



## Streets and Walkways Sub (Planning and Transportation) Committee

**Date:** MONDAY, 24 JULY 2017

**Time:** 11.00 am

**Venue:** COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

**Members:** Christopher Hayward (Chairman) Deputy Clare James (Ex-Officio Member)  
Oliver Sells QC (Deputy Chairman) Alderman Gregory Jones QC  
Randall Anderson Paul Martinelli  
Emma Edhem Deputy Alastair Moss  
Marianne Fredericks Graham Packham  
Alderman Alison Gowman (Ex-Officio Member) Jeremy Simons (Ex-Officio Member)

**Enquiries:** Amanda Thompson  
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Lunch will be served in Guildhall Club at 12.30PM  
**NB: Part of this meeting could be the subject of audio or video recording**

**John Barradell**  
Town Clerk and Chief Executive

# AGENDA

## Part 1 - Public Agenda

1. **APOLOGIES FOR ABSENCE**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**  
To agree the public minutes and summary of the meeting held on 20 June 2017.  

**For Decision**  
(Pages 1 - 8)
4. **OUTSTANDING REFERENCES**  
Report of the Town Clerk.  

**For Information**  
(Pages 9 - 10)
5. **REPORTS OF THE DIRECTOR OF THE BUILT ENVIRONMENT :-**
  - a) Shoe Lane Quarter Phase 2 - Public Realm Enhancements (Pages 11 - 16)  

**For Decision**
  - b) 10 Fenchurch Avenue S278 Highway and Public Realm Improvements (Pages 17 - 26)  

**For Decision**
  - c) Leadenhall Street Pedestrian Crossing Improvements - 52-54 Lime Street (Scapel) Section 278 Highway Change (Pages 27 - 34)  

**For Decision**
  - d) Middlesex Street Area Enhancement Phase 2 - Petticoat Lane Market Improvements and Public Realm (Pages 35 - 48)  

**For Decision**
  - e) 22 Bishopsgate (Pages 49 - 56)  

**For Decision**
  - f) Aldgate Highway Changes and Public Realm Enhancement (Pages 57 - 60)  

**For Decision**
  - g) Aldgate (Portsoken) Pavilion (Pages 61 - 66)  

**For Decision**
  - h) Freight and Servicing Supplementary Planning Document (Pages 67 - 70)  

**For Decision**

- i) Eastern Cluster Area Enhancement Strategy - Update (Pages 71 - 82)

*Appendices 1,2 and 3 will be circulated separately electronically and colour copies will available at the meeting.*

**For Decision**

- j) Highways Maintenance Contract: Tarmac purchase of JB Riney (Pages 83 - 88)

**For Information**

6. **TUDOR STREET**  
To receive any update.

**For Information**

7. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

8. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

9. **EXCLUSION OF THE PUBLIC**

MOTION – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act as follows:-

#### **Part 2 - Non-public Agenda**

10. **NON-PUBLIC MINUTES**

To agree the non-public Minutes of the meeting held on 20 September 2017.

**For Decision**  
(Pages 89 - 90)

11. **LONDON WALL PLACE S278 - ADDITIONAL SECURITY MEASURES**

**For Decision**  
(Pages 91 - 94)

12. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

13. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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## STREETS AND WALKWAYS SUB (PLANNING AND TRANSPORTATION) COMMITTEE

Tuesday, 20 June 2017

**Minutes of the meeting of the Streets and Walkways Sub (Planning and Transportation) Committee held at the Guildhall EC2 at 11.00 am**

### **Present**

#### **Members:**

Christopher Hayward (Chairman)	Deputy Clare James (Ex-Officio Member)
Oliver Sells QC (Deputy Chairman)	Paul Martinelli
Randall Anderson	Deputy Alastair Moss
Emma Edhem	Graham Packham
Marianne Fredericks	Jeremy Simons (Ex-Officio Member)
Alderman Alison Gowman (Ex-Officio Member)	

#### **Officers:**

Amanda Thompson	-	Town Clerk's Department
Olumayowa Obisesan	-	Chamberlain's Department
Steve Presland	-	Department of the Built Environment
Iain Simmons	-	Department of the Built Environment
Ian Hughes	-	Department of the Built Environment
Sam Lee	-	Department of the Built Environment

### **1. APOLOGIES FOR ABSENCE**

There were no apologies for absence.

### **2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations of interest.

### **3. MINUTES**

RESOLVED – That the minutes of the meeting held on 20 June be agreed subject to the inclusion of the following amendments:

#### **8.1 – Tudor Street Area Mitigation Measures – Statutory Public Consultation Responses**

*A Member queried the need to reprovide the displaced motorcycle spaces suggesting instead that motorcyclists be directed to Baynard House car park.*

*Arising from the discussion a vote was taken as to whether or not the displaced motorcyclists should be redirected to use other available car park space:*

6 FOR  
2 AGAINST  
1 ABSTENTION

And the Sub-Committee RESOLVED to:

- 1) Agree not to relocate the motor cycle parking to the western section of Tallis Street as agreed previously by the Court of Common Council on 12 January 2017.
- 2) *Agree not to reprovide lost motorcycle spaces on street and redirect motorcyclists to use other available parking space; and*
- 3) Agree that the objectors be informed of the decision accordingly.

### **8.3 Monument Subway**

RESOLVED – That

- 2) The developer be asked if the unspent funds of £58,334 could be put towards providing further *historical* signage.

### **10 Questions**

#### Two Way Cycling in Seething Lane/ Muscovy Street.

*A member asked why officers had not leafleted local residents and occupiers, outlining the proposal, as they had done so previously a number of years ago when the proposal was first suggested, and also why, given that circumstances in the area have drastically changed since the idea was first conceived, what review had been undertaken?*

*For example the redesigning of Seething Lane Gardens, the very busy bars, hotels with frequent taxi drop offs, the introduction of the CSH and the removal by TfL of the railings which used to run along the whole length of Byward St. As well as ongoing development along the road with construction vehicles, especially at the top end of Seething Lane junction with Hart St/ Crutched Friars.*

*The concerns raised during the City's last consultation still stood and given the changes in the area the proposal was even more unsuitable and unsafe, especially for cyclists and pedestrians.*

*Officers were asked that given the changes to the area and the introduction of the CSH, what benefits would this proposal bring?*

*Officers advised that a vigorous design process had been undertaken and they would provide a written response to the Member.*

### **Citigen Roadworks**

*Officers agreed that lessons had been learned and would be fed into the design of the future works.*

### **London Wall Place**

*Officers undertook to look into this and it was agreed that it should be added to the OR list.*

## **4. OUTSTANDING REFERENCES**

**RESOLVED** – That the list of outstanding references be noted and updated as appropriate.

### **Swan Pier**

Officers advised that a consultant had now been appointed to undertake a review of the repairs needed and that a report would be coming to the Sub-Committee after the recess.

Alderman Gowman, who had initially raised the issue, expressed concern that this would result in nothing being done until early 2108 which was a very long time. She further added that there had been no consultation with ward Members

## **5. REPORTS OF THE DIRECTOR OF THE BUILT ENVIRONMENT :-**

### **5.1 Crossrail Works Approval**

The Committee considered a Gateway 5 issue report of the Director of the Built Environment concerning Crossrail Works and approval that the CoL Corporation deliver the works for Crossrail, starting with the Farringdon East element, followed by Moorgate/Moorfields and Liverpool Street in due course.

Members were advised that Crossrail had the authority to unilaterally deliver the works under their Crossrail Act powers, and were required to complete certain key elements by December 2018 to allow the relevant stations to open.

However, the presence of over-site development & adjacent building works would prevent large elements of these works being completed by December 2018, after which Crossrail would cease to exist as a delivery arm of TfL. As a result, Crossrail had discussed through a number of working groups with the CoL how the CoL could undertake the majority of these works on Crossrail's behalf.

Members asked a number of questions in relation to the timing of the works, whether or not any liaison had taken place with Westminster, the need for further contingencies to be put in place, and the fact that the CoL would have to underwrite any cost overrun.

Members sought assurance that there were sufficient staff resources in place to deliver the works and also that consultation would be undertaken with local stakeholders and residents who would be affected by the traffic and pedestrian disruption.

Officers advised that there were sufficient resources in place and using Riney would ensure the City had full control on the quality of work and engagement with the community. However officers acknowledged that while the CoL undertook large amounts of consultation, TfL and Crossrail did not and it would therefore be necessary to consult further with residents.

RESOLVED – That

- a) Agreement in principle that the City deliver the urban realm works at Farringdon and Liverpool St stations on behalf of Crossrail be given subject to the Chairman and Deputy Clare James meeting with officers to ensure consultation with residents is undertaken;
- b) Approval for Gateway 3-5 to commence works in relation to Farringdon east be delegated to the Director of the Built Environment, in conjunction with the Chairman and Deputy Chairman of the Policy and Resources Committee;
- c) The Comptroller and City solicitor be authorised to conclude the legal agreement between the City and Crossrail; and
- d) Subsequent Gateway 5 reports in relation to Liverpool Street station be submitted to the Policy and Resources Committee in due course.

## **5.2 City Transportation Network Performance 2017/18 Work Programme**

The Committee considered a report concerning the transportation network performance work programme.

Members had previously requested that they be made aware of current workload issues and, given the pressure on staffing resources, be given the opportunity to agree work programme priorities.

The report set out those significant work items that either directly or indirectly impacted upon the workload of the City Transportation's 'Network Performance' team, and provided a proposed work plan.



Members were advised that the 'Network Performance' team within the City Transportation section was experiencing significant service demands and a workload that even if staffed to current full establishment it would not be possible to meet. It had therefore been necessary to recommend a review of service priorities.

The Chairman stressed to the Sub-Committee that these were the priorities of officers, and not Members, and the staff resource needs and costs for each project were indicated. He stated that the officers were really in a 'no win' situation and just needed an indicative list to work on.

Members expressed concern that the Sub-Committee was being asked to prioritise works when some less significant works had been required for a longer period of time.

In relation to the requests for market force supplements applied for in relation to a number of posts, Members indicated their support for this and stressed that the lack of resources to do the work required be flagged up with both the Town Clerk and the Resource Allocation Sub-Committee.

A member commented that given the current boom in regeneration work across the whole of London, it was imperative that funds were made available to undertake works and to achieve the CoL's strategic objectives and ambitions.

**RESOLVED - to**

- a) Agree the proposed highest priority programme (Appendix 1: table 1) which based on current staffing resource can be progressed within 2017/18.
- b) Agree the proposed additional programme (Appendix 1: table 2) which could be progressed in 2017/18 if the network performance team is fully resourced.
- c) Agree the proposed reserve programme (Appendix 1: table 3) which could commence in 2018/19 or sooner if resources permit.
- d) Agree those projects proposed as 'low priorities' (Appendix 1: table 4) which it is proposed are indefinitely deferred but that this decision be reviewed in quarter four 2017/18.
- e) Support the need for the payment of market forces supplements and for increased funding generally.

**6. TUDOR STREET**

The Sub-Committee received a verbal update on the Tudor Street mitigation measures.

The Deputy Chairman stated that it all relevant parties had taken on board that a solution needed to be found as soon as possible, however officer time spent in relation to this was disproportionate to the size of the area.

Members raised a number of questions in relation to the installation of the parking restrictions in Bridewell Place, consultation with various stakeholders including bus-stop users and the study of the traffic flow.

Officers agreed to look into the parking restrictions at Bridewell Place as there had been some issues with the yellow lines. They further advised that the study of traffic flow was a major piece of work likely to take up to a year, and that TfL were responsible for consultation with bus-stop users.

**7. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

In response to a question concerning the unsightly painted markings on the road in the Tudor Street area, Members advised that these related to the Thames Tideway project and would be washed away.

In response to a question concerning consultation and the fact that some processes were undertaken well and some less well depending on which area of the City was affected, officers responded that they considered the processes were consistent and appropriate however undertook to consider the introduction of a protocol.

**8. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**  
Street Lighting Project – Gateway 5

The Sub-Committee was advised that approval was required to begin works in relation to the Street Lighting Project before the Projects Sub-Committee met on the 18 July 2017.

RESOLVED – That the Chairman and Deputy Chairman be authorised to approve the Gateway 5 request to begin works under delegated powers.

**9. EXCLUSION OF THE PUBLIC**

RESOLVED – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

**10. NON-PUBLIC MINUTES**

RESOLVED – That the non-public minutes of the meeting held on 20 June be agreed as a correct record.

11. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

The non-public questions were noted.

12. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

The Committee received an update on Islington's Controlled Parking Zone and the purchase of Riney by Tarmac.

