

<b>Committees:</b>		<b>Dates:</b>
Corporate Projects Board Projects Sub		19 January 2018 14 February 2018
<b>Subject:</b> 60 London Wall S278	<b>Gateway 1&amp;2 Project Proposal</b> Light	<b>Public</b>
<b>Report of:</b> Director of the Built Environment <b>Report Author:</b> Roland Jordaan		<b>For Decision</b>

### Recommendations

<b>1. Approval track and next Gateway</b>	<b>Approval track:</b> 3. Light <b>Next Gateway:</b> Gateway 5 - Authority to Start Work (Light)			
<b>2. Resource requirements to reach next Gateway</b>	<b>Item</b>	<b>Reason</b>	<b>Cost (£)</b>	<b>Funding Source</b>
	Staff time	Manage project, evaluation and design, legal agreements	£32,000	Developer
	Fees	Topographical and radar surveys, site investigations, NRSWA enquiries, Other surveys.	£8,000	Developer
	<b>Total</b>		<b>£40,000</b>	
The City has already received an initial payment of £15,000 towards this amount of £40,000 for the evaluation and design of the S278 highway works. The City will secure the balance of £25,000 in advance of undertaking any evaluation and design work.				
<b>3. Next steps</b>	<ul style="list-style-type: none"> <li>- Seek funds from the developer for evaluation and design.</li> <li>- Commence scoping exercise.</li> </ul>			

## Project Summary

<p><b>4. Context</b></p>	<ol style="list-style-type: none"> <li>1. On 30 November 2016 Members of the Planning and Transportation Committee granted approval for the City to negotiate and execute obligations in respect of those matters set out in "Planning Obligations" under Section 106 and any necessary agreements under Section 278 of the Highway Act 1980.</li> <li>2. On 27 April 2017 conditional planning permission (16/00776/FULMAJ) was granted for partial demolition and redevelopment of the existing building to provide retail and/or restaurant floor space at ground level and offices above on the land fronting London Wall and Copthall Avenue. The location of the development is illustrated in <b>Appendix 1</b>.</li> <li>3. Highway enabling works are required to integrate the development with the surrounding public highway. The City will enter into a Section 278 Agreement with the developer. The City therefore needs to initiate a project to deliver the works.</li> </ol>
<p><b>5. Brief description of project</b></p>	<ol style="list-style-type: none"> <li>4. The project will involve enabling works to accommodate the building on the public highway network.</li> <li>5. It is currently envisaged that the works are likely to involve level changes to areas of public highway, street lighting, changes to vehicle crossovers and possible upgrades to footway materials. However, a scoping exercise will need to occur in order to understand the changes that are needed.</li> </ol>
<p><b>6. Consequences if project not approved</b></p>	<ol style="list-style-type: none"> <li>6. There will be no mechanism through which the highway changes required to accommodate the new building can be delivered.</li> <li>7. The City may need to fund some of the highway works made necessary by the development.</li> <li>8. The developer will be in breach of its obligations under the Section 106 agreement.</li> </ol>
<p><b>7. SMART Objectives</b></p>	<p>Improvements and enhancements will be made to the public highway adjacent to the development</p> <p>The City will manage the design and implementation of the highways improvement works</p> <p>A high quality and functional highway will be delivered</p> <p>Delivery of the highway improvement works are expected to be completed by June 2020, to coincide with the anticipated date of practical completion for the development</p>
<p><b>8. Success criteria</b></p>	<ul style="list-style-type: none"> <li>- Meeting the needs of the developer, such as completing the S278 highway works by date of practical completion.</li> <li>- Meeting the City's requirements: appearance, function and cost (funded by the developer).</li> </ul>

	<ul style="list-style-type: none"> <li>- Implementing a scheme which benefits the public by providing a more pleasant environment for people.</li> <li>- Delivery of the works to a timetable that is set by the occupation date of the tenant.</li> </ul>
<b>9. Key Benefits</b>	<p>9. To deliver a high quality and functional highway in the vicinity of the development</p> <p>10. To mitigate the impacts of the development on the surrounding highway</p> <p>11. This project will be fully funded by the developer, including the provision of applicable commuted maintenance sums.</p>
<b>10. Notable exclusions</b>	None
<b>11. Governance arrangements</b>	<p><b>Spending Committee:</b> Streets and Walkways Sub-Committee</p> <p><b>Senior Responsible Officer:</b> Leah Coburn</p> <p><b>Project Board:</b> No</p>

