

<b>Committees:</b>	<b>Dates:</b>	
Streets and Walkways Sub-Committee Projects Sub Committee	10 April 2018 Urgency	
<b>Subject:</b> 22 Bishopsgate public realm project	<b>Gateway 4 Detailed Options Appraisal (Phase 2) and Gateway 5 Authority to Start Work (Phase 1) Complex</b>	<b>Public</b>
<b>Report of:</b> Director of the Built Environment <b>Report Author:</b> Na'amah Hagiladi	<b>For Decision</b>	

### Summary

#### Dashboard:

**Project Status:** Green  
**Timeline:** Gateway 4/5  
**Total Estimated cost:** £2,012,690  
**Latest approved budget:** £100,000  
**Spend to date:** £91,213  
**Implementation cost:** £1,673,416  
**Overall project risk:** Low

#### Background

This scheme relates to new and improved public realm associated with the development currently being constructed at 22 Bishopsgate (formerly known as 'The Pinnacle'). The scope of the public highway works encompasses works in Bishopsgate, Great St Helen's, Crosby Square and Undershaft. Those elements of the project that mitigate the impact of the development on the highway will be funded by a Section 278 agreement, with further enhancement works to be funded through commitments remaining from the Section 106 agreement for the Pinnacle (see the plan in Appendix 3 highlighting the different areas).

Within the overall scope of the project, a discrete area including Crosby Square will be implemented by the developer, and the remainder implemented by the City. This arrangement is in place owing to the complexities in this particular part of the site, namely the construction of highway above the developer's basements and the relocation of utilities. This arrangement was agreed in writing with the developer and is a bespoke agreement confined to this development, with numerous conditions imposed on the developer as a result. This includes the requirement for the design to conform to the design principles set out in the adopted City Public Realm Supplementary Planning Document, and for the City to supervise the works and retain 'step-in' rights should the works not be delivered to our satisfaction.

As a result, the area to be implemented by the developer is being advanced to align with their programme and is therefore presented for Gateway 5 approval (and herein referred to as Phase 1 of the project. The remainder of the project area, that

to be implemented by the City (and herein referred to as Phase 2), is presented for Gateway 4 approval, with Gateway 5 approval to be delegated to the Chief Officer in line with the City's project procedure.

### **Progress to date**

A Gateway 3 report, setting out the broad objectives agreed by the project Working Party (chaired by the City and comprising representatives from Lipton Rogers, Great St Helen's Church and Hiscox), was approved in July 2017. These objectives are set out in an approved Schedule of Issues (Appendix 1), which has been used as the basis to develop the design.

Following Gateway 3 approval, traffic surveys were commissioned to understand the conditions around the site, and to help determine the full project scope. Alongside these studies, the project team has been working to progress the design. As noted above, the project is being delivered in two phases; however, the public realm design is being developed in a unified way.

### ***Phase 1 – Crosby Square (Gateway 5 approval)***

The design for Crosby Square will deliver a balance between the expected increase in pedestrians moving through the area, while also providing opportunities for people to sit and rest. This will be achieved through introducing a raised carriageway that will provide level access between Great St Helen's and the main square. In the square itself, planters are proposed which will allow people to 'perch'; these planters are not permanently fixed to the paving and can be reconfigured or relocated to facilitate temporary installations (e.g. Sculpture in the City). The developer has agreed to maintain these planters, and facilitate their periodic movement, in perpetuity.

A row of security-rated bollards is proposed at the northern end of Crosby Square, in order to provide security for the square and for the development; this approach was approved in principle as part of the planning submission for the development. Two of these bollards will be retractable, allowing access for servicing and maintenance when required. This arrangement will be operated by a third party under a Service Level Agreement, ensuring that access is provided where necessary. The infrastructure will be maintained in perpetuity by the developer. A Traffic Order will be required to restrict vehicular access to Crosby Square.

These works are fully funded by the developer. A financial bond of £376,443 has been secured as part of a Section 278 agreement, which reduces the financial risk to the City in the event that the developer cannot implement the works.

