Lighting coverage was improved in the area. Notably, strip lighting installed around planters, rather than uplighters that City Gardens have advised can negatively affect local wildlife in denser green areas.</li> <li>• New Yorkstone pavements replaced damaged and inconsistent material that were no longer in keeping with the City's approved palette of materials.</li> <li>• Positive relationships with the City's Development Management Division helped to resolve a potential issue with the developer that would have had implications for the project. This issue concerned removal of the obligation to rotate Church steps (Distaff Lane) to create a direct path to Queen Victoria Street from the garden north of Distaff Lane. The undertaking proved to be high risk due to Listed Building requirements and was removed through amendment to the City Walkways works Agreement under the City of London (Various Powers) Acts.*</li> <li>• Strong co-ordination and engagement with stakeholders were key to developing designs and delivering this project.</li> </ul>
<p><b>16. Key benefits realised</b></p>	<ul style="list-style-type: none"> <li>• Improved planting design to provide a more inviting environment and improved greening in an area that previously had a limited planting palette.</li> <li>• Increased provision of formal seating in line with the City's access requirements and incorporating anti-skating measures.</li> <li>• Improved lighting provision to illuminate vertical surfaces, improve legibility and heighten the sense of security, in keeping with aims in the City Lighting Strategy 2018.</li> <li>• Better pedestrian experience by delivering high quality enhancements that improve legibility and tie in with the On-Site Garden adjacent to the new development.</li> </ul>

**Lessons Learned and Recommendations**

<p><b>17. Positive reflections</b></p>	<p>Despite being challenging to deliver because of many external factors impacting a relatively small area, the changes to the public highway and the surroundings of 2-6 Cannon Street have been well received by local stakeholders.</p>
<p><b>18. Improvement reflections</b></p>	<p>Earlier understanding of the process with the Church and the Faculty would have been beneficial to the programme. A lesson learned here is that this information needs to be established at the beginning of a project when working near to or on Church land.</p>

	An internal officer resource would also provide the necessary guidance when planning works adjacent to a Listed Buildings and other scheduled heritage assets. This is not currently the case and would improve efficiency of engagement between the Diocese of London and Historic England.
<b>19. Sharing best practice</b>	By engaging in regular meetings to share ideas, disseminate and record best practice, improvements are assured. Lessons learnt are captured as part of a peer review process.
<b>20. AOB</b>	Whilst there is still work outstanding, they are minor and are programmed to take place in January 2024. It is requested that the Gateway 6 findings are noted and that when the final elements of the work complete that the final account is requested, and the project closed.

### Appendices

<b>Appendix A</b>	Site Location Plan
<b>Appendix B</b>	Project Phase Plan
<b>Appendix C</b>	General Arrangement Plan
<b>Appendix D</b>	Images
<b>Appendix E</b>	Finance Tables
<b>Appendix F</b>	Risk Register
<b>Appendix G</b>	Project Coversheet

### Contact

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