**The meeting closed at 13.15pm**

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Chairman

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Outstanding References - Streets and Walkways Sub Committee

<i>Date</i>	<i>Action</i>	<i>Officer responsible</i>	<i>To be completed/ progressed to next stage</i>	<i>Notes/Progress to date</i>
<p><b>25 July 2016</b>  <b>27 September 2016</b>  <b>8 November 2016</b>  <b>6 December 2016</b>  <b>14 February 2017</b>  <b>16 May 2017</b>  <b>20 June 2017</b></p>	<p><b>Parking for Motorcyclists</b>                      As part of the review of fees and charges for car parks, consideration be given to the implications on motorcycle parking. A further report to be submitted to the Sub Committee regarding the framework for charging, provision of more parking bays and theft of motorcycles.                      Consideration would be given to the timings for the project at a future meeting.</p>	<p>Director of the Built Environment                       Director of the Built Environment</p>	<p>2017</p>	<p>The matter is now included in the 2017/18 work programme and within the restructured City Transportation teams work plan.</p> <p>In response to Members asking that this piece of work be brought forward from 2017/18, officers reported that further advisement of timings would be considered at the January Streets and Walkways Sub-Committee meeting, but it will be a priority on the 2017/18 business plan for consideration at the February Planning and Transport Committee.</p> <p>Complete programme to be reported post elections</p> <p>Members expressed concern regarding the period of time this issue was taking to address and asked that a clear and robust policy, including environmental issues, be brought to the Sub-Committee as soon as possible.</p> <p>It was agreed that officers bring proposals for the programme to the Sub-Committee to enable priorities to be set, and to determine exactly what resources would be required to deliver it.</p>
<p><b>Ongoing Action</b>  <b>25 July 2016</b>  <b>27 September 2016</b></p>	<p><b>Swan Pier</b>                      Swan Pier area is to be tidied up in conjunction with the delivery of the</p>	<p>Director of the Built Environment</p>	<p>Ongoing</p>	<p>The matter had now been referred to the City Surveyor. Officers to update.</p>

Outstanding References - Streets and Walkways Sub Committee

<p><b>8 November 2016</b>  <b>6 December 2016</b>  <b>14 February 2017</b>  <b>16 May 2017</b>  <b>20 June 2017</b></p>	<p>Fishmongers Ramp project which is due for completion Summer 2016</p>			<p>Officers advised that a consultant had now been appointed to undertake a review of the repairs needed and that a report would be coming to the Sub-Committee after the recess.</p>
<p><b>20 June 2017</b></p>	<p><b>London Wall Place</b>  A member asked if all the necessary procedures had been put in place to promptly adopt the London Wall Place high walks and to ensure the lift that had been out of service functioned properly when these were reinstated?</p>	<p>Director of the Built Environment</p>		<p>Officers undertook to look into this.</p>
<p><b>20 June 2017</b></p>	<p><b>Two Way Cycling in Seething Lane/ Muscovy Street.</b>   A member asked why officers had not leafleted local residents and occupiers, outlining the proposal, as they had done so previously a number of years ago when the proposal was first suggested, and also why, given that circumstances in the area have drastically changed since the idea was first conceived, what review had been undertaken?</p>	<p>Director of the Built Environment</p>		<p>Officers advised that a vigorous design process had been undertaken and they would provide a written response to the Member</p>

<b>Committees:</b>	<b>Dates:</b>	
Streets and Walkways Sub-Committee Projects Sub	24/07/2017 18/07/2017	
<b>Subject:</b> Shoe Lane Quarter Phase 2 – Public Realm Enhancements (London Development s278)	<b>Issue Report:</b>  <b>Complex</b>	<b>Public</b>
<b>Report of:</b> Director of the Built Environment <b>Report Author:</b> Kristian Turner	<b>For Decision</b>	
<b><u>Summary</u></b>		
<p><b>Dashboard</b></p> <ul style="list-style-type: none"> <li>• Project Status: Green</li> <li>• Last Gateway approved: Gateway 4</li> <li>• Project total estimated cost: Circa £8M</li> <li>• Current approved budget: £1.019m</li> <li>• <b>Spend to date: £443,595</b></li> <li>• Overall project risk: Green</li> </ul> <p><b>Progress to date</b></p> <p>Planning permission for the development of the former Fleet Buildings and Plumtree Court site was granted in June 2011. This project relates to the Section 106/278 funded public realm, highway and security improvements in the area around the new development.</p> <p>The project involves a wide range of measures on the highway around the new development that enhances the public realm on Farringdon Street, Stonecutter Street, Shoe Lane and Plumtree Court. This will enable safe access to the new buildings for people and vehicles; enhancing provision for pedestrians by providing widened footways, trees and raised carriageways; and providing a secure line of building protection measures on the footway.</p> <p>The Gateway 4 report was taken to committee in February 2017 where approval was given to progress the detailed design of the public realm, highway and security improvements.</p> <p>The detailed design for the works is well underway. The scope of the security works around the development is significant and presents a considerable technical challenge. As a comparator the design of these features is in the order of two to three times the scale and complexity of the works undertaken around Cannon Street station in 2011.</p> <p><b>Summary of issue</b></p> <p>It is anticipated that the full detailed design of the works will be complete in the next 2-3 months with a Gateway 5 report to be submitted in September 2017.</p> <p><u>Issue 1</u></p> <p>The design of the security works entails a number of elements that are bespoke, such as shallow mounted security bollards, security rated lighting columns, granite blocks</p>		

and planters (which contain further security bollards).

Under the terms of the Section 106 / 278 Legal agreement (signed in 2013), the developer is responsible for completing the design of the security infrastructure up to RIBA Stage F. In practice the developer and City project teams work together collaboratively in progressing the detailed design and resolving the technical issues.

In detail, there are:

- 160 PAS 68 rated (City C3) security bollards;
- 10 unique security planters of various shapes and sizes (containing 118 PAS 68 rated bollards);
- 12 PAS 68 rated lighting columns;
- 11 PAS 68 rated granite blocks.

Officers have been advised by the supplier of the City C3 bollards that it is necessary to place an order by the end of July to ensure the bollards can be supplied in time for implementation of the scheme from early 2018. This is due to the unprecedented number of orders the supplier is receiving at the current time.

#### Issue 2

Part of the design of the public realm entails the creation of a set of steps and a retaining wall on Stonecutter Street (which falls very steeply to the east) to enable a flat level for a building fire exit. This is Phase 1 of the public realm construction works.

The developers building works are progressing quickly and the glass and façade works have commenced. On Stonecutter Street the developer has requested that the City expedite the design and works programme to begin enabling works for the construction of the steps and retaining wall in advance of the main works commencing (on Farringdon Street) in January 2018. The exact date the ten week construction programme will begin is still to be determined, subject to finalisation of the detailed design. Approval is required now to implement this phase of works when the design is finalised as this will be before the next Gateway 5 report (September 2017).

#### **Proposed way forward**

##### Issue 1

The design of the foundations for the City C3 bollards has been completed. It is now proposed that an initial order is placed with suppliers of the City C3 bollards to ensure the materials are delivered in time to meet the expected construction programme.

An initial estimate of ~£1M has been estimated for the total number of security bollards. To place the order a down payment of 20% is required (£200k). It is proposed that the Section 278 works budget is raised by £200k to allow for the order to be placed.

##### Issue 2

It is proposed that the detailed design of the steps and retaining wall on Stonecutter Street is completed and the construction works be undertaken to meet the needs of the developer.



An initial estimate of ~£80k has been estimated for the steps and retaining wall. It is proposed that the Section 278 works budget is raised by £80k to proceed with the implementation of these works in advance of the main public realm works.

All of the above works are funded by the developer through a Section 278 Legal Agreement.

### **Total Estimated Cost**

The total estimated cost of the scheme remains unchanged at approximately £8m. Please see Appendix 1 for details of the spend to date against the current approved budget and Appendix 2 for the revised budget taking into account these increases.

### **Recommendations**

It is recommended that Members:

1. Approve an increase in the Section 278 works budget of £280k to allow the placing of the order for security bollards and to commence enabling works for the steps and retaining wall on Stonecutter Street.

### **Appendices**

<b>Appendix 1</b>	Expenditure incurred to date
<b>Appendix 2</b>	Revised budget

### **Contact**

<b>Report Author</b>	Kristian Turner
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<b>Telephone Number</b>	020 7332 1745

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Appendix 1 - Spend to date

<b>Expenditure to date Tables</b>			
<b>16100309 - London Development Phase 2 S106</b>			
<b>Description</b>	<b>Approved Budget (£)</b>	<b>Expenditure (£)</b>	<b>Balance (£)</b>
Env Servs Staff Costs	68,418	37,118	31,300
Open Spaces Staff Costs	4,850	-	4,850
P&T Staff Costs	67,456	26,100	41,356
Fees	276,191	208,191	68,000
<b>TOTAL</b>	<b>416,915</b>	<b>271,410</b>	<b>145,505</b>

<b>16800075 - London Development Phase 2 S278 (SRP)</b>			
<b>Description</b>	<b>Approved Budget (£)</b>	<b>Expenditure (£)</b>	<b>Balance (£)</b>
PreEv Env Servs Staff Costs	9,990	9,990	-
PreEv Open Spaces Staff Costs	910	910	-
PreEv P&T Staff Costs	90,000	90,000	-
PreEv Fees	30,518	30,518	-
<b>TOTAL</b>	<b>131,418</b>	<b>131,418</b>	<b>-</b>

<b>16100374 - London Development Phase 2 S278 (CAP)</b>			
<b>Description</b>	<b>Approved Budget (£)</b>	<b>Expenditure (£)</b>	<b>Balance (£)</b>
Env Servs Staff Costs	159,154	9,345	149,809
DBE Structures Staff Costs	2,771	-	2,771
Open Spaces Staff Costs	14,549	-	14,549
P&T Staff Costs	114,065	9,066	104,999
Fees	180,000	22,357	157,643
<b>TOTAL</b>	<b>470,539</b>	<b>40,767</b>	<b>429,772</b>

Appendix 2 - Revised budget London Development s278 Works ONLY

<b>16100374 - London Development Phase 2 S278 (CAP)</b>			
<b>Description</b>	<b>Approved Budget (£)</b>	<b>Adjustment (£)</b>	<b>Balance (£)</b>
Env Servs Staff Costs	159,154	-	159,154
DBE Structures Staff Costs	2,771	-	2,771
Open Spaces Staff Costs	14,549	-	14,549
Works	-	280,000	280,000
P&T Staff Costs	114,065		114,065
Fees	180,000		180,000
<b>TOTAL</b>	<b>470,539</b>	<b>280,000</b>	<b>750,539</b>

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<b>Committees:</b>	<b>Dates:</b>	<b>Item no.</b>
Streets and Walkways Sub-Committee Projects Sub-Committee	24/07/2017 18/07/2017	
<b>Subject:</b> 10 Fenchurch Avenue S278 Highway and Public Realm Improvements	<b>Gateway 3/4/5 -</b> Authority to Start Work	<b>Public</b>
<b>Report of:</b> Director of the Built Environment		<b>For Decision</b>

## Summary

### Dashboard

- Project Status: Green
- Timeline: Gateway 5 – Construction expected to commence in October 2017
- Estimated project cost: Evaluation & design - £80,000; Construction - £541,308
- Spend to date: £23,360 of approved evaluation & design budget of £80,000 (as at 31 May 2017)
- Overall project risk: Green

The new building has been constructed in a way that does not allow for an adequate public highway depth in a number of areas. Amending the constructed building is not an option, so officers have negotiated a position of mutual benefit to the City and the developer.

### Progress to date

On 30 March 2012 planning permission was granted for an office and retail development on land bounded by Fenchurch Street, Fen Court, Fenchurch Avenue and Billiter Street. The development is officially known as 10 Fenchurch Avenue and its location is illustrated in Appendix 1.

A Gateway 1 & 2 project proposal was approved at Projects Sub-Committee (6 May 2015). This approval enabled the City to enter into an agreement under Section 278 of the Highways Act 1980 which in turn permitted the developer to start construction of the development. The Projects Sub-Committee resolved that the project proceed to Gateway 3/4 via the Regular process.

The development creates a new building footprint and a new pedestrian footway through the centre of the site, both of which involve the stopping up of existing highway and the creation of new public highway. A Stopping Up Order has been approved. There are now three key areas to consider that are a departure from standard City practice:

- There are several areas of footway within the new public highway that do not have a sufficient depth of at least 1.2 metres to below ground structures.
- The developer has proposed security-rated bollards are placed on the public highway.
- The developer has formally requested permission for its contractor rather than the City's (which is usual practice) to construct the new footway through the centre of the site.

The City and the developer have now met on several occasions to work towards a

resolution to these matters. This report includes an overview of the implications of adopting public highway with an insufficient footway depth, the options available to the City as highway authority, and makes recommendations to the Committee. The report also seeks authority to start the Section 278 enabling works to accommodate the new building on the public highway network. The proposed works involve an upgrade of footway materials on the existing public highway, the paving of the new public highway, changes to a vehicle crossover, the introduction of security-rated bollards and an enhanced pedestrian route on Billiter Street. The developer has asked that the Section 278 works take place between October 2107 and January 2018 which is deliverable if the proposals are approved before the August recess.

### **Background information**

The three key areas of concern relating to the new development are summarised in more detail below.

#### Insufficient highway depth

The City's standard requirement is that all public highway construction requires a minimum depth of 1.2 metres with no basement or obstructions within this space. The reason for this requirement is to not fetter the City's discretion to undertake future changes to the highway, to accommodate new drainage if necessary and to allow for the right of utilities to put their plant under the highway. It has become apparent that this requirement would not be met for a substantial proportion of the areas to be adopted as new public highway. As a result, a series of meetings have been held with the developer to rectify the situation. The issue has been identified in two specific areas:

- the new footway through the centre of the site has been constructed to a depth of less than 1.2 metres between the surface and the basement.
- most of the concrete retaining wall that supported the original building along the highway boundary has not been removed, providing an obstruction within the new footway around the perimeter of the site that does not allow for a minimum 1.2 metre footway depth.

In response to the officer concerns above, the developer was advised that the Stopping Up Order states that the newly dedicated highway areas should be provided "to the satisfaction of the City". The developer/owner was therefore asked to do whatever sub-surface works were necessary to ensure that the dedicated highway areas "provide a minimum of 1.2 metre footway depth".

The developer continued construction with the non-compliant public highway remaining in place. In February 2017, a report was submitted to the City explaining the developer's design approach and the implications of changing what had been constructed to provide the 1.2m standard. In relation to the perimeter of the building, the report stated that in order to maintain continuity of support to the highway, the new building structure was developed to integrate with the existing retaining wall. This approach was taken to minimise potential ground movement, which would adversely affect the surrounding highway, existing buildings and services infrastructure. In relation to the new pedestrian footpath through the site the report stated: "The structural design... required (the footpath) to cater for the significant change of level between Fenchurch Street and Fenchurch Avenue, whilst maintaining adequate space below to accommodate cycle and car parking."

The report stated that the potential implications of retrospective works to provide a 1.2 metre structure-free zone are, in the opinion of the developer, “significant.” These included:

- demolition of constructed elements and subsequent reconstruction of the perimeter structural arrangements.
- the impact on the new Nat West bank unit of undertaking the changes, potentially requiring it to stop trading.
- significant changes and a major re-design to the completed works, resulting in less usable space in the area below the central footway.

The report added: “Notwithstanding the potential financial impact, of more concern and consequence is that of programme. The extent and scope of change to the as built structure would result in the building not achieving the intended completion date (of February 2018), which would be a fundamental problem to the incoming tenant, M&G, achieving their established and set relocation agenda”. In its conclusion, the report stated: “We acknowledge that we have progressed with the as constructed works in advance of receiving the City’s formal approval of our AIP (Approval in Principle) submission, we now request a further meeting with the City, following your review of the report to agree between us the best way to proceed and regularise any legal agreements required”. It should be noted that the developer still requires approval of their AIP submission from the City Surveyor’s department, as well as the approval of the City as highway authority.