### ***Phase 2 – Great St Helen's and Undershaft (Gateway 4 approval)***

The project Working Party considered two design options for Great St Helen's – these are described in more detail in the appraisal matrix and are shown in Appendix 4. Both options propose a raised carriageway throughout Great St Helen's; this approach is considered necessary to accommodate future pedestrian demand and will give priority to this user group while still allowing access for vehicles.

Option 1 retains a larger 'carriageway' area, which allows for smoother vehicle movement. Option 2 delivers larger areas of 'footway', however restricts vehicle

movement. The unanimous view of the project Working Party, and the recommendation of this report, is that Option 1 be taken forward to detailed design. The proposals for Undershaft include the introduction of a section of raised carriageway to cater for predicted pedestrian movements and upgraded materials. Loading and waiting restrictions will also be reviewed in Undershaft and Great St Helen's, prior to the next Gateway.

The works that are required to make the development acceptable in planning terms are funded through the Section 278 agreement. Further works to enhance the area, such as the use of higher quality materials, will be funded through commitments remaining from the Section 106 agreement for the Pinnacle.

A small section of Great St Helen's is privately owned, but with public access permitted across it. In order to implement the works on this land the City will need to either reach an agreement with the landowner directly, or exercise its powers as highway authority.

### **Proposed way forward**

While the project is now proposed to be delivered in two phases, the design will continue to be developed in a unified way. As such, the next steps are composed of the two phases together and will include:

1. Finalising the maintenance agreement (for the planters, bollards and drainage in Crosby Square (Phase 1), and the street tree in Great St Helen's (Phase 2)) and Service Level Agreement (for the operation of the retractable bollards in Crosby Square (Phase 1)) with the developer;
2. Signing the Section 278 agreement, based on the details set out above;
3. Taking forward Option 1 for Phase 2 (i.e. Great St Helen's and Undershaft), to the detailed design stage;
4. Commissioning the required surveys (utilities, loading & waiting) to inform the design process for Phase 2;
5. Processing the Traffic Order for Phase 1.

### **Financial implications**

The Phase 1 works are fully funded by the developer. A financial bond has been secured as part of a Section 278 agreement, which reduces the financial risk to the City in the event that the developer cannot implement the works. The Phase 2 works are funded through a combination of the Section 278 agreement, and commitments remaining from the Section 106 agreement for the Pinnacle.

The developer has agreed to maintain certain elements of the design, in perpetuity, via the Section 278 agreement. These elements include the drainage infrastructure in Crosby Square and on the south side of Great St Helen's; the planters in Crosby Square; and the new street tree in Great St Helen's which is required as part of the wind mitigation strategy.

Table 1 below shows the resources expended to date. Table 2 sets out the resources required to reach the next gateway, and a brief explanation of the tasks to be completed with that funding.

Table 1: Resources Expended to date

	<b>Budget approved</b>	<b>Spend to Date*</b>	<b>Balance remaining</b>
Fees	£3,375	£2,625	£750
Staff Costs	£96,625	£88,588	£8,037
<b>Total</b>	<b>£100,000</b>	<b>£91,213</b>	<b>£8,787</b>

*\*As of 26 March 2018*

Table 2: Resources required to reach the next Gateway

<b>Item</b>	<b>Reason</b>	<b>Cost (£)</b>	<b>Funding Source</b>
Fees	Traffic Regulation Order process; Road Safety Audit; utilities estimates; archaeological assessment.	£30,000	Section 278 agreement
CPR & CT staff costs	Facilitate regular design meetings; liaison and consultation with stakeholders; commission and manage surveys; maintain project documentation; input into legal agreements	£50,000	
Highways staff costs	Supervision of works (Phase 1)	£44,637	
	Produce detailed design and construction package; liaise with utility companies; produce detailed works programme & cost estimates (Phase 2)	£65,000	
Open Spaces staff costs	Input on planting design, inc. species selection	£5,000	
<b>Total</b>		<b>£194,637</b>	

## **Recommendations**

### ***Gateway 4 Recommendations (for Phase 2)***

It is recommended that Members of Street & Walkways Sub Committee:

1. Note that the project will be delivered in two phases in order to align with the programme for the development, but that the design will be developed in a unified way;
2. Approve Option 1 for Great St Helen's;
3. Approve a budget of £150,000 to progress Phase 2 of the project to Gateway 5, subject to receipt of funds;
4. Agree to delegate Gateway 5 approval to the Chief Officer.