### Prioritisation

<b>12. Link to Strategic Aims</b>	To support and promote The City as the world leader in international finance and business services
<b>13. Links to existing strategies, programmes and projects</b>	12. The building is located within the Moorgate Strategy Area.
<b>14. Project category</b>	4a. Fully reimbursable
<b>15. Project priority</b>	B. Advisable

### Options Appraisal

<b>16. Overview of options</b>	13. Enhancement of footways including level changes where required to accommodate the development into the public highway network along the frontages of London Wall and Copthall Avenue. The choice of kerbs and paving will follow the City's material palette.
--------------------------------	---

### Project Planning

<b>17. Programme and key dates</b>	<p><b>Overall programme:</b> completion in time for the building's occupation, practical completion, in June 2020.</p> <p><b>Key dates:</b> The developer is under obligation to the City to enter into a section 278 agreement no later than 7 May 2018.</p>
------------------------------------	---

	A Gateway 7 Report is due by Q4, 2020. <b>Other works dates to coordinate:</b> none
<b>18. Risk implications</b>	<b>Overall project risk:</b> Green The most notable risk is of low impact and is: <ul style="list-style-type: none"> <li>- Project approval is required very early in 2018 to allow sufficient time for the Highway Enabling Works to be scoped for inclusion in the section 278 agreement.</li> <li>- Potential cost increases resulting from the deferred implementation of the s278 highway works (expected by 2020) will be mitigated through the provision of a highway works excess payment clause in the section 278 agreement.</li> </ul>
<b>19. Stakeholders and consultees</b>	Anticipated external stakeholders: <ul style="list-style-type: none"> <li>- Developer of 60 London Wall (and their agents)</li> <li>- Owners / occupiers of adjacent buildings</li> <li>- Transport for London</li> <li>- Ward Members</li> </ul> Anticipated internal stakeholders: <ul style="list-style-type: none"> <li>- Planning</li> <li>- City Public Realm</li> <li>- Highways</li> <li>- City Surveyors</li> <li>- Access Team</li> <li>- Finance</li> <li>- Cleansing</li> </ul>

### Resource Implications

<b>20. Total estimated cost</b>	1. Under £250k <b>Likely cost range:</b> Between £200k-£250k.		
<b>21. Funding strategy</b>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">All funding fully guaranteed</td> <td style="width: 50%;">External - Funded wholly by contributions from external third parties</td> </tr> </table> <ul style="list-style-type: none"> <li>- Fully funded from the developer. Funds will be sought in advance of expenditure taking place.</li> <li>- The developer is required to enter into a S278 agreement to implement their development.</li> <li>- The S278 agreement includes provision for the developer to fund a project that will deliver the necessary alterations or improvements required to mitigate the impact of the development on the existing road network.</li> </ul>	All funding fully guaranteed	External - Funded wholly by contributions from external third parties
All funding fully guaranteed	External - Funded wholly by contributions from external third parties		
<b>22. On-going revenue implications</b>	Additional maintenance costs may be applicable following the implementation of the highways works however, the City will		

	secure the necessary commuted maintenance sums from the developer via the S278 agreement.
<b>23. Investment appraisal</b>	N/A
<b>24. Procurement strategy/Route to Market</b>	Any works to public highway will be undertaken by the City's highways term contractor. JB Riney was chosen as the term contractor through a competitive tender process and represent good value for money.
<b>25. Legal implications</b>	14. The City and the developer will enter into a S278 agreement, enabling the payment and delivery of the Highway Works.
<b>26. Corporate property implications</b>	None
<b>27. Traffic implications</b>	15. It is likely that some footway and lane closures will be needed whilst various elements of the works are underway. The project will aim to limit the duration of these closures and where possible, facilitate cyclist and pedestrian movement at all times.
<b>28. Sustainability and energy implications</b>	16. <b>Environment sustainability:</b> It is anticipated that all materials will be sustainably sourced where possible and be suitably durable for the design life of the asset. 17. <b>Financial sustainability:</b> As the developer is paying for the scheme it is financially sustainable for the City.
<b>29. IS implications</b>	None
<b>30. Equality Impact Assessment</b>	An Equality Impact Assessment is not proposed as the proposed highway changes will not significantly alter how the existing highway functions. However, the Access Team will be consulted as part of the design process to ensure the final design is inclusive.

## Appendices

<b>Appendix 1</b>	Development site and local area
-------------------	---------------------------------

## Contact

<b>Report Author</b>	Roland Jordaan
<b>Email Address</b>	<a href="mailto:roland.jordaan@cityoflondon.gov.uk">roland.jordaan@cityoflondon.gov.uk</a>
<b>Telephone Number</b>	020 7332 1723