The developer’s report was considered by an officer group comprising representatives from Legal, City Surveyors, Highways and City Transportation, after which a meeting was held with the developer and their representatives on 28 March 2017. The concerns raised by the officer group are summarised below:

- Around the perimeter of the building, the constraint from having the original building structure at a depth less than 1.2m is the effect it could have on any future utility installations and management of this by the City. The structure forms part of the proposed building and would possibly require protecting with obligation falling to the City.
- To protect the structure, the whole perimeter of the building may have to be declared as a Street with Special Engineering Difficulty (SSED) to highlight the presence of structure before allowing any utility to carry out the works in the close proximity.
- The depth to pave in the central passageway is very limited and may need to be declared as a SSED. The pavement levels will have to match the slab levels underneath.
- The depth of the adoption will be above the waterproofing and will need to be defined in a legal agreement.
- The drainage for surface water run-off will need to go to the building basement and managed by the developer with step in rights.
- Utilities will not be able to install their apparatus in the central passageway.
- The vehicular access to the central passageway will be limited due to a weight limit which will impact on how the City can maintain the public highway. For example, future maintenance of the paving will have to be carried out by hand digging.

### Hostile Vehicle Mitigation (HVM) measures on the public highway

On 5 November 2015, the City approved the details of security measures pursuant to condition 13 of the development's planning permission. Condition 13 required that: "The development shall incorporate such measures as necessary within the site to resist structural damage arising from an attack with a road vehicle or a road vehicle borne explosive device, details of which must be submitted to and approved in writing before any works thereby affected are begun."

The approved HVM measures were developed following discussions between the City, a City of London Police Counter Terrorism Security Advisor (CTSA) and the developer's security consultant. Following the submission of draft proposals that showed security bollards on the public highway, the consultants were advised by the City that the developer "needs to implement some sort of protection within either the fabric of the building, inside the curtilage of the site or both." This presented a challenge at either end of the new central passageway and officers subsequently agreed as part of the condition 13 discharge that security bollards on the public highway would be acceptable in order to protect the central passageway from a hostile vehicle attack.

### Construction of central passageway

The developer has made a formal request for its contractor to carry out the public footway works in the central passageway area which will be new public highway. As this is a departure from standard City practice, the developer has submitted a justification to support its request.

### **Assessment of options**

#### Insufficient highway depth

The City's expectation, as expressed in the stopping up Order, is that areas which are dedicated as public highway should be provided "to the satisfaction of the City", and in the context of the new footway areas this means a footway depth of a minimum of 1.2 metres. The developer has informed the City that it cannot meet this requirement due to the effect this would have on the construction, the impact on existing and future occupiers of the site and the costs involved.

The options that have been considered by the internal officer team include:

1. The new highway areas are maintained by the City as highway authority. The central passageway is designated a SSED and information plates are fixed in the footway around the perimeter of the site to advise of the shallow depth.
2. The new footway areas continue to be public highway but under Section 180 of the Highways Act 1980, the developer is required to assume responsibility for maintenance and upkeep of the newly-dedicated areas in perpetuity. The Highways Act also gives the City power to undertake any works necessary to keep the highway areas in good condition and recover any reasonably incurred costs from the owner/developer.
3. The developer is formally instructed to undertake remedial works to ensure that all areas of public highway have been constructed to the satisfaction of the City, i.e. a minimum footway depth of 1.2 metres. If the developer is unable to comply with this instruction, the stopping up Order could be rendered invalid and the developer would be considered guilty of trespass anywhere where they have built of land that was to be stopped up.



#### HVM measures on the public highway

The central passageway will create a valuable, new pedestrian link between Fenchurch Street and Fenchurch Avenue. The need to provide some form of HVM protection to the central passageway is acknowledged by the City and security-rated bollards are considered the only practicable option at this location due to the constraints of the footway widths on Fenchurch Street/Avenue.

#### Construction of central passageway

Whilst it is a departure from standard City practice, the officer team has concluded that it makes logistical sense for the developer's own contractors to construct the central passageway. Any formal agreement would be subject to highway authority approval of the final construction designs and the proposed choice of contractors to carry out the works (this work is currently under way). Moreover, the Section 106 agreement states that if the public footpath works are "not carried out and completed to the reasonable satisfaction of the Director of the Built Environment...then the City may enter and carry out and complete the works and charge the cost thereof to the Developer." A second Section 278 agreement would contain a provision to cover the cost of highway supervision/inspection fees.

#### **Proposed way forward**

The City and developer have been working towards a resolution based on option 1 above. To mitigate the consequences of adopting and maintaining the sub-standard public highway, the developer has agreed to fund an enhanced package of Section 278 highway works. This includes extensive Yorkstone re-paving on the streets around the new development, the creation of a new public space on Billiter Street with seating, tree planting, the introduction of HVM bollards at either end of the central passageway and cycle parking and improved pedestrian routes between Fenchurch Street and Fenchurch Avenue. The proposals are shown in the General Arrangement drawing (appendix 1).

It is further proposed that the City and the developer enter into a legal agreement to:

- Ensure that when the new building is demolished, the structure under the highway should also be demolished.
- Define the physical depth of adoption of public highway within the central passageway.

The proposed pedestrian and public realm improvements on Billiter Street will necessitate the permanent removal of the motorcycle bays that were at this location prior to the start of construction in spring 2016. To mitigate the impact of their removal during the construction phase, additional motorcycle parking was made available at four motorcycle bays within the wider area and it is proposed that this arrangement continues.

The detailed design and cost estimates for the highway works have now been produced and are included in this report. It is proposed that Members approve these elements, and give authority for the highway works to be implemented.

The first Section 278 Agreement for the evaluation and design stage of the project was signed in February 2016. A second Section 278 Agreement, for the implementation of the highway works, is to be signed with the developer on

approval of the recommendations in this report. Works will not commence until funding has been received from the developer.

**Recommendations**

It is recommended that Members:

- Approve the implementation of the Section 278 highway works with an estimated total cost of £541,308 as listed in the design summary in the main report and shown in the General Arrangement drawing (appendix 1);
- Approve the adoption of the new areas of public highway created as part of the development despite it not meeting the City standards;
- Approve the proposal for the developer’s own contractors to construct the central passageway;
- Note the central passageway may need to be designated as a Street of Special Engineering Difficulty;
- Delegate authority for any adjustments between elements of the approved budget to the Director of the Built Environment in conjunction with the Chamberlain’s Head of Finance provided the total approved budget of £541,308 is not exceeded;
- Authorise Officers to seek relevant regulatory and statutory consents, orders and approvals as may be required to progress and implement the scheme (e.g. traffic orders); and
- Agree that the commencement of the Section 278 works be dependent upon full funding being first received from the developer.

**Main Report**

<b>1. Design summary</b>	<p>The design for the Section 278 works has been developed in close partnership with the developer. The new development will result in the newly adopted public highway being to a standard that would not normally be acceptable to the City; principally because much of it will not have a 1.2 metre structure-free area. By way of mitigation, the developer has agreed to fund an enhanced package of Section 278 works. The highway design is shown in the General Arrangement drawing in Appendix 1 and includes:</p> <ul style="list-style-type: none"> <li>• Wider footways around the perimeter of the site on Fenchurch Street, Billiter Street, Fenchurch Avenue and Fen Court;</li> <li>• A new passageway between Fenchurch Street and Fenchurch Avenue;</li> <li>• An improved pedestrian environment on Billiter Street including a new public space at its southern end, resulting in the removal of the motorcycle bays;</li> <li>• The introduction of York stone paving around the development and in the central passageway;</li> <li>• New cycle parking, seating and tree planting;</li> <li>• The introduction of HVM security-rated bollards at either end of the central passageway.</li> </ul>
<b>2. Delivery team</b>	<p>Project management and stakeholder engagement will be provided by the project team within City Transportation.</p> <p>Highway construction works will be delivered by the City’s Highway Term Contractor (J.B.Riney &amp; Co. Limited) with construction supervision undertaken in-house by City</p>

	Highway Engineers.																																																						
<b>3. Programme and key dates</b>	Authority to Start Work: August 2017 Section 278 Construction works: October 2017-January 2018.																																																						
<b>4. Outstanding risks</b>	<p><b>Overall project risk: Green</b></p> <p>a) Should the proposal to adopt sub-standard public highway be rejected by the - Committee, there may be delays to completion of the development;</p> <p>b) Should the proposal to install security-rated bollards on the public highway be rejected by the Committee, there may be implications for securing the central passageway from hostile vehicles;</p> <p>c) The sum of £50,000 for utility works is provisional and is subject to change until firm estimates have been received from utility companies. This presents a financial risk to the developer;</p> <p>d) Traffic orders cannot be predetermined and will need to be applied for and processed; there may be objections to the revocation of the motorcycle bays;</p> <p>e) Reputational risk if the development is delayed due to the highway works not being completed on time;</p> <p>f) Possible delays to commencing the highway works if the second Section 278 Agreement is delayed</p>																																																						
<b>5. Budget</b>	<p>The Section 278 works will be fully funded by the developer through a Section 278 Agreement. The table below shows the estimated total costs of the approved design:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Description</th> <th>Estimated Cost</th> </tr> </thead> <tbody> <tr> <td><b>Works Costs</b></td> <td><b>Highway Construction</b></td> <td></td> </tr> <tr> <td></td> <td>Preliminaries</td> <td>20,775</td> </tr> <tr> <td></td> <td>Fenchurch Street</td> <td>102,478</td> </tr> <tr> <td></td> <td>Fen Court</td> <td>88,347</td> </tr> <tr> <td></td> <td>Billiter Street</td> <td>130,488</td> </tr> <tr> <td></td> <td>Fenchurch Avenue</td> <td>44,627</td> </tr> <tr> <td></td> <td>Utility costs (provisional sum)</td> <td>50,000</td> </tr> <tr> <td></td> <td>Traffic Orders</td> <td>3,000</td> </tr> <tr> <td></td> <td>Trees</td> <td>3,879</td> </tr> <tr> <td></td> <td><b>Sub-Total</b></td> <td><b>£443,594</b></td> </tr> <tr> <td><b>Staff Costs</b></td> <td>City Transportation: Project Management/Engagement</td> <td>17,920</td> </tr> <tr> <td></td> <td>Highways: Quantity surveying and construction supervision</td> <td>68,544</td> </tr> <tr> <td></td> <td>City Public Realm: Project partner</td> <td>1,920</td> </tr> <tr> <td></td> <td>Open Spaces</td> <td>1,580</td> </tr> <tr> <td></td> <td><b>Sub-Total</b></td> <td><b>£89,964</b></td> </tr> <tr> <td><b>Maintenance</b></td> <td>Trees; five years after care</td> <td>7,750</td> </tr> <tr> <td><b>Section 278</b></td> <td><b>Estimated Total Costs</b></td> <td><b>£541,308</b></td> </tr> </tbody> </table>	Item	Description	Estimated Cost	<b>Works Costs</b>	<b>Highway Construction</b>			Preliminaries	20,775		Fenchurch Street	102,478		Fen Court	88,347		Billiter Street	130,488		Fenchurch Avenue	44,627		Utility costs (provisional sum)	50,000		Traffic Orders	3,000		Trees	3,879		<b>Sub-Total</b>	<b>£443,594</b>	<b>Staff Costs</b>	City Transportation: Project Management/Engagement	17,920		Highways: Quantity surveying and construction supervision	68,544		City Public Realm: Project partner	1,920		Open Spaces	1,580		<b>Sub-Total</b>	<b>£89,964</b>	<b>Maintenance</b>	Trees; five years after care	7,750	<b>Section 278</b>	<b>Estimated Total Costs</b>	<b>£541,308</b>
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<b>6. Success criteria</b>	a) Work with the developer to ensure timely delivery of high quality highway improvements which successfully integrate the development into the local highway network;																																																						

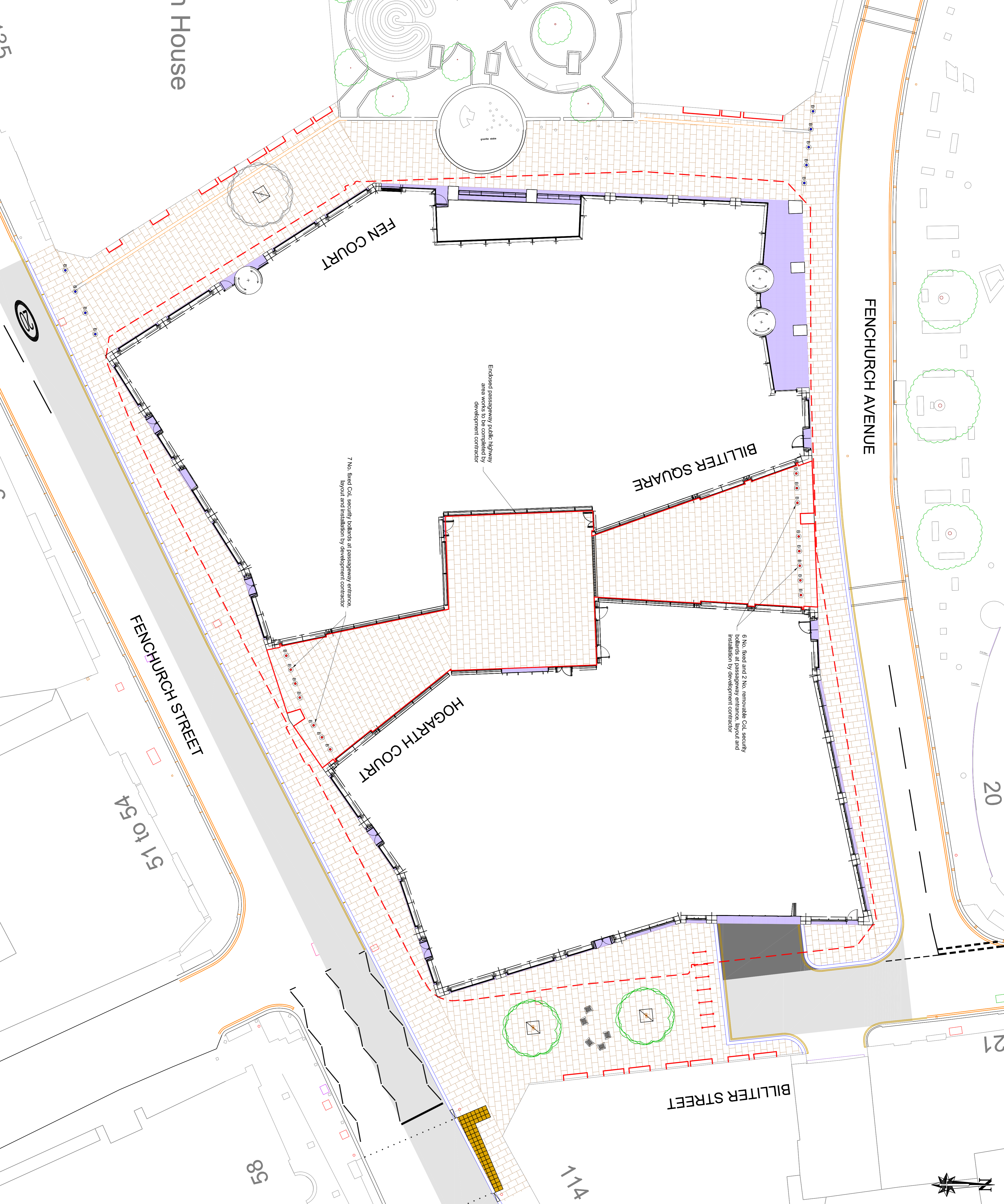
	b) Work with the developer to meet their desire for an enhanced public realm; c) Improved facilities for pedestrians and cyclists.
<b>7. Progress reporting</b>	Monthly updates to be provided via Project Vision and any project changes will be sought by exception via Issue Report to Spending and Projects Sub Committees

**Appendices**

<b>Appendix 1</b>	Section 278 Highway Works General Arrangement Drawing
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**Contact**

<b>Report Author</b>	George Wright
<b>Email Address</b>	George.wright@cityoflondon.gov.uk
<b>Telephone Number</b>	020 7332 1160



Notes:

1. No information to be scaled from this drawing.
2. Works shall comply with the current City of London Specification for Highway works.
3. All road markings refer to the "Traffic Signs Regulations and General Directions 2002". Refer to drawing number 1200/16800050/RM
4. This drawing is to be read in conjunction with all relevant drawings
5. The Contractor will be held responsible for any damage caused to private highways and privately owned street furniture.

