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| Committees: | Dates: |
| Streets and Walkways Sub-Committee Projects Sub | 19 October 2015 04 November 2015 |
| Subject: Issue Report: Fleet Buildings and Plumtree Court (Shoe Lane Quarter Public Realm Enhancements – Phase 1) | Public |
| Report of: Director of the Built Environment | For Decision |

Summary

Dashboard

- **Project Status:** Green
- **Timeline:** Gateway 4 – May 2016
- **Total Estimated Cost:** £11.6M
- **Spend to Date:** £276,939
- **Overall Project Risk:** Low
- **Current approved budget:** £466,000

Last Gateway approved

A Gateway 3 report was approved in July 2014. This gave authority to progress to Gateway 4, which is currently anticipated to be submitted in May 2016.

Progress to date including resources expended

Members approved the development of two options at Gateway 3 for the combined highway and public realm improvement scheme. The project objective is to create a high quality public realm scheme that will define the Shoe Lane Quarter and meet the needs of key project stakeholders who are engaged through the project working group.

As part of the project development, the working group recognised that the highway and public realm improvements in relation to 1 New Street Square and the London Development should be considered holistically. The design of the highway and public realm improvements has been progressed on this basis.

Summary of issue

1. The design work is well advanced but the programme has been delayed due to the need to resolve a number of technical issues for the London Development. It had previously been forecast that the design work would be completed by October 2015, however due to design delays the Gateway 4 report is now anticipated to be submitted in May 2016. In contrast the 1 New Street Square development now has a pre-let tenant and the building will be completed by April 2016.

Therefore the highway works required for 1 New Street Square, which are funded through S106 and S278 Agreements, need to be completed by April 2016.

As a result this report recommends the implementation of the highway

improvements adjacent to 1 New Street Square in advance of completing Gateway 4 for the remainder of the project.

Recommendations

It is recommended that Members:

1. Authorise the budget setup and implementation of the 1 New Street Square highway works totalling £575,760 (fully funded by the developer), as outlined in paragraph 3 and Appendix 1 of the main report;
2. Delegate authority to the Director of the Built Environment to adjust the budget between the 1 New Street Square project elements (works, fees and staff costs) as required to meet the project needs;
3. Confirm the £216,000 budget for the Public Realm and Security Improvements (S278) scheme for the London Development to reach the next Gateway;

It is recommended that Members note:

4. This project is to be renamed from "Fleet Buildings and Plumtree Court" to "*Shoe Lane Quarter Public Realm Enhancements*";
5. The outline phasing for this project, as detailed in the Main Report which reflects the emergence of forthcoming developments in the Shoe Lane Quarter.

Main Report

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| 1. Issue description | <ol style="list-style-type: none">1. In September 2013 the Gateway 3 Report for the S278 funded <i>Fleet Building & Plumtree Court Public Realm and Security Improvements</i> project was approved. Following this in July 2014 the Gateway 3 Report for the S106 funded Highway Improvements scheme was approved and the two projects merged.2. The design of the two highway options (Raised Carriageway and Shared Use space) approved at the last Gateway has been delayed whilst a number of highway issues for the London Development have been resolved. This has delayed the Gateway 4 report from December 2015 until approximately May 2016.3. <u>1 New Street Square S106/S278 Highway Works</u> The 1 New Street Square development is currently under construction with a target completion date of 30 April 2016. To meet the needs of the developer (and the future tenant) the S106/S278 funded highway works need to be implemented and completed by the end of April 2016. These works include:<ul style="list-style-type: none">• Upgrading the footways around the development on Shoe Lane and Little New Street• Construction of vehicle crossover on Shoe Lane• Carriageway and footway reinstatements• Raising the carriageway on Little New Street in granite setts |
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- Relocation of two disabled parking bays (subject to statutory traffic order making process)

See Appendix 1 for detail.

The budget required to undertake the project management, detailed design and implementation of the works is summarised below:

| Budget Summary – 1 New Street Square | |
|---|-------------------|
| Further budget required | Amount (£) |
| Staff Costs | 95,000 |
| Fees | 20,000 |
| Works | 460,760 |
| Total Budget | 575,760 |

See Appendix 2 for further budget breakdown.

4. London Development Security and Public Realm Budget

In September 2013, the Gateway 3 report for the Public Realm and Security Improvement (S278) scheme for the London Development (Fleet Buildings and Plumtree Court) identified that a total budget of £216,000 was required to reach Gateway 4. This report confirms this figure.

5. Project Renaming

The project name is no longer relevant as the buildings known as Fleet Buildings and Plumtree Court have been demolished and the site is now referred to as the “London Development”.

The project is to be renamed *Shoe Lane Quarter Public Realm Enhancements* to reflect the evolving project scope which includes extensive security, highway and public realm improvements in the Shoe Lane Quarter for the London Development, 1 New Street Square and future developments in the area.