It is recommended that Members of Projects Sub Committee:

1. Note that the project will be delivered in two phases in order to align with the programme for the development, but that the design will be developed in a unified way;
2. Approve a budget of £150,000 to progress Phase 2 of the project to Gateway 5, subject to receipt of funds.

### ***Gateway 5 Recommendations (for Phase 1)***

It is recommended that Members of Street & Walkways Sub Committee:

1. Approve the implementation of Phase 1 (Crosby Square), subject to a Service Level Agreement and Section 278 agreement signed by the City and the developer;
2. Approve a budget of £44,637 for the supervision of the works being delivered by the developer, subject to receipt of funds;
3. Authorise officers to prepare and approve the necessary traffic orders associated with the project;
4. Authorise the use of the financial bond set out in the Section 278 agreement, to implement the Phase 1 works, in the event that the developer cannot do so.

It is recommended that Members of Projects Sub Committee:

1. Approve a budget of £44,637 for the supervision of the works being delivered by the developer, subject to receipt of funds.

## **Main Report**

<b>1. Design summary</b>	<b><i>Phase 1 – Crosby Square (Gateway 5 approval)</i></b> The design for Crosby Square will deliver a balance between the expected increase in pedestrians moving through the area, while also providing opportunities for people to sit and rest. This will be achieved through introducing a raised carriageway that will provide level access between Great St Helen's and the main square. In the square itself, planters are proposed which will allow people to 'perch'; these planters are not permanently fixed to the paving and can be reconfigured or relocated to facilitate temporary installations (e.g. Sculpture in the City). The developer has agreed to maintain these planters, and facilitate their periodic movement, in perpetuity.
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A row of security-rated bollards is proposed at the northern end of Crosby Square, in order to provide security for the square and for the development. Two of these bollards will be retractable, allowing access for servicing and maintenance when required. This arrangement will be operated by a third party under a Service Level Agreement, ensuring that access is provided where necessary and that the infrastructure will be maintained.

A lighting design for this area has been developed in accordance with the principles of the City's emerging lighting strategy. The design will ensure that the public realm is lit safely, whilst at the same time differentiating between movement and 'dwell' spaces.

This first phase of works also includes the reinstatement of footways on the south side of Great St Helen's and on Bishopsgate (those areas within City of London jurisdiction).

It should be noted that the developer has proposed to introduce several elements which do not conform to the City's agreed palette of materials, namely different drainage details. The City has agreed that these elements can be implemented, subject to the developer agreeing to maintain these elements in perpetuity, and the City again retains 'step-in' rights should the maintenance become inadequate.

This report seeks Gateway 5 approval for this area, to allow the works to be implemented prior to the practical completion of the development.

#### ***Phase 2 – Great St Helen's and Undershaft (Gateway 4)***

The project Working Party considered two design options for Great St Helen's – these are described in more detail in the appraisal matrix and are shown in Appendix 4.

Option 1 builds on the current street layout, while catering for the predicted high volume of pedestrians and cyclists as per the transport assessment. This is achieved by introducing a raised carriageway with minimum kerb realignment works. Essentially this will retain a larger carriageway area to cater for vehicle movements. The northern carriageway 'spur' will be converted to footway, and new cycle racks will also be installed. The carriageway would be paved in granite to encourage pedestrian usage, in accordance with the City Public Realm SPD. This is the favoured option of the project Working Party.