KEY

- Proposed sign / sign & post
- Proposed illuminated sign / illuminated sign & post
- Existing sign/sign post to remain
- Existing City of London C3 bollard
- Original building boundary (Demarcation to be confirmed)
- 300 x 200 fine picked silver grey granite kerb
- Dropper kerb
- Proposed cycle stands
- Proposed single Chico seat
- Existing street tree
- Proposed street tree
- Smoke outlet / skylight. Either Yorkstone or Mastic Asphalt finish. Material and extent to be decided by engineer on site.
- Proposed Granite paving (Private Works)
- Proposed (600mm x varies) Scoutmoor Yorkstone paving
- Proposed Mastic Asphalt footway
- Proposed HRA Carriageway surfacing
- Scoutmoor Yorkstone Tactile Paving

Rev No.	Date	Description	By

TITLE: 10 Fenchurch Ave S278

General Arrangement

CLIENT: HIGHWAY DESIGN AND CONSTRUCTION

DEPARTMENT OF THE BUILT ENVIRONMENT  
 PO BOX 2770  
 GUILDFORD  
 LONDON  
 EC2P 2EL  
 TEL: 020 7766 3030

CITY OF LONDON

SHEET: SHEET 1 of 1

DATE: June 2017

DESIGNED BY: SR

CONTRACT NO: BM

SCALE & DRAWING SIZE: 100/16800323/GA

Scale & Drawing Size: 100/16800323/GA

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<b>Committee(s):</b>	<b>Date(s):</b>	<b>Item no.</b>
Projects Sub-Committee Streets and Walkways Sub-Committee	18/7/2017 24/7/2017	
<b>Subject:</b> Issue Report – Leadenhall Street Pedestrian Crossing Improvements/52-54 Lime Street (Scalpel) Section 278 highway changes: Approval	<b>Public</b>	
<b>Report of:</b> Director of the Department of the Built Environment	<b>For Decision</b>	

## **Summary**

### **Dashboard**

- 1) Project status: Amber (potential funding shortfall for pedestrian crossing improvements and delays to its installation).
- 2) Timeline: Section 278 Highways Works: March 2017-December 2017.  
Pedestrian Crossing Improvement Works: July 2017-March 2018 (subject to funding and approvals).
- 3) Approved Funding: £40,000 at Projects sub-committee with delegation to the Director of DBE to approve expenditure up to £220,000 for 52/54 Lime Street Section 278 project. This delegation does not extend to the Leadenhall Street project; the reason for this Issue Report.
- 4) Current Expenditure: £10,082.
- 5) Total Design & Evaluation Cost: £218,108.
- 6) Total Estimated Construction Cost: £729,000 (Section 278 works: £349,000; Pedestrian crossing works: £380,000).
- 7) Overall Project Risk: Amber.

### **Brief description of project**

The project involves two closely-linked elements: the introduction of a new signalised pedestrian crossing at the Leadenhall Street/Lime Street/St. Mary Axe junction; and highway/improvements on Leadenhall Street, Lime Street and Billiter Street to accommodate the new development at 52-54 Lime Street (the Scalpel).

### **Reason for this report**

This report seeks Member approval:

- 1) To combine the Leadenhall Street Pedestrian Improvement Project and the 52-54 Lime Street Section 278 Highway Works to enable them to be progressed to Gateway 5 as a single coherent package, with a revised design and evaluation cost of £218,108.
- 2) For the combined project to proceed on the light track approval route with Gateway 5 sign-off delegated to the chief officer subject to no changes to the total cost, specification or programme.
- 3) For any changes to the total cost or specification to be dealt with by delegated authority by the Town Clerk in consultation with the Chairman and Deputy Chairman of Projects Sub Committee and Streets & Walkways

## Background

In May 2015, the Streets and Walkways Sub Committee agreed that the introduction of the Leadenhall Street Pedestrian Crossing Improvements be delivered after the completion of the 52-54 Lime Street Scalpel development (scheduled for December 2017). As a result, the Sub Committee agreed that the Section 106 funding allocated to the pedestrian crossing was re-assigned to the Aldgate project and resolved that:

- The reasons for the change in programme and funding for the project be noted;
- Funding from other s106 contributions, the Community Infrastructure Levy (CIL) or the Parking Reserve Fund (to be agreed at Gateway 4/5); and
- Approval from Transport for London as Leadenhall Street forms part of the Strategic Road Network.

Also in May 2015, the Projects Sub Committee resolved that the 52-54 Lime Street Section 278 Highway Works proceed to Gateway 4/5 via the Light approval track.

The current S278 Agreement for 52-54 Lime Street includes:

- an Evaluation and Design Payment of £150,000; and
- a Pedestrian Crossing Compensation Payment of £70,000 that can be used to mitigate additional costs arising from the delay in introducing the pedestrian crossing improvements

Both these payments have been received by the City. Expenditure of up to £40,000 was approved at the Projects sub-committee on 6 May 2015, with committee approval for delegation to the Director of DBE to approve expenditure up to £220,000.

The construction of the 52-54 Lime Street Scalpel development is proceeding to programme and the developer has confirmed the completion date of December 2017. The extent of the Section 278 Highway Works are currently being finalised with the developer, after which detailed designs need to be prepared. In parallel with the detailed design work a second Section 278 agreement will be required in order to trigger the release of funding for these Highway Works.

Discussions with TfL regarding the new pedestrian crossing at the Leadenhall Street/ Lime Street/ St. Mary Axe junction have been re-started and the route towards approval of this element of project has been established. The initial technical assessment report for these works was undertaken in October 2013. This assessed the likely impact on motor traffic on the wider road network arising from the introduction of the new crossing. This report was submitted to TfL for review but did not proceed through the formal TfL approval process due to the postponement of the works.

TfL has advised that the technical assessment report will need to be “refreshed” as it is over three years old and it will not reflect changes in the highway network such as Aldgate. The scope and extent of the revised technical assessment has been agreed with TfL. TfL has advised the City that the technical assessment needs to commence shortly if the proposed crossing installation date of January 2018 is to be met. Any additional costs incurred for the technical assessment and costs for the traffic signals design will be met from £70,000 Pedestrian Crossing Compensation Payment.

Funding for the construction of the pedestrian crossing improvement needs to be secured. Officers are currently exploring the availability of funds from the three funding streams detailed in the May 2015 Issues Report: Section 106 contributions, CIL and the Parking Reserve Fund.

It important to highlight that whilst it is proposed to combine the two projects, they are not co-dependent on each other. Therefore, the Section 278 Highway Works can be



constructed as a stand-alone scheme if the funding for the pedestrian crossing works is not identified and/or TfL approval is not obtained. It is for this reason that the Section 278 works are programmed for completion prior to the completion of the pedestrian crossing works, to coincide with the occupation of the Scalpel development.

### **Summary of Recommendations**

It is recommended that Members approve the proposals:

- 1) To combine the Leadenhall Street Pedestrian Improvement Project and the 52-54 Lime Street Section 278 Highway Works to enable them to be progressed to Gateway4/5 as a single coherent package, with a revised total estimated cost of £218,108.
- 2) To progress the combined project on the light track approval route with Gateway 5 sign-off delegated to the chief officer subject to no changes to the total cost, specification or programme.
- 3) For any changes to the total cost or specification to be dealt with by delegated authority by the Town Clerk in consultation with the Chairman and Deputy Chairman of Projects Sub Committee and Streets & Walkways

### **Appendices**

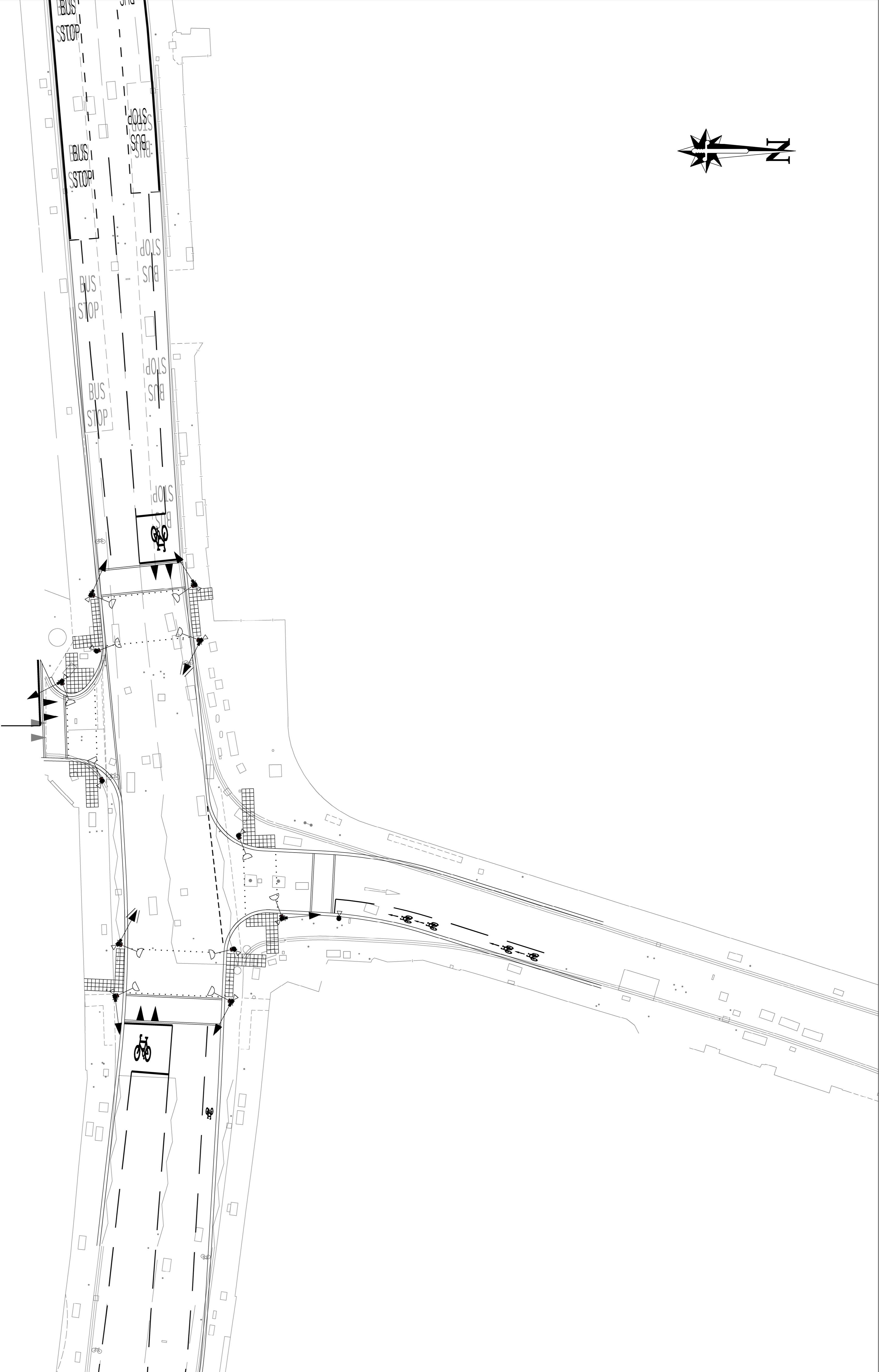
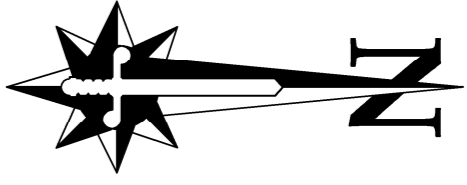
**Appendix One – General arrangement drawings**

**Appendix Two – Evaluation and design budget**

### **Contact**

<b>Report Author</b>	George Wright
<b>Email Address</b>	<a href="mailto:george.wright@cityoflondon.gov.uk">george.wright@cityoflondon.gov.uk</a>
<b>Telephone Number</b>	020 7332 1160

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Rev No.	Date	Description	By
B	03-10-13	Junction Alignment for St Mary Axe Moved	KW
A	02-10-13	Additional Cycle Lane added to St Mary Axe	KW

TITLE:  
**Leadenhall Street/St Mary Axe  
 Junction Improvement**

Proposed Junction layout  
**PRELIMINARY ISSUE**

CLIENT:  
**HIGHWAY DESIGN  
 AND CONSTRUCTION**  
 DEPARTMENT OF ENVIRONMENTAL SERVICES  
 PO BOX 270  
 GUILDHALL  
 EC2P 2EJ  
 TEL: 020 7606 3030