6. Shoe Lane Quarter Project Phasing

The project will be developed in distinct phases to reflect the timings of the emerging building developments in the area in line with the aspirations as defined in the Shoe Lane Quarter Area Enhancement – Public Realm Strategy (available in the Member’s Reading Room):

Phase 1 – 1 New Street Square S106/S278 Highway Works

Phase 2 – Shoe Lane / Plumtree Court / Stonecutter Street S106/S278

Phase 3* – Stonecutter Court and Moorley House

(* this phase is dependent upon the timescales of these developments which have not yet reached the Planning stage and will be dependent on S278 funding for necessary highway changes and CIL funding or voluntary developer contribution for

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| | any public realm enhancements). |
| Last approved limit | <p>7. The last approved funding limit (Gateway 3 reports) for the combined S106/S278 scheme for the Fleet Building and Plumtree Court project was £466,000 to reach Gateway 4.</p> <p>A further £575,760 is now sought for the design and implementation of the 1 New Street Square works, bringing the budget to £1,041,760.</p> |
| Options | <p>8. Only one recommendation for the implementation of the highway works for 1 New Street Square is being put forward as detailed in Appendix 1. This is the preferred option of the established working party comprising key stakeholders in the area (including Land Securities, the developer).</p> <p>Option 1 (recommended):</p> <ul style="list-style-type: none"> • Authorise the budget setup and implementation of the 1 New Street Square highway works as illustrated in Appendix 1. |

Appendices

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| Appendix 1 | 1 New Street Square S106/S278 Highway Works – General Arrangement Drawing |
| Appendix 2 | 1 New Street Square Budget Breakdown |
| Appendix 3 | Existing Approved Budget - Fleet Buildings and Plumtree Court |
| Appendix 4 | Revised Budget to Reach Next Gateway |

Contact

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APPENDIX 1 – 1 NEW STREET SQUARE S106/S278 HIGHWAY WORKS

APPENDIX 2 – BUDGET BREAKDOWN FOR 1 NEW STREET SQUARE

| Breakdown of Further Budget Required (S106/S278) | |
|---|------------------|
| Section 278 | |
| Fees Budget | £ |
| Radar / Topo Surveys, traffic orders | 20,000 |
| Total Fees Budget | 20,000 |
| Staff Budget | |
| City Transportation | 35,000 |
| Highways | 32,209 |
| Total Staff Budget | 67,209 |
| Works Budget (Section 278 Element) | |
| Implementation Costs | 247,339 |
| Total S278 Works Budget | 247,339 |
| <u>TOTAL SECTION 278 BUDGET</u> | £ 334,548 |
| Section 106 | |
| Staff Budget | |
| Highways | 27,791 |
| Total Staff Budget | 27,791 |
| Works Budget (Section 106 Element) | |
| Implementation Costs | 213,421 |
| Total S106 Works Budget | 213,421 |
| <u>TOTAL SECTION 106 BUDGET</u> | £ 241,212 |
| Further Budget Required | £ 575,760 |

APPENDIX 3

EXISTING APPROVED BUDGET - FLEET BUILDINGS AND PLUMTREE COURT

| 16100309 - Fleet Buildings & Plumtree Court - Highway Improvements - S106 | | | |
|--|----------------------------|--------------------------|--------------------|
| Description | Approved Budget (£) | Spend to Date (£) | Balance (£) |
| Env Servs Staff Costs | 8,540 | 12,961 | - 4,420 |
| Open Spaces Staff Costs | 5,000 | - | 5,000 |
| P&T Staff Costs | 36,460 | 30,183 | 6,277 |
| Fees | 200,000 | 154,904 | 45,096 |
| TOTAL | 250,000 | 198,047 | 51,953 |

| 16800075 - Fleet Buildings Security & Public Realm - S278 | | | |
|--|----------------------------|--------------------------|--------------------|
| Description | Approved Budget (£) | Spend to Date (£) | Balance (£) |
| PreEv Env Servs Staff Cost | 5,000 | 3,515 | 1,485 |
| PreEv Open Spaces Staff Costs | 5,000 | 910 | 4,090 |
| PreEv P&T Staff Cost | 40,000 | 45,418 | - 5,418 |
| PreEv P&T Fees | 50,000 | 29,050 | 20,950 |
| TOTAL | 100,000 | 78,892 | 21,108 |

APPENDIX 4

REVISED BUDGET TO REACH NEXT GATEWAY

| Revised Budget to reach next Gateway | | | |
|---|---------------------|--|------------------------------------|
| 16100309 - Fleet Buildings & Plumtree Court - Highway Improvements - S106 | | | |
| Description | Approved Budget (£) | Resources required to reach next Gateway (£) | Revised Budget to next Gateway (£) |
| Env Servs Staff Costs | 8,540 | 27,791 | 36,331 |
| Open Spaces Staff Costs | 5,000 | - | 5,000 |
| P&T Staff Costs | 36,460 | - | 36,460 |
| Fees | 200,000 | - | 200,000 |
| Works | - | 213,421 | 213,421 |
| TOTAL S106 | 250,000 | 241,212 | 491,212 |

| Revised Budget to reach next Gateway | | | |
|---|---------------------|--|------------------------------------|
| 16800075 - Fleet Buildings Security & Public Realm - S278 | | | |
| Description | Approved Budget (£) | Resources required to reach next Gateway (£) | Revised Budget to next Gateway (£) |
| Env Servs Staff Cost | 10,000 | 32,209 | 42,209 |
| Open Spaces Staff Costs | 10,000 | - | 10,000 |
| P&T Staff Cost | 90,000 | 35,000 | 125,000 |
| P&T Fees | 106,000 | 20,000 | 126,000 |
| Works | - | 247,339 | 247,339 |
| TOTAL S278 * | 216,000 | 334,548 | 550,548 |

*Approved budget in the financial system is currently £100,000

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| TOTAL Fleet Buildings & Plumtree Court | 466,000 | 575,600 | 1,041,760 |
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| Funding Source | Amount (£) |
|--------------------------------------|------------------|
| Fleet Building S106 - LCE | 112,890 |
| Fleet Building S278 | 216,000 |
| 1 New Street Square S106 - Transport | 137,110 |
| 1 New Street Square S106 - LCE | 241,212 |
| 1 New Street Square S278 | 334,548 |
| TOTAL | 1,041,760 |