Option 2 also involves raising the carriageway, however proposes to expand the footway area to the north allowing for the introduction of additional green space. This is to be achieved by realigning the kerb and reducing the carriageway. As in Option 1, the carriageway would be paved by granite setts. This option was not supported by the project Working Party, primarily owing to restricted vehicle movements.

The remainder of the works focus on Undershaft, which is an important pedestrian and cycle link, and is also the main servicing route for the development. The proposals for Undershaft include the introduction of a section of raised carriageway to cater for predicted pedestrian movements and

	<p>upgraded materials. Loading and waiting restrictions will also be reviewed in Undershaft and Great St Helen's.</p> <p>This report seeks Gateway 4 approval for these areas, with Option 1 for Great St Helen's recommended to be taken forward to detailed design.</p>																
<b>2. Delivery team</b>	<ul style="list-style-type: none"> <li>• Project Management – City Public Realm team</li> <li>• Detailed design – West 8 landscape architects, WSP &amp; City of London Highways</li> <li>• Construction – Multiplex; JB Riney (under the City's term contract)</li> </ul>																
<b>3. Programme and key dates</b>	<p><b>Construction of Crosby Square (Phase 1):</b> October 2018 – May 2019</p> <p><b>Gateway 5 (for Phase 2 - Great St Helen's &amp; Undershaft):</b> September 2018</p> <p><b>Construction of Great St Helen's &amp; Undershaft (Phase 2):</b> January 2019 – June 2019</p> <p><b>Practical completion of development:</b> May 2019</p>																
<b>4. Outstanding risks</b>	<p><i>1. Delay in signing section 278 agreement, leading to a delay in the overall project programme</i></p> <p>Officers are working closely with the developer to finalise the S278 to avoid any change to the construction phase.</p> <p><i>2. The developer is unable to meet their obligations in terms of implementing the Phase 1 works</i></p> <p>A financial bond has been included in the section 278 agreement, which will cover the City's cost of implementing the works in the event that the developer cannot do so.</p> <p><i>3. Uncertainty over certain GW5 costs elements (e.g. utilities works), leading to an increased project budget</i></p> <p>Provision has been made in the bond to cover such increases, and the City has retained 'step-in' rights in the event of the developer being unable to deliver the works.</p>																
<b>5. Budget</b>	<p>Table 1: spend to date</p> <table border="1"> <thead> <tr> <th></th> <th><b>Budget approved</b></th> <th><b>Spend to Date*</b></th> <th><b>Balance remaining</b></th> </tr> </thead> <tbody> <tr> <td>Fees</td> <td>£3,375</td> <td>£2,625</td> <td>£750</td> </tr> <tr> <td>Staff Costs</td> <td>£96,625</td> <td>£88,588</td> <td>£8,037</td> </tr> <tr> <td><b>Total</b></td> <td><b>£100,000</b></td> <td><b>£91,213</b></td> <td><b>£8,787</b></td> </tr> </tbody> </table> <p><i>*As of 26 March 2018</i></p>		<b>Budget approved</b>	<b>Spend to Date*</b>	<b>Balance remaining</b>	Fees	£3,375	£2,625	£750	Staff Costs	£96,625	£88,588	£8,037	<b>Total</b>	<b>£100,000</b>	<b>£91,213</b>	<b>£8,787</b>
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Table 2: resources required to reach the next Gateway

Item	Reason	Cost (£)	Funding Source
Fees	Traffic Regulation Order process; Road Safety Audit; utilities estimates; archaeological assessment.	£30,000	Section 278 agreement
CPR & CT staff costs	Facilitate regular design meetings; liaison and consultation with stakeholders; commission and manage surveys; maintain project documentation; input into legal agreements	£50,000	
Highways staff costs	Supervision of works (Phase 1)	£44,637	
	Produce detailed design and construction package; liaise with utility companies; produce detailed works programme & cost estimates (Phase 2)	£65,000	
Open Spaces staff costs	Input on planting design, inc. species selection	£5,000	
<b>Total</b>		<b>£194,637</b>	

A figure of £44,637 has been identified in the section 278 agreement, to cover the City's costs of supervising the Phase 1 works (included in Table 2). A financial bond of £376,443 has also been included in the section 278 agreement, to allow the City to implement the Phase 1 works in the event that the developer is unable to do so.