SHEET:  
**SHEET 1 of 1**

DATE:  
**Aug 13**

DESIGNED BY:  
**KW**

CHECKED BY:  
**RJ**

Scale & Drawing Size: **1:200 @ A1**

Revision: **B**

Drawing No: **COL/16100145/001**

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## Appendix 2

52-54 Lime Street highway/Leadenhall Street pedestrian crossing (project number 16800324)	Original budget	Spent (as at 30 May 2017)	Budget adjustment	Revised Budget
<b>Evaluation and Design</b>				
Fees: technical assistance/surveys (Leadenhall St pedestrian crossing modelling; signals design)	12,440	5,340	22,900	35,340
Fees: (Highways) technical assistance/surveys	0	0	92,500	92,500
Staff Costs (Highways; construction design package)	0	0	49,136	49,136
Staff costs (Major projects)	27,560	4,742	13,572	41,132
<b>Total</b>	<b>£40,000</b>	<b>£10,082</b>	<b>£178,108</b>	<b>£218,108</b>

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<b>Committees:</b>	<b>Dates:</b>	
Streets and Walkways Sub-Committee Projects Sub Committee Port Health and Environmental Services (for information)	24 July 2017 18 July 2017 19 September 2017	
<b>Subject:</b> Middlesex Street Area Enhancement Phase 2: Petticoat Lane Market Improvements and Public Realm	<b>Gateway 3 Outline Options Appraisal</b>	<b>Public</b>
<b>Report of:</b> Director of the Built Environment and Director of Markets and Consumer Protection		<b>For Decision</b>
<b><u>Summary</u></b>		
<p><b><u>Dashboard</u></b>  <b>Project status:</b> Green  <b>Timeline:</b> Gateway 3  <b>Project estimated to cost:</b> c.£2m - £4m cost range, for public realm enhancements and market improvements.  <b>Latest Approved Budget:</b> £50,000  <b>Spend to date:</b> £8,000  <b>Estimated cost to reach next Gateway:</b> £110,000 (which includes the £42,000 balance proposed to be brought forward from the previous gateway)  <b>Overall project risk:</b> Low</p> <p><b><u>Strategic Overview</u></b>  The project aims to enhance Petticoat Lane Market and the central section of Middlesex Street between Sandys Row and St Botolph Street, celebrating the character and history of the area whilst improving the visitor experience. It will involve public realm enhancements to the area, alongside much-needed improvements to the operation of the market, and a full strategy to bring new visitors into the area, introduce public art programmes, and make the ongoing life of the Market viable for the future.</p> <p>The market is operated by both the City (at the northern end) and Tower Hamlets (along the middle and southern sections), therefore this project involves close working in partnership with the London Borough of Tower Hamlets, as well as consultation with market traders and other local stakeholders. At this stage, it is the intention of officers to undertake the project in conjunction with Tower Hamlets, and work towards proposals that can be applied across the two sections of the market and along the whole length of the street, whether owned/ run by the City or Tower Hamlets.</p> <p><b><u>Last Gateway approved</u></b>  An Issue report for the Phase 2 element of the works was considered in November 2016 and Members approved the funding required to reach Gateway 3 of £50,000. Prior to that, a Gateway 1/ 2 report had been approved.</p>		

This Report relates exclusively to Phase 2 of the Middlesex Street Area works; Phases 1 and 3 have been reported to Committee separately. For information, Phase 1, comprises public realm and enhancement works at the northern end of Middlesex Street, and works are now complete. Phase 3 comprises the removal of Middlesex Street Estate ramps and new landscaped space at Artisan Street, and has been approved at Gateway 4. Works are expected to commence imminently.

### **Progress to date**

Following Gateway 1/2 approval the City commissioned two studies: one of potential public realm improvements and one on the market offer and operations. The recommendations of both studies were informed by extensive stakeholder and market trader consultation undertaken in 2013 and 2015. Part of this work was taken forward in a separate project, the Phase 1 improvements.

The elements of the work that related to the proposed Phase 2 were set out in an Issue Report in November 2016. This included a set of findings about the Market that were barriers to its improvement, such as the poor presentation of stalls, a lack of sense of arrival at the market, a lack of facilities such as toilets, and a lack of branding.

Members approved the recommendation in the Issue Report to grant funding to reach Gateway 3 collectively. A Working Party was convened to set the aims of the project and to drive it forward. The Working Party is chaired by City and Tower Hamlets Ward Members, and its membership includes City and Tower Hamlets officers, Market trader representatives, and local stakeholders.

Through workshop sessions, the 'Issues' relating to the area along with corresponding proposed 'Objectives' and 'Next Steps' have been drafted. These are given on the attached Appendix 1, and will guide the development of the project.

Over the course of the project to date, it became apparent that feelings about the types of improvements needed in the area were fairly unified across the City, Tower Hamlets and the stakeholders. These included both market improvements and public realm enhancements. There was also a general agreement on the need to make improvements quickly, for example through some short-term 'Quick Wins' to improve market stalls and wayfinding in the area, and to introduce temporary events/ art projects to welcome new visitors. This would take place whilst the longer-term design work is developed.

Given that the Working Party is in broad agreement about how to go forward, and that the results of the consultants' work on the market undertaken previously are still valid, officers have decided to move forward with the project without spending the proposed £40,000 on fees to reach Gateway 3, instead rolling this figure forward into post-Gateway 3 work that would allow officers to assess the feasibility of the agreed objectives.

### **Proposed way forward and summary of recommended options**



The proposed way forward is based on the agreed objectives and next steps developed by the Working Party, as given in the attached Appendix 1.

Some of the key project aims are:

- To deliver appropriate size, layout, and mix of stalls to meet the current and future needs of the market traders and visitors.
- Local retail units are incorporated into the market's/ area's offer, providing complementary facilities such as events hubs or visitor facilities
- To produce a joint management plan (i.e. City and Tower Hamlets) for the management of the market including market hours and cleansing.
- Public realm enhancements including improved paving, wayfinding, greening, street furniture, where appropriate for the market operations. Improvements to accessibility in the area, including accessible toilets, seating, and signage to be explored as part of the designs.
- A marketing plan is in place, including events, public art, coordinated digital and social media.
- The name of Middlesex Street has been changed back to 'Petticoat Lane'; subject to approval
- A funding model is established that covers the on-going costs of new stalls, power, repairs, communications, management, events etc.

See Appendix 1 for the full list of objectives.

Key surveys and information gathering including examination of any legal implications of the proposals are now required to inform the design process, and as such the proposed next steps are as follows:

- Market Operations: market development work to produce a draft Market strategy, action plan, and 'Quick Wins'
- Commission consultants to prepare concept designs/ design options for the public realm
- Commission a marketing consultant to put forward a plan for communications, marketing and branding, to include: website, events, signage, brand, social media/ promotions
- Carry out a traffic assessment to recommend a way forward on potential road closures/ changes to vehicle movements
- Review the legal implications of proposals including examining any relevant byelaws or legislative requirements or restrictions, including any relevant highways or planning provisions.

Members will be presented with the options at Gateway 4 where they will have the opportunity to decide on a preferred option/ set of options. Wider public consultation will be arranged to ensure that all stakeholders in the area are given an opportunity to consider and comment on the proposals.

### **Procurement approach**

A number of appointments will be required in order to progress to the next Gateway. These appointments will be tendered competitively through the City of London

Procurement Service, to ensure best value is achieved.

### **Financial implications**

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 – Spend to date:

Description	Allocation	Spend	Balance Remaining
<b>Fees</b>	£40k	£0k	40
<b>P&amp;T staff cost</b>	£10k	£8k	2
<b>Total Approved up to Gateway 3</b>	<b>£50k</b>	<b>£8k</b>	42

Table 2 – Funding needed to get to Gateway 4:

Item	Cost	Reason
<b>Market Operations</b>	£25,000	Market development to drive forward market regeneration and to put in place 'quick wins' improvements/ initiatives.
<b>Traffic assessment</b>	£20,000	To assess options for removing traffic/ timed closures for Middlesex Street
<b>Architect/ landscape design</b>	£25,000	To develop design options for the public realm, based on the design objectives as set out in Appendix 1 of this report
<b>Communications, Marketing and Branding</b>	£10,000	To appoint a consultant to develop a brand and communications strategy for the Market.
<b>Staff costs (City Public Realm and City Transportation)</b>	£30,000	To manage the project, commission and manage assessments, liaise with stakeholders, write reports
<b>Total</b>	<b>£110,000</b>	

Of the £110,000 required to get to Gateway 4, £42,000 will be funded from project underspend from the approved funds for the previous stage. The remaining £68,000 will be funded via S106 contributions relating to the 5 Broadgate development (Section 106 agreement dated 29<sup>th</sup> July 2011).

The S.106 Local Community and Environmental Improvements funding pot for 5 Broadgate can be used for *'health and welfare, leisure and recreation, street scene and air quality improvements in the vicinity of the site'*. The enhancement of the Middlesex Street area is a high priority of the Liverpool Area Enhancement Strategy (adopted in 2013). This project meets its key strategic objectives approved by Members.

The LB Tower Hamlets will contribute financially to this project; to date they have allocated staff costs via market operations officers and a market development officer. Once the funding to Gateway 4 has been approved, officers will work towards setting out a clear funding plan for the remainder of this project, including implementation costs; looking to appropriate s106 monies. This plan will be presented to Members at the next Gateway.

## **Recommendations**

It is recommended that Members:

- Approve the Scheme Objectives as detailed in Appendix 1;
- Authorise the progression of the project and approve funds of £110,000, as set out in Table 2.
- Authorise officers to review the legal implications of proposals including examining any relevant byelaws or legislative requirements, highways and planning provisions.

## **Appendices**

<b>Appendix 1</b>	Schedule of Objectives
<b>Appendix 2</b>	Plan of Area

## **Contact**

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**Appendix 1**

Schedule of Objectives and Next Steps

<b>Middlesex Street – Petticoat Lane Market: Issues, Objectives &amp; Next Steps</b>			
<b>Ref.</b>	<b>Issue</b>	<b>Objective/ Outcome</b>	<b>Next Steps</b>
<b>Operations of the Market</b>			
01	Lack of vision of what the market should be; who it is for; what it's future is	Tower Hamlets and City to work together to create a joint vision for the market; a strong unique vision for the market that will draw people in.	Working party to draft vision; work to gain endorsement from both City and Tower Hamlets
02	Larger stall sizes are required; a more consistent stall size and layout.	There is an appropriate size and layout of stalls to meet the current and future needs of the market traders and visitors	Create an overall market plan (with assistance of consultant if necessary), including: <ul style="list-style-type: none"> <li>- agree a policy for consistent stall sizes and layout, a) in the short term; and b) with a longer term plan</li> <li>- Short-term plan to include discussions with traders in other local markets – ask them to come along to Petticoat Lane on Sundays.</li> <li>- implement the short term plan as soon as possible</li> <li>- Need clear plan for where pitches are, and what should be sold</li> <li>- Package for traders – one system</li> <li>- Stalls need to be appropriate – e.g. wind is a problem.</li> </ul>
03	Keep layout of existing market layout to allow access to the shops and keep middle aisle as existing for visitors for the market.		
04	A better mix of stalls is required; can men's clothing be included and 2nd hand stalls and children's stalls.	A new mix in the Market's offer will exist, beyond its traditional focus on women's clothing. The Market offer becomes	Create an overall market plan with assistance of consultant if necessary, including:

O5	Grouping items and products in some way may appeal to more visitors	linked to the stall layout, so that stalls are grouped in an attractive and sensible way.	<ul style="list-style-type: none"> <li>- agree a new mix for the Market's offer, widening out beyond its traditional focus on women's clothing.</li> <li>- agree a clear 'USP' for the market</li> </ul> <p>Clarify with legal advice licensing issues (e.g. for food).</p>
O6	The Market does not have a clear message of what its purpose is	<p>Flexibility is built in about what type of stalls we want; and where. Expand stalls in the area as growth occurs. Clear policy for the pitches.</p> <p>A food offer is incorporated into the market.</p>	
O7	Traders need to be aware of the aim of the market for it to appeal to them to work there; it needs something to make it an iconic market.		
O8	Retail units – can these be used to introduce art and craft. To those who like to create (e.g. jewellery, chocolate, clothes, art).	Local retail units are incorporated into the market's/ area's offer, providing complementary facilities such as events hubs or visitor facilities. Local retail units are helped by being better connected to the market and related activities.	<p>Agree aims for the local retail units, including how they might be involved in the wider improvement of the area</p> <p>Engage with local retailers to understand their views, and to give them opportunities for involvement in the new market plan and related events</p>
O9	Improved management of the market ensuring stall positions are in sync	<p>Produce a joint management plan (i.e. between City and Tower Hamlets) for the management of the market. Clear management structure that is across both City and Tower Hamlets.</p> <p>A full events plan for the market, to include street art, is produced. The area needs to be an experience/ destination.</p> <p>Events and market trading are linked to the history of the area.</p>	<p>Agree a joint management plan (i.e. City and Tower Hamlets) for the management of the market, including:</p> <ul style="list-style-type: none"> <li>- new enforcement policy of market to reflect operational needs as market develops</li> <li>- a new system for licences, permits, payments etc.</li> <li>- clear guidelines for traders that make it easier for new traders to start working, and encourage new traders to the market</li> </ul>
O10	Can enforcement be linked to Policies requiring permits and licenses to fit in the traders?		
O11	Revised method of payment system to coordinate traders' payments to coordinate payments to COL and Tower Hamlets for market payments (e.g. rent, licensing perhaps managed on a credit platform).		
O12	Improve rules around how market will		

