

Committees:		Dates:
Corporate Projects Board Streets & Walkways Sub Projects Sub		15 August 2017 05 September 2017 07 September 2017
Subject: Sugar Quay S278	Gateway 1&2 Project Proposal Light	Public
Report of: Director of the Built Environment Report Author: Aldo Strydom		For Decision

Recommendations

1. Approval track and next Gateway	Approval track: 3. Light Next Gateway: Gateway 5 - Authority to Start Work (Light)			
2. Resource requirements to reach next Gateway	Item	Reason	Funds/ Source of Funding	Cost (£)
	Staff time	Project management and design	Developer	30,000 (P&T) 10,000 (Highways)
	Fees	Topographical and radar surveys, site investigations, NRSWA enquiries, other surveys	Developer	10,000
3. Next steps	3.1 Undertake design and costing of S278 related works 3.2 Agree with developer and secure implementation monies 3.3 Implementation of scheme			

Project Summary

4. Context	<p>4.1 On 16 September 2013 planning permission was granted for the redevelopment of Sugar Quay with a new building containing 165 residential units and retail/cafe and restaurant use at ground floor (application ref: 2/01104/FULMAJ). The development is located on Lower Thames Street London EC3R 6EA, as shown in Appendix 1.</p> <p>4.2 A section 106 agreement (Town and Country Planning Act 1990) (S106) was executed on 16 September 2013 and a subsequent Deed of Variation effected on 11 May 2016.</p> <p>4.3 The S106 obligated the developer to enter into an agreement under Section 278 of the Highways Act 1980 (S278) with the City, to complete works on the highway adjacent to the development.</p> <p>4.4 The S278 between the City and the developer was signed on 6 April 2016. A subsequent remittance, to the amount of £50,000 as an “initial design payment”, was received in July 2016.</p>
5. Brief description of project	<p>5.1 The project will involve minor works on the public highway (as specified in the S278 agreement), including:</p> <ul style="list-style-type: none">▪ Removal of two vehicular accesses on Water Lane▪ Replacement of existing footway on Lower Thames Street and Water Lane▪ Creation of a new vehicle crossover on Lower Thames Street▪ Raised entry treatment to carriageway to create a courtesy crossing at Water Lane/Lower Thames Street junction. <p>5.2 Construction of the development is well underway and the associated highway works, to be carried out under the S278 agreement, are planned to start in May 2018.</p> <p>5.3 The site is within the setting of the grade I listed Custom House directly to the west.</p>
6. Consequences if project not approved	<p>6.1 There will be delays in delivering the project, which will impact on the development.</p> <p>6.2 There will be no mechanism through which the required highway changes to accommodate the new building can be delivered.</p> <p>6.3 It is possible the City may need to fund some of the highway works made necessary by the development.</p>

7. SMART Objectives	<p>Put people first – implement measure that facilitate and promote pedestrian movements</p> <p>Protecting the City’s public realm – use of City’s standard palette of materials to achieve a cohesive look and feel</p> <p>Deliver works in a timely manner – completion before first occupation (Summer 2018)</p>
8. Success criteria	<p>8.1 Meeting the City’s scheme quality criteria at no cost to the City</p> <p>8.2 Meeting the needs of the developer</p> <p>8.3 Delivery of the works to a timetable that is set by the occupation date of the tenant</p>
9. Key Benefits	<p>9.1 Update and renewal of footway surrounding development</p> <p>9.2 Reduction in maintenance implications due to renewal of public highway</p>
10. Notable exclusions	<p>None</p>
11. Governance arrangements	<p>Spending Committee: Streets and Walkways Sub-Committee</p> <p>Senior Responsible Officer: Leah Coburn – Group Manager, Major Projects and Programmes</p> <p>Project Board: No</p>

Prioritisation

12. Link to Strategic Aims	<p>1. To support and promote The City as the world leader in international finance and business services</p>
13. Links to existing strategies, programmes and projects	<p>None</p>
14. Project category	<p>4a. Fully reimbursable</p>
15. Project priority	<p>B. Advisable</p>