**6. Success criteria**

- Reflect the objectives set out in the emerging Eastern City Cluster Area Strategy and the Eastern City Security Strategy;
- Ensure that the required functions of the streets, walkways and spaces, now and in the future, are maintained and improved;
- Improve accessibility for all throughout the wider area.

**7. Progress reporting**

Monthly updates to be provided via Project Vision and any project changes will be sought by exception via Issue Report to Spending and Projects Sub Committees

## **Appendices**

<b>Appendix 1</b>	Schedule of Issues (agreed at GW3)
<b>Appendix 2</b>	Overall design
<b>Appendix 3</b>	Project scope and phasing plan
<b>Appendix 4</b>	Options 1 & 2 for Great St. Helen's (Phase 2)
<b>Appendix 5</b>	Financial tables

## **Contact**

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## Options Appraisal Matrix: Great St Helen's (Phase 2)

<i>Gt. St. Helens</i>	<i>Option 1</i>	<i>Option 2</i>
<b>1. Brief description</b>	<p>Option 1 builds on the current street layout, while catering for the predicted high volume of pedestrians and cyclists as per the transport assessment. This is achieved by introducing a raised carriageway with minimum kerb realignment works. Essentially this will retain a larger carriageway area to cater for vehicle movements. The northern carriageway 'spur' will be converted to footway, and new cycle racks will also be installed. The carriageway would be paved in granite setts to encourage pedestrian usage, in accordance with the City Public Realm SPD.</p>	<p>Option 2 reconfigures the street layout to give more space dedicated solely to pedestrians. This option involves raising the carriageway and proposes to expand the footway area to the north allowing for the introduction of additional green space. This is to be achieved by realigning the kerb and reducing the carriageway. The carriageway would be paved in granite setts to encourage further pedestrian usage.</p>
<b>2. Scope and exclusions</b>	<p>The project scope incorporates the entirety of Great St Helen's, including pieces of land which are not designated as public highway.</p> <p>Both options also incorporate works to Undershaft.</p> <p>The churchyard of St Helen's Bishopsgate is not included within the scope of the project.</p>	
<b>Project Planning</b>		
<b>3. Programme and key dates</b>	<p><b>Construction of Crosby Square:</b> October 2018 – May 2019</p> <p><b>Gateway 5 (for Great St Helen's &amp; Undershaft):</b> September 2018</p> <p><b>Construction of Great St Helen's &amp; Undershaft:</b> January 2019 – June 2019</p> <p><b>Practical completion of development:</b> May 2019</p>	

Gt. St. Helens	Option 1	Option 2
<b>4. Risk implications</b>	<p><i>1. Private land ownership obstructs the full implementation of the preferred option</i></p> <p>The City of London will use its full range of powers as a local authority to ensure that the works can be implemented to the full benefit of all users.</p> <p><i>2. Objections are received to the proposals</i></p> <p>Officers have engaged with key local stakeholders, including those represented on the project Working Party, to ensure that their requirements are incorporated as much as possible.</p>	
<b>5. Benefits and Disbenefits</b>	<p>Benefits</p> <ul style="list-style-type: none"> <li>• Provision of acceptable pedestrian comfort levels in future scenarios where pedestrian numbers increase significantly;</li> <li>• Improved public realm and consistency with the emerging priorities of the Eastern City Cluster area strategy;</li> <li>• Improved cyclist movement routes;</li> <li>• Adequate carriageway space for vehicle movements.</li> </ul> <p>Disbenefits</p> <ul style="list-style-type: none"> <li>• Fewer opportunities for new planting and seating.</li> </ul>	<p>Benefits</p> <ul style="list-style-type: none"> <li>• Creation of a larger pedestrian area, including the possibility for new planting and seating;</li> <li>• Provision of acceptable pedestrian comfort levels in future scenarios where pedestrian numbers increase significantly;</li> <li>• Improved physical state of the area and consistency with the emerging priorities of the Eastern City Cluster area strategy;</li> <li>• Improved cyclist movement routes.</li> </ul> <p>Disbenefits</p> <ul style="list-style-type: none"> <li>• Restricted vehicle movements.</li> </ul>
<b>6. Stakeholders and consultees</b>	<ul style="list-style-type: none"> <li>• City Transportation</li> <li>• Highways Team</li> <li>• Open Spaces department</li> <li>• Planning Team</li> <li>• Historic Environment</li> </ul>	