	function to encourage new traders	One off events – e.g. a free market, or an evening market, are planned regularly, and are advertised.	Plan to include: stall location; pitch size; offer
O13	Trading hours could be increased to 5-6pm in summer (or start later?)	There are new, more appropriate, trading hours to better suit traders and visitors – including extending market hours. Introduce this via a temporary measure first; then look to change primary legislation in the long-term.	Create an overall market plan with assistance of consultant if necessary, including:
O14	The market is open limited hours and is not under cover and this could deter visitors.	Link this to market cleansing. Clear cleansing plan is in place and enforced.	- Agree new, more appropriate, trading hours
PR5/ O15	Concrete staircase. Can it be used? Tourist centre? An associated area of the market, perhaps a covered section of the market?	The concrete staircase is re-purposed to support the functions of the market and adding amenity to the area	Explore possible re-uses of the staircase - Commission design for a new use of the concrete staircase
PR6/ O16	Power and water and sources are needed as part of the design	The redesign of Middlesex Street includes the addition of power and water supply along the Street for use by the Market	Assess how power and water supplies might be introduced along the market
<b>Market Facilities</b>			
F1	Speed: need to act now to attract traders	Short-term or temporary measures to be put in place, making improvements to the area and market, whilst a more long-term strategy is developed	Implement 'Quick wins' – introduce changes quickly so everyone can see we are making improvements now. Start events and temporary uses, and chairs/tables and food as soon as possible.
F2	Storage for stalls is an ongoing problem	Long-term solution put in place for storing any new stalls that are introduced.	Provide a quick solution in the short term for storing new stalls (explore whether the estate car park could be used?)
F3	There is no street food in the area or	To develop an attractive and coordinated	Create an overall market operations plan

	tables and chairs. This is what people want. Power required for outdoor use.	food offer, and the facilities required for this, including:	with assistance of consultant if necessary, including:
F4	Toilets required in the area.	- street food carts	- put in place a plan for introducing a food offer to the market
F5	Rubbish collecting is an existing issue.	- tables and chairs	
F6	Cleansing is an issue particularly due to night time economy	- public toilets	
F7	Pop up food and festivals are needed.	- cleansing regime	
		- pop-up events and food	
		- Better and more bins	
		- Covered area that includes facilities	
F8	Sense of arrival is important. Should there be a food and drink section at Bishopsgate side of the market.  Seating and stalls at the top end of Liverpool street would make the market more visible.	The market has a clear 'sense of arrival', that is noticeable from Bishopsgate.  Improved wayfinding and signage is delivered as part of the re-design of Middlesex Street, with particular focus on the entrances from Liverpool Street/ Bishopsgate and Aldgate.	Commission a designer to produce concept designs for wayfinding/ signage and other features (e.g. historic interpretation, street art etc.) along Middlesex Street  Agree where the market ends and begins for signage purposes. Define the site, add markers, define boundaries.
F9/ PR3	Signage, sculptures, and plaques as entrance features were discussed.		
F10	Liverpool Street station does not have signage to the market.	Curate a 'Market Mile' to include Petticoat Lane, Spitalfields, Columbia Road, Brick Lane etc.	Curate a self-guided walking tour/ map for people to visit all the markets in the area. Plan joint events with other local markets.
F11	A 'magic mile' type event could be arranged.  A plan could be created showing the route?		
F12	Vehicle access should be marked clearly.	The nature of vehicle access/ movement is reviewed to ensure successful market operations, with vehicle access information clearly displayed on the street.	Commission a traffic study to understand vehicle movement, and recommend timed closures and vehicle movement on market days

Public Realm along Middlesex Street			
PR1	Street art: can it be implemented? Can it add value to the market? Events and sculptures are needed.	The re-design of Middlesex Street includes street art, events and historic interpretation of Petticoat Lane Market.	Develop a street art/ placemaking and events strategy for the area that incorporates the historic market; do this with local groups and organisations.
PR2	Importance of history and heritage. Celebrate the area.	Events take place to complement the market, as set out in a marketing plan.	Commission a designer to produce concept designs for wayfinding/ signage and other features (e.g. historic interpretation, street art etc.) along Middlesex Street
PR3/ F8	Signage, sculptures, and plaques as entrance features were discussed.		
PR4	Greening and lighting was welcomed as long as it does not affect function of market.	Greening along Middlesex Street is to be improved, where appropriate to the needs of the market.  Seating to be added as part of the public realm.	Commission architects/ designers to draw up concept designs for the public realm in Middlesex Street including: - greening - new facilities - street improvements - seating
PR5/ O14	Concrete staircase. Can it be used? Tourist centre? An associated area of the market, perhaps a covered section of the market?	The concrete staircase to be re-purposed to support the functions of the market and adding amenity to the area	Explore possible re-uses of the staircase - Commission design for a new use of the concrete staircase
PR6	There are no public covered spaces for people in the rain	Indoor covered areas are opened up to the public and incorporated into market plans	Find a covered area for events, even if just temporary/ short-term – stage events and then make sure the stalls are there along the way.
PR7/ O15	Power and water and sources are needed close to market stalls	The redesign of Middlesex Street includes the addition of power and water supply along Middlesex Street for use by the Market. Food at the market fits in with and complements local cafes/ restaurants	Insert power supply and water as part of the public realm improvements. (prioritise certain areas – e.g. top and bottom ends where we could have food stalls)

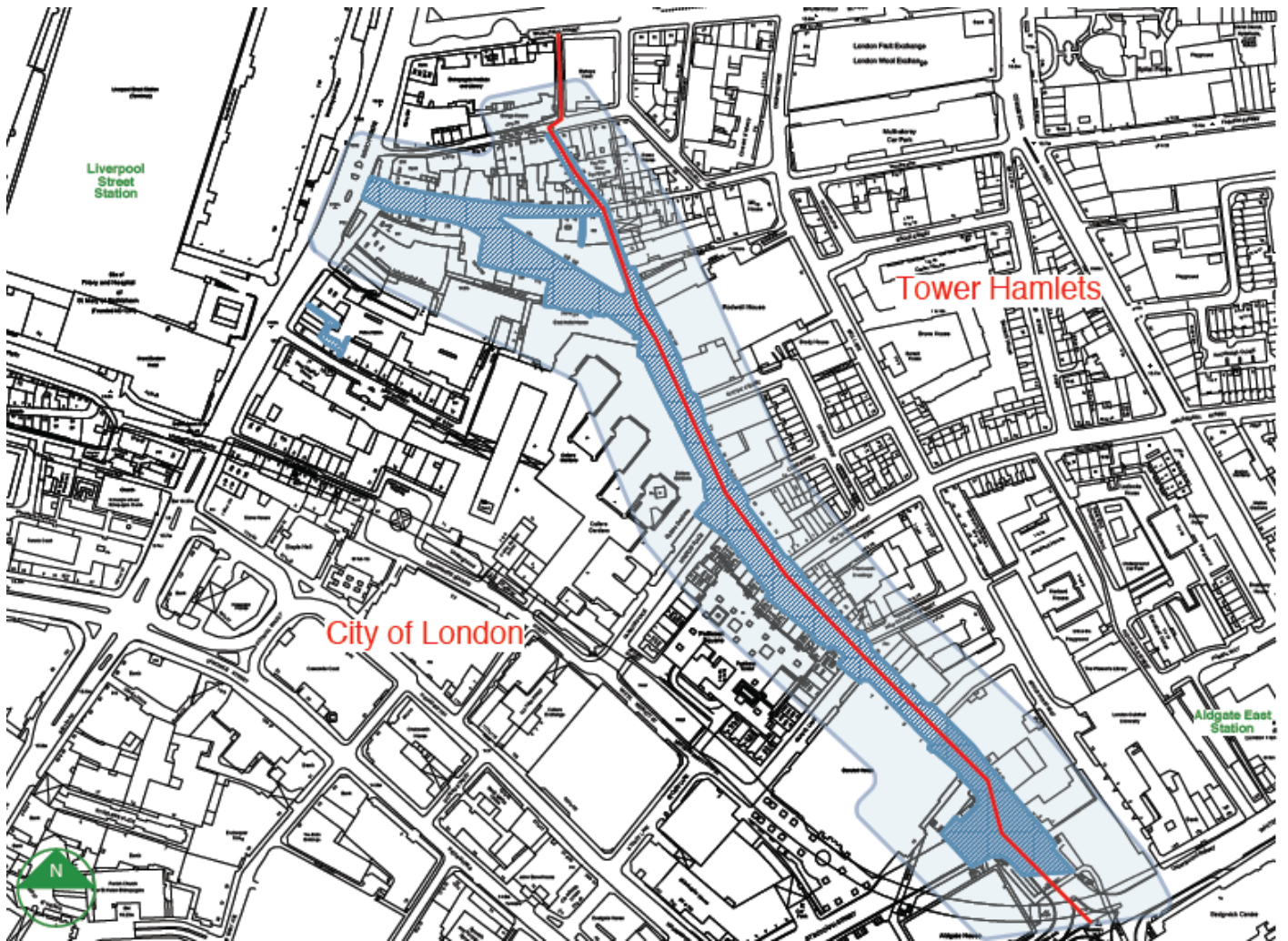


		Cleansing is managed.	<p>Commission architects/ designers to draw up concept designs for the public realm in Middlesex Street including:</p> <ul style="list-style-type: none"> <li>- greening</li> <li>- new facilities</li> <li>- street improvements (e.g. power and water supply)</li> </ul> <p>Plan for local units, retail and café to complement market stalls.</p>
<b>Communications and Marketing</b>			
C1	Improve signage from Liverpool street, and digital approaches such as Facebook, website	<p>A marketing plan is put in place, including a coordinated digital and Social media plan for the market.</p> <p>A dedicated resource is established to manage the coms and marketing of the area (including the Market).</p> <p>A plan for events that link up to the local area – e.g. the fashion industry, and to crafts and other activities. Link this to a social media presence.</p>	<p>Draft a Communications and marketing plan that aims to attract new visitors, highlight the area’s history, assist wayfinding, and publicise events.</p> <p>Work to understand who are the visitors</p> <p>Create a coordinated digital Social media plan for the market and provide a resource to fund and manage this; create a Petticoat Lane Market website and app.</p> <p>Provide resource and plan to attract new visitors, residents, tourists. Social media campaigns to attract new residents/ visitors. Make sure there are events/ experiences to attract them.</p> <p>Tap into the fashion industry – events, stalls, etc – student projects? Specialist traders.</p>

C2	The lack of visitors at the market could be targeted by internet or twitter other means to attract people.		Plan specific promotions, and then advertise them.
C3	website and/or an app was suggested for marketing		Attract tourists coming in from Liverpool Street
C4	Dedicated contact needed for marketing and events. This issue has started moving forward. E.g. busking	Events will take place in and around the market.	Christmas market – include food and decorate for Christmas; attract people from northern end (bishopsgate) to bring footfall down.
C5	Music was suggested along with history tours		Create events plan as part of the wider street art/ placemaking and events strategy.
C6	Petticoat Lane needs to be part of current promotion.	The Market will have a clear marketing plan and a 'rebranding' to explain the offer and attract new visitors.	Draft a Communications and marketing plan that aims to attract new visitors, highlight the area's history, assist wayfinding, and publicise events. Make sure the 'USP' of the market is clear.
C7	The Market does not have a clear message of what its purpose is		
C8	Traders need to be aware of the aim of the market for it to appeal to them to work there; it needs something to make it an iconic market.	A clear message of what the Market is, why you would come to trade here, is put into place.	Introduce incentives for new traders/ temporary trading/ specialist traders
C9	Making the market it unique and more interesting.		Events and other work in place to promote the market
C10	London tours – is the petticoat lane on the tour bus route?		
C11	Name change – Petticoat Lane at the top end of Liverpool Street	The name of Middlesex Street is to be changed back to 'Petticoat Lane': restoring Petticoat Lane.	Start process of investigating the possibility of a name change; set out legal requirements and formal processes that would be needed.
C12	Signage to reflect the history – e.g. 'Formerly known as Middlesex Street'		
C13	Understanding who customers are and the purpose of the market. Network with Sunday markets in the area.	A new marketing and branding approach will exist to better connect the market with its costumers (new and existing)	Commission a study to understand who the Market customers are, and what they want; and put together a strategy for attracting

			new people to the market
Other Issues			
I1	Increased wind in the area, does this need to be assessed?	The re-design of Middlesex Street will assess pedestrian comfort levels including climactic conditions	Commission architects/ designers to draw up concept designs for the public realm in Middlesex Street, taking into consideration the area's climactic conditions
I2	Funding is needed	A funding model is established that covers the on-going costs of new stalls, power, repairs, communications, management, events etc.	Funding sources to be investigated by City and Tower Hamlets.

**Appendix 2:  
Middlesex Street, showing boundary between City and Tower Hamlets**



<b>Committees:</b>	<b>Dates:</b>	
Streets and Walkways Sub-Committee Projects Sub Committee	24 July 2017 18 July 2017	
<b>Subject:</b> 22 Bishopsgate	<b>Gateway 3 Outline      Options Appraisal</b>	<b>Public</b>
<b>Report of:</b> Director of the Built Environment <b>Report Author:</b> Fiona Walker	<b>For Decision</b>	
<p><b><u>Summary</u></b>  <b>Project status:</b> High  <b>Timeline:</b> Gateway 3  <b>Project estimated to cost:</b> £250k - £5m  <b>Latest Approved Budget:</b> £100k  <b>Spend to date:</b> £5.5k  Overall project risk: <b>Green</b></p> <p><b><u>Background</u></b></p> <p>This scheme relates to the implementation of new and improved public realm and security measures in and around the surrounding area of the tower development currently being constructed at 22 Bishopsgate (formerly known as 'The Pinnacle').</p> <p>In March 2017 members approved the Gateway 1&amp;2 (initiation) report to progress the 22 Bishopsgate public realm scheme to Gateway 3 and the next steps recommended were as set out below:</p> <ul style="list-style-type: none"> <li>• Establishing a project team</li> <li>• Setting up wider governance structure, including key stakeholders through the formation and management of a project working party.</li> <li>• Formulating a schedule of objectives to help inform a project scope.</li> </ul> <p><b><u>Progress to date</u></b></p> <p>To date we have set up a project working party (made up of the key stakeholders including the developer and other landowners who will be impacted by the development and associated works). So far there have been two meetings, where a schedule of issues (see appendix 2) was prepared, to determine the key objectives and tasks to take forward. This schedule of issues document will inform the preparation of a project scope, based on the project objectives, which will in turn set the foundation (brief) for the design.</p> <p>Through discussions with the developer and the working party a consensus has been reached on the aims and proposed direction of the project. It was agreed that the project should, not only, deliver new and improved public realm which will assist in the creation of an attractive area in and around 22 Bishopsgate, Undershaft and Great St Helens, but also assisting in mitigating any impacts from the development such as; an increase in pedestrian, cyclist and vehicle user capacity on the streets and spaces. All improvements will seek to;</p> <ul style="list-style-type: none"> <li>• Reflect the objectives set out in the emerging Eastern City Cluster Area Strategy and the Eastern City Security Strategy.</li> <li>• Ensure that the required functions of the streets, walkways and spaces are maintained and improved.</li> <li>• Improve accessibility for all throughout the wider area.</li> </ul>		

## Proposed way forward and summary of recommended options

The working party have agreed that the next steps should include testing and reviewing the traffic information relating to the development and clarification of project scope. Additional survey work and information gathering is required to inform the design process therefore the next steps that have been agreed are as follows:

- Test traffic assessments carried out by the developer, commissioning new surveys where necessary to ensure wider implications are captured in full.
- Commission a lighting study for the site to ensure the lighting plans for the development coordinate with the lighting strategy for the wider area.
- Commission utilities / public realm assessment to understand the impacts of additional utility infrastructure on the public realm.
- Preparation of a project brief to direct the development of design options.
- Review and test design options that are prepared by the developer team on behalf of the project working party, ensuring that they address the project brief objectives.