Options Appraisal

16. Overview of options	<p>There is only one viable option, as the purpose of the S.278 works is to replace what was already in place. Materials to be used will be compliant with City’s standard policy, i.e. City Public Realm Supplementary Planning Document and Technical Guidance.</p>
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Project Planning

17. Programme and key dates	<p>Overall programme: Completion in time for the building's occupation, practical completion (Summer 2018)</p> <p>Key dates: Start of S278 works – May 2018</p> <p>Other works dates to coordinate: None</p>
18. Risk implications	<p>Overall project risk: Amber</p> <ul style="list-style-type: none"> ▪ TfL raised concerns (comments from 2012 on the initial application) regarding conflict between vehicles and cyclists at the Lower Thames Street junction with Water Lane and Lower Thames Street. It is anticipated that the raised table will address any concerns, however TfL will be consulted during the design process. ▪ While carrying out the footway works along Lower Thames Street, it is intended that the City's contractor (JB Riney) will extend these works onto a sliver of private land (owned by the developer), along the northern edge of the site up to the building line, as well as the at north-eastern corner of the site, so as to ensure a homogeneous finish. Demarcation studs will be installed to mark the private/highway boundary. While this has been verbally agreed with the developer, formal agreement between the developer and JB Riney will be required. This will be undertaken at the cost of the developer.
19. Stakeholders and consultees	<p>Key stakeholders are:</p> <ol style="list-style-type: none"> 1. The developer 2. Transport for London

Resource Implications

20. Total estimated cost	<p>Likely cost range:</p> <ol style="list-style-type: none"> 1. Under £250k 											
21. Funding strategy	<p>Choose 1:</p> <p>Partial funding confirmed</p>	<p>Choose 1:</p> <p>External - Funded wholly by contributions from external third parties</p> <table border="1" data-bbox="531 1776 1409 2051"> <thead> <tr> <th>Funds/Sources of Funding</th> <th>Cost (£)</th> </tr> </thead> <tbody> <tr> <td>Staff costs (P&T) – Developer funded</td> <td>30,000</td> </tr> <tr> <td>Staff costs (Highways) – Developer funded</td> <td>10,000</td> </tr> <tr> <td>Fees (surveys) – Developer funded</td> <td>10,000</td> </tr> <tr> <td>Total</td> <td>50,000</td> </tr> </tbody> </table>	Funds/Sources of Funding	Cost (£)	Staff costs (P&T) – Developer funded	30,000	Staff costs (Highways) – Developer funded	10,000	Fees (surveys) – Developer funded	10,000	Total	50,000
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22. On-going revenue implications	Detailed designs are yet to be undertaken. Standard materials, e.g. York stone on footways are to be used and it is likely that the new courtesy crossing will be paved in granite setts – this may have maintenance implications as a result. If required, a commuted maintenance sum will be agreed with the developer and included in the final cost estimates to be funded by the developer.
23. Investment appraisal	N/A
24. Procurement strategy/Route to Market	Any works to public highway will be undertaken by the City's highways term contractor (JB Riney's), who was chosen as the term contractor through a competitive tender process that represents good value for money.
25. Legal implications	None foreseen – a S278 agreement between the City and the developer has already been executed.
26. Corporate property implications	None
27. Traffic implications	Water Lane is gated and access is controlled (via a banksman) at present. This arrangement will be in place for the construction period only. There are no permanent traffic implications as a result of the development and associated highway works.
28. Sustainability and energy implications	Environment sustainability: it is anticipated that all materials will be sustainably sourced where possible and be suitably durable for the design life of the asset. Financial sustainability: as the developer is paying for the scheme, it is financially sustainable for the City.
29. IS implications	None
30. Equality Impact Assessment	An equality impact assessment will be undertaken

Appendices

Appendix 1	Location plan
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Contact

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