<b>Gt. St. Helens</b>	<b>Option 1</b>	<b>Option 2</b>
	<ul style="list-style-type: none"> <li>• Access Team</li> <li>• Road Safety Team</li> <li>• City of London Police</li> <li>• Lipton Rogers (Developer)</li> <li>• Great St Helen's Church</li> <li>• Hiscox (occupiers of 1 Great St Helen's)</li> <li>• Other local businesses and occupiers</li> </ul>	
<b>Resource Implications</b>		
<b>7. Total Estimated cost</b>	£1,296,973	£1,296,010
<b>8. Funding strategy</b>	The works are fully funded through a combination of the Section 278 agreement, and commitments remaining from the Section 106 agreement for the Pinnacle.	
<b>9. Estimated capital value/return</b>	Not applicable.	
<b>10. Ongoing revenue implications</b>	A figure for commuted sums, to cover the cost of maintenance of the public realm over a 20 year period, will be finalised during the next Gateway. These commuted sums will be fully funded via developer contributions.	
<b>11. Investment appraisal</b>	Not applicable.	
<b>12. Affordability</b>	The scheme is fully funded via developer contributions.	

<b><i>Gt. St. Helens</i></b>	<b><i>Option 1</i></b>	<b><i>Option 2</i></b>
<b>13. Procurement Strategy</b>	The detailed design will be carried out by the Department of the Built Environment. Several external appointments will be required in order to reach the next Gateway (Road Safety Audit; utilities estimates); these appointments will be procured with the assistance of the City of London Procurement Service.	
<b>14. Legal implications</b>	A traffic order may be required should changes be required to waiting and loading operations. The City will also need to assess the most suitable means for carrying out work on private land for the benefit of all users.	
<b>15. Corporate property implications</b>	Not applicable.	
<b>16. Traffic implications</b>	This option would maintain current levels of access for vehicles, with a raised carriageway throughout. Waiting and loading restrictions will be reviewed at the next Gateway to ensure the street functions as effectively as possible.	This option would restrict vehicle movements, which would likely have adverse impacts on servicing arrangements for local occupiers. Waiting and loading restrictions will be reviewed at the next Gateway to ensure the street functions as effectively as possible.
<b>17. Sustainability &amp; energy implications</b>	The City will request commuted sums from the developer to ensure that the highway can be adequately maintained in a sustainable manner.	
<b>18. IS implications</b>	Not applicable.	
<b>19. Equality Impact Assessment</b>	Conditions for pedestrians and cyclists will be improved by introducing a raised carriageway throughout the area. However, those with visual impairments may experience minor negative impacts as a result of this approach.	
<b>20. Recommendation</b>	Recommended	Not recommended
<b>21. Next Gateway</b>	Gateway 5 - Authority to Start Work	

<b>Gt. St. Helens</b>	<b>Option 1</b>		<b>Option 2</b>			
<b>22. Resource requirements to reach next Gateway</b>		<b>Item</b>	<b>Reason</b>	<b>Cost (£)</b>	<b>Funding Source</b>	
		Fees	Traffic Regulation Order process; Road Safety Audit; utilities estimates; archaeological assessment.	£30,000	Section 278 agreement	
		CPR & CT staff costs	Facilitate regular design meetings; liaison and consultation with stakeholders; commission and manage surveys; maintain project documentation; input into legal agreements	£50,000		
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