Once agreed, design options will be brought before key stakeholders for consultation before being brought to members for approval via a Gateway 4 report.

## Financial Implications

The project will be fully funded by the developer via a section 106 and a section 278 agreement. The section 106 was agreed in June 2016 which allocated £100k for initial design development. At this stage officers believe that £150k (including the £100k already allocated at Gateway 1&2) will be sufficient to reach Gateway 4. However should additional funding be required prior to G4, it is recommended that officers be given delegated approval to seek such funding from the developer and that the project budget be increased accordingly.

The tables below show agreed budgets, expenditure and identifies funding that may be required to get to Gateway 4:

Table 1: Spend to date

Project stage	Agreed budget	Allocation	Spend date	to	Remainig balance
Gateway 1&2	£100k	P&T Staff costs	£50,000	£5,500	£44, 500
		Fees	£50,000	£0	£50,000
					Total £94,500

INITIAL BUDGET	<b>£100,000</b>
BUDGET REQUIRED TO GET TO GATEWAY 4	<b>£150,000</b>
ADDITIONAL BUDGET REQUIRED	<b>£50,000</b>

***The additional £50,000 will be met by the developer under the terms of the S106 agreement.***

Table 2:Funded needed to get to Gateway 4

<b>Topographic and radar surveys</b>	£15,000	To ensure that the levels and sub-surface infrastructure are fully recorded and taken into account in the design process, not only for the immediate vicinity around 22 Bishopsgate but for the wider area also.
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<b>Traffic assessment including pedestrian and cyclist analysis</b>	£20,000	To assess the vehicle, pedestrian and cyclist implications of the 22 Bishopsgate development project on the wider area.
<b>Loading, servicing and parking survey</b>	£20,000	To assess what implications the 22 Bishopsgate development will have on loading, servicing and parking in the wider area, so to inform the strategies that are being currently prepared.
<b>Lighting Survey</b>	£20,000	To assess the lighting requirements of the 22 Bishopsgate development and understand how that will inform the wider area lighting strategy.
<b>Utilities/ Public realm survey</b>	£20,000	To determine where utilities that will be affected by the development at 22 Bishopsgate could be grouped in the public realm.
<b>Staff costs (City Public Realm and City Transportation)</b>	£35,000	To manage the project, commission and manage surveys, assessments, liaise with stakeholders, write reports and inform decision makers of progress and changes.
<b>Staff costs (Highways engineer)</b>	£20,000	To provide technical support on the project, including managing and delivering highways surveys. In addition to reviewing and analysing proposed design options.

### **Recommendations**

It is recommend that Members:

- Approve project objectives set out in appendix 2
- Approve budget of £150,000 to progress to G4
- Approve for officers, in conjunction with the City Comptroller, to progress and sign the required s278 agreements with the developer on behalf of the Corporation

### **Options Appraisal Matrix**

N/A

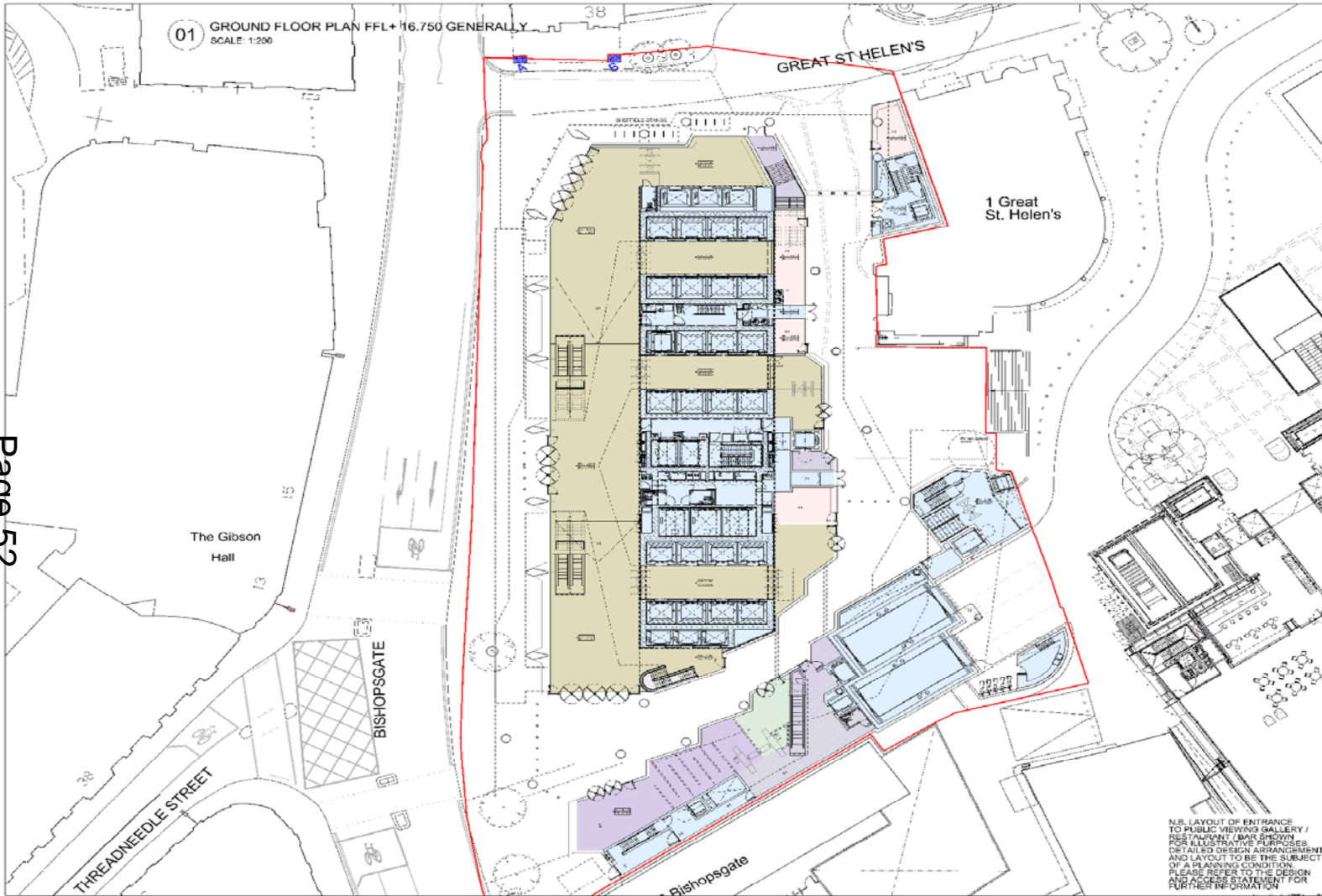
### **Appendices**

<b>Appendix 1</b>	S106 plan of the project area
<b>Appendix 2</b>	Scheme Objectives (Schedule of Objectives)

### **Contact**

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<b>Telephone Number</b>	020 7332 1134

**Appendix 1: Site Area**



**01 GROUND FLOOR PLAN FFL+16.750 GENERALLY**  
SCALE: 1:200

**1 Great St. Helen's**

**The Gibson Hall**

**BISHOPSGATE**

**THREADNEEDLE STREET**

**Bishopsgate**

**N.B. LAYOUT OF ENTRANCE TO PUBLIC VIEWING GALLERY / RESTAURANT / BAR SHOWN FOR ILLUSTRATIVE PURPOSES. DETAILED DESIGN ARRANGEMENT AND LAYOUT TO BE THE SUBJECT OF A PLANNING CONDITION. PLEASE REFER TO THE DESIGN AND ACCESS STATEMENT FOR FURTHER INFORMATION.**

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**Real Estate**  
An AWA Investment Managers Company

**WSP**

**alinea**

**LIP TON ROGERS DEVELOPMENTS**

**22 BISHOPSGATE**  
LONDON, EC2

PLANNING SUBMISSION

PLANS, LEVEL 00

1345-PLA-100

T: 200 A1 October 27 2015

POS



## Appendix B: Schedule of Objects

<b>22 Bishopsgate – Issues, Objectives &amp; Next Steps</b>			
<b>ID</b>	<b>Issue</b>	<b>Objective(Outcome/End state)</b>	<b>Next steps</b>
<b>Environment</b>			
E1	Poor legibility and way finding due to lack of signage.	<b>The area including and surrounding the 22 Bishopsgate development project, is an area which is easy to navigate and understand for all users.</b>	<b>Ensure that the public realm design and wayfinding systems work together as unified navigation systems that inteprest the historical information of the area into within it.</b>
E2	Lack of historical interpretation / information of the area.		
E3	There is a heritage planning condition to reinstate historical information plaques.		
E5	Cleansing and waste management is not coordinated and is not carried out at all times - specifically weekends.	<b>Coordinate the 22 Bishopsgate development cleansing, waste, loading and servicing management plans and processes with other developments in the wider Eastern City Cluster area.</b>	<b>Commission a cleansing, loading and servicing review for the 22 Bishopsgate site ensuring it informs the Eastern City Cluster work.</b>
	E6		
E7	Noise levels related to servicing and loading.		
E8	New public realm needs to support the increase in pedestrian and cycle movement which will change the function of Bishopsgate.	<b>22 Bishopsgate development area and it's surroundings is an environment where pedestrians and cyclists can move around freely, confidently and safely. Where conflict between users is minimised providing improved accessibility for all users.</b>	<b>Review current pedestrian and cyclist analysis and commission further survey work if necessary.</b>
E9	Improving pedestrian priority in Undershaft and on other streets.		<b>Gathering and analysing base data to measure what the current traffic volumes are now and will be in the future (identifying where gaps in available data</b>

			are and commissioning surveys to address these gaps).
E10	Need to take existing utility infrastructure into account.	<b>Services within and through the 22 Bishopsgate area are coordinated and future proofed through the creation of a utilities management plan, reducing the need for intrusive works.</b>  <b>Streets and public spaces function well for different purposes at the 22 Bishopsgate development site and the wider area. With movement routes that are clear of street furniture and “dwell” spaces featuring elements that enhance the user experience.</b>  <b>Trees and other greenery at the 22 Bishopsgate development site and surrounding areas enhance the townscape.</b>	Commission a ground radar survey to determine where utilities could be grouped, in the areas that will be affected by the development at 22 Bishopsgate.
E11	Improvements to the existing drainage system are required.		Ensure that utilities are defined in the design process.
E12	Wind mitigation measures that are required through the planning process.		Review and confirm wind mitigation measures that are required through the planning process for 22 Bishopsgate.
E13	Opportunity to incorporate street lighting on the building.		Commission a lighting survey for the wider area including Bishopsgate, Great St Helen’s and Undershaft.
E14	Lack of public open space and street furniture.		Define “movement” and “dwell” spaces in the project area including areas surrounding 22 Bishopsgate and develop design solutions appropriately.
E15	Lack of seating and bins – particularly in the Church yard area.		Consider the inclusion of trees in the design where appropriate.
E16	Lack of public art especially along the facades on “Art Street”.		Consider the inclusion of public art in the public realm design.
E17	Opportunity for trees and / or other greenery provision where appropriate.		Define a detailed design scope for the public realm scheme at the 22 Bishopsgate development project.
E18	Replacing larger trees with smaller trees at St Helens Church yard could be beneficial.	Prepare a strong design brief which includes measures to improve the landscape.  Establish regular design team meetings	

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## Transportation

<b>T1</b>	Improved management of the traffic along Bishopsgate.	<b>Bishopsgate is transformed into a street that functions appropriately, both now and in the future.</b>	<b>Coordinate TfL participation in this project to ensure the wider thinking about the Bishopsgate corridor study is incorporated.</b>	
<b>T2</b>	Aligning with the emerging Bishopsgate “corridor” initiative.			
<b>T3</b>	Management of servicing and loading in and around the development specifically at Undershaft.	<b>A coordinated, enforceable serving management strategy for the area surrounding the Bishopsgate area (taking into account; Air quality , safety etc).</b>	<b>Understanding what the commitment for all property/land owners in the Bishopsgate area is and ensuring that it is enforced.</b>	
<b>T4</b>	Loading and servicing outside of any consolidation plans (e.g. ‘white van’ deliveries, couriers and office moves).		<b>Assess the existing loading and servicing arrangement to understand what is currently happening in the Bishopsgate area.</b>	
<b>T5</b>	Potential for managing access into St Mary Axe and Great St Helens.		<b>Engage with 122 Leadenhall, identify and where possible, mitigate any issues they have</b>	
<b>T6</b>	Emergency and maintenance access for Hiscox.		<b>Bishopsgate is an environment, which accommodates the needs of all users, and ensures that that any new public realm is safe and resilient to climate change, now and in the future.</b>	<b>Ensure the pedestrians and cycle arrangements for the 22 Bishopsgate development public realm design improves accessibility for all in the area and coordinates with TfL requirements.</b>
<b>T7</b>	Improving the efficiency of pedestrian movement, considering the key desire routes such as Great St Helens and Threadneedle Street.			
<b>T8</b>	Conflicts between cyclist, pedestrians and vehicles, especially along Undershaft.			
<b>T9</b>	Cycling routes around Great St Helens and Undershaft need to be improved.			
<b>T10</b>	Relocation and enhancement of pedestrian crossings.			
<b>T11</b>	Adequate provision for cycle parking for users and visitors.	<b>The area has adequate and flexible levels of parking available.</b>	<b>Commission a loading servicing and parking review in the Bishopsgate area.</b>	
<b>T12</b>	Lack of short stay, on street parking provision and lack of parking management especially for the			

	Church congregation in the evenings and at weekends.		
<b>T13</b>	Limited taxi drop-off availability.		
<b>Security</b>			
<b>S1</b>	Security measures that secure the new development.	<b>A coherent security scheme within the wider Bishopsgate area that is effective yet inconspicuous.</b>	<b>Review security requirements for the 22 Bishopsgate development project including any directives from City of London Police.</b>
<b>S2</b>	The area would benefit from a strategic approach to security and servicing		
<b>S3</b>	Security measures that protect people in a crowded place.		
<b>S4</b>	Risk of vehicles approaching at speed (along all vehicular routes).		
<b>S5</b>	Reducing the visual impact of security infrastructure.		
<b>S6</b>	Sufficient lighting for all users and services including the building and the streets.	<b>A lighting scheme which is appropriate for the different types of spaces in the Bishopsgate area.</b>	<b>Commission a coordinated lighting strategy for the area including Undershaft, Great St Helen's and Crosby Square.</b>
<b>S7</b>	Consolidated evacuation planning procedures including cluster points.	<b>A coordinated operations and management system to support both the 22 Bishopsgate development area and the wider area.</b>	<b>Coordinate with the ECC security project as a dependency of the 22 Bishopsgate project.</b>
<b>S8</b>	Improving CCTV security management (including data management to avoid unlawful interference with rights to privacy) in the area.		
<b>S9</b>	Coordination with the Eastern Cluster security scheme.		

Committees:	Dates:	Item no.
Streets and Walkways Sub-Committee	24 July 2017	
Projects Sub-Committee	18 July 2017	
Community and Children20s Services Committee	14 July 2017	
<b>Subject:</b> Aldgate Highway Changes and Public Realm Enhancement	<b>Gateway 6 Progress Report</b>	<b>Public</b>
<b>Report of:</b> Director of the Built Environment		<b>For Information</b>

## Summary

### Dashboard

- Overall Project status: Amber.
- Timeline: Construction Phase – current forecast completion date is March 2018.
- Approved Spend: £23.3M includes £4.02M for the pavilion
- Spend to Date: £21.3M includes commitments of £3.8M
- Overall Project Risk: Amber.

In the Gateway 5 report for this project, Officers committed to produce regular update reports in order to update Members of progress on the project. Additional issues reports have also been brought to Members during construction. This report is the sixth update report on the project.

In September and October 2016, Members agreed a split reporting structure where the City Surveyor reported on the specifics of the Pavilion and the Director of the Department of the Built Environment reported on the overall project. A separate report will be shared with Members that updates on the cost of the pavilion and provides detail explaining the reasons that the overall project completion has been delayed to the end of March 2018.

This G6 report:

- Highlights programme delay (of 13 months) and a new overall project completion date of March 2018;
- provides an update on communications, where officers are working hard to keep stakeholders engaged; and
- **Updates the funding position, advising that a shortfall of some £6.5m of funds remains to be confirmed, which is currently underwritten on an interim basis by the On Street Parking Reserve (OSPR). Further S106's have been identified and are still being targeted for re-negotiation and work is on-going to identify the balance, mainly from S106 and S278 deposits with CIL as a possible fall-back option. It is expected that the full position will be clarified and reported in October 2017. The issue of funding for the additional revenue costs arising from the project, in particular maintenance of the public square, will also be addressed in October.**

***It is recommended that:***

- ***Members note the contents of the report.***

## **Main Report**

<b>1. Reporting period</b>	1.1 September 2016 to June 2017 inclusive.
<b>2. Progress to date</b>	<p>2.1 Since the last update report, the pavilion has been commissioned, foundations installed and work has begun on the pavilion basement.</p> <p>2.2 In January 2017 the new public space at the junction of Middlesex Street and St Botolph Street was substantially completed and opened to public use. During January and February 2017 street resurfacing work was completed.</p> <p>2.3 The accommodation work to the southern churchyard is underway and is taking shape above ground. Completion of the civil work is planned for September 2017, followed by planting when the season begins in November 2017.</p> <p>2.4 Progress is being made in Aldgate Square, including the fitting out of the water feature and irrigation plant room, as well as lighting duct and drainage work.</p> <p><b>Budget</b></p> <p>2.5 At Gateway 5 a construction budget of £18.35M was agreed for the project including a sum of £2M for the pavilion.</p> <p>2.6 The highway and public realm work will be delivered within the budget with the current forecast at £15.75M. Members will be aware that the pavilion costs have exceeded the original budget. Details in relation to the pavilion are the subject of a separate report from the City Surveyor.</p> <p>2.7 Some significant savings have been made in the delivery of highway work, which include:</p> <ul style="list-style-type: none"><li>- the carriageway resurfacing [strengthening grid priced for use in high traffic areas was not used as extensively as originally envisaged];</li><li>- by varying the Riney contract to introduce additional scheduled rate items within the electrical area, with savings made in the allowance for lighting elements; and</li><li>- the use of more mechanical break out in place of hand digging on the Minories, above the London Underground. This was because City officers capitalised on noting that lesser restrictions had been placed on National Grid Gas, who were also working on Minories at the time.</li></ul>

2.8 In total savings of £0.6M have been realised on the highway and public realm. This £0.6M is now available to contribute to offsetting pavilion build costs.

2.9 Consequently the forecast outturn for the project is expected to be on budget at £23.3m.

### **Programme completion**

2.10 The Gateway 5 report forecast a project completion of June 2017.

2.11 In the last update report (September 2016) the forecast project completion was November 2017. The project is now forecast to be delivered by March 2018. The reason for the delay in completion is connected with the pavilion (a separate report from the City Surveyor captures these details).

### **Issues**

2.12 The City Surveyor will keep Members updated through a separate Issue report on pavilion issues. It is forecast that the overall project budget can contribute some £0.6M toward the pavilion build cost due to savings made on the highway and public realm elements of the project.

2.13 The current negotiated café occupation of the pavilion building, by the operator Kahaila, is 10 working days after notification of practical completion of the pavilion. This will be earlier than the forecast project completion date of March 2018. As such, if the café opens before the project completion date, access will be facilitated by a temporary footway as the finished surface surrounding the pavilion is constructed.

2.14 Community and Children's Services department, who have project managed the tender and procurement of the café operator in line with the overall project completion, are managing the contract negotiations Kahaila.

### **Risk**

2.15 The cost risk to the pavilion is being reported separately. In terms of the public realm work the cost risk is now relatively low and will be managed by reducing monitoring of the cycle trial, reducing frequency of planned communication and streamlining the costs for the eventual project opening event and proposed project completion 'marketing' materials.

2.16 The critical path includes the pavilion and subsequent landscaping surrounding the building. Risk to delay would relate to

	<p>any unforeseen events.</p> <p>2.17 There is a risk that the S106 negotiations will not result in meeting the projects funding requirement. In this instance it may be necessary to call down on CIL or other (such as the OSPR).</p> <p><b>Communications update</b></p> <p>2.18 The Project team have recently delivered six successful presentations and tours of the Aldgate Project. The five bodies that requested this were: The Grosvenor Group, London Borough of Hammersmith and Fulham (including borough officer and resident association representatives), New London Architecture (NLA), Urban Design London (UDL), the Municipality of Trondheim, Norway and the Royal Town Planning Institute (RTPI).</p> <p>2.19 Officers regularly communicate with the public and work hard to hold their interest and thus support. Despite the length of the project we still enjoy significant engagement with the (now) fortnightly e-bulletin, which has a 40-50% readership.</p> <p><b>Funding and finance update</b></p> <p>2.20 Since the previous update report, DBE and others have been reviewing S106 records, updating interest calculations and project allocations. Of the £10m originally earmarked from the On Street Parking Reserve (OSPR) as interim finance, a potential requirement of £6.5m remains, which reflects the unconfirmed balance of funding. Work is on-going to identify this balance from S106 and S278 deposits, with CIL as a possible fall-back option. It is expected that the full position will be clarified and reported in October 2017.</p> <p>2.21 In the June 2014 Gateway four report it was noted that the implementation of this project would impact on revenue costs. Open Spaces Committee, in particular, supported the project on the basis that increased revenue costs would be provided in a commuted sum. Officers are currently reassessing the final revenue implications of the project.</p>
<b>3. Next steps</b>	The next Gateway Six report will be in October 2017.

**Appendices**

<b>Appendix 1</b>	None
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**Contact**

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Committees:	Dates:	Item no.
<b>Streets and Walkways Sub-Committee</b>	<b>24 July 2017</b>	
<b>Project Sub Committee</b>	<b>18 July 2017</b>	
<b>Community and Children's Service Committee (for information only)</b>	<b>14 July 2017</b>	
<b>Subject: Aldgate (Portsoken) Pavilion</b>	<b>Gateway 5 Issue Report July 2017</b>	<b>Public</b>
<b>Report of: City Surveyor CS 300-17</b>		<b>For Decision</b>

## Summary

### Dashboard

Pavilion Project Status: Red

### Timeline:

- Completion date of Pavilion - December 2017
- Completion date of Aldgate Square - March 2018

### Budget:

- Gateway 5 Total approved Pavilion budget at:£4,018,262
- Budget transfer to Pavilion sought at this gateway £318,926
- New total Pavilion budget £4,337,973
- Spent / committed to date: £3,915,349 (£2,130,220 spent + £1,785,129 committed)

Overall Aldgate Highway Changes & Public Realm Enhancement Project Risk: Amber

Last Gateway Approved: Gateway 5

### Summary of Issue:

- Additional construction costs related to ground works problems.
- Delays to completion of the Pavilion due to ground works problems and knock on delays to completion of the Aldgate Square for the Aldgate Highway Changes & Public Realm Enhancement Project (AHCPRE)
- 2 Risks identified in the Risk Register have come to fruition
- Additional consultant fees and staff costs arising from the new revised completion date of project.
- Additional storage cost of Cor-Ten steel Pavilion roof structure
- Reallocation of works supplier to mitigate delays: 2 elements of work (Exit 6 and Christmas Tree base) to be carried out by Kier, the Pavilion Contractor, in lieu of Riney, the AHCPRE contractor, as a variation to the Kier works contract.

- Budget adjustment is required to realign transferring from works to fees, which will capture project costs accurately. This will enable payment outstanding fees.

**Proposed Way Forward**

- Utilise funds from the Aldgate Highway Changes and Public Realm Enhancement Project (AHCPRE) savings to cover additional construction costs, fees and staff costs for the Pavilion. No additional external funding needed.
- Reallocation of tasks from Riney’s to Kier’s contract for works of the Christmas Tree base and Exit 6 work. No change in the overall project.
- Proceed with measures recommended by AHCPRE delivery team and Pavilion Project Board to recover time on the construction programme for Aldgate Square completion at an additional cost of £6950 using funds from AHCPRE savings. No additional external funding needed.

**Recommendations**

Members are asked to:

1. Approve an increase of £318,926 in the Aldgate Pavilion project sum, comprising £267,702 for the Kier contract and £51,224 in fees and staff costs, making a revised total of £4,337,188. The additional cost to be met by savings in the Aldgate Highway Changes and Public Realm Enhancement Project.
2. Approve an increase in the Kier contract sum of £410,487 for construction issues and mitigation measures, of which £267,702 is included within the above increase to the Pavilion budget and the remaining £142,785 being contained within the existing budget for the main AHCPRE project.
3. Note the new key programme milestones; Pavilion opening in December 2017 with the remaining Aldgate Square (part of the AHCPRE project) completing in March 2018.
4. Note realignment of works and fees budget to capture project costs accurately.

**Main Report**

<p><b>1. Issue description</b></p>	<p><b>Pavilion construction issues:</b></p> <ol style="list-style-type: none"> <li>1. A large reinforced concrete and steel beam basement from a previously demolished building was uncovered during the excavation and piling works. Due to scale of the obstruction and restrictions on constructing near an adjacent Victorian</li> </ol>
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sewer, only part of the concrete basement could be excavated and removed without causing damage to the sewer. As a consequence the pile foundations had to be redesigned and the piling operations re-sequenced.

The additional cost of works, excluding fees was £255,733. The delay to the programme was 28 days.

2. A second smaller reinforced concrete obstruction was encountered further into the basement construction. This was excavated and removed.

The additional cost of works was £7,407. The delay to the contract was a further 3 days.

3. In the absence of accurate information, Thames Water have quoted £5,936 to excavate and locate the point of connection into the sewer. The cost of this work will be covered by £5,000 identified in the approved Risk Register allocated to *Location of Services for Thames Water*.

The Pavilion budget will need to be increased to cover the £936 shortfall.

4. The delays have pushed back the delivery date for Cor-Ten Pavilion shell which has increased storage costs to Little Hampton Welding (within the Kier contract). The cost of additional storage is £3,626 and therefore the Pavilion budget will need to be increased by this amount.

5. The extended Pavilion programme and extensive re-design works will require additional staff costs, statutory fees and consultant fees.

The respective Project Sub Committee Chairmen and Deputy Chairmen have been kept advised of events listed above.

#### **Pavilion Programme:**

The excavation, removal of ground obstructions and redesign period has added a further 31 days.

The above items have pushed the Pavilion completion date back to December 2017. The Project Board have set a new milestone for Pavilion opening in December 2017. The table below captures delays since the commencement of the contract with Kier.

Prior to this Issues Report, the Pavilion was reported to start in October 2016 and complete in July 2017. The contract was subsequently signed in December 2016, due to amending the contract to capture changes due to the agreed value engineering elements.

**Aldgate Square Programme:**

The Pavilion and Aldgate Square public realm team have worked together and devised a series of measures which will enable both project teams to claw back time on the Aldgate Square programme;

**Phased construction site logistics:**

1. By adapting and phasing the site boundary between the Pavilion and Aldgate Square sites, Riney can complete time-consuming elements of the Aldgate Square drainage within the vicinity of Kier’s Pavilion site. This is anticipated to reduce the Aldgate Square programme by 28 days\* to complete in March 2018. The costs involved for logistics have been quoted at £6,950 which can be contained within the existing AHCPRE project budget.

**Christmas Tree base:**

2. The Christmas tree base forms part of Riney’s work for the Aldgate Square originally scheduled for construction on completion of the Pavilion. As its location lies within the Pavilion site demise, there is the opportunity for Kier to construct the base without impacting on the Pavilion programme and simultaneously reduce the amount of work and time needed to complete the Aldgate Square. Kier have quoted a sum of £32,330 pending receipt of construction information and will save a further 15 days\*.

**Exit 6 works:**

1. The Exit 6 interface currently sits within the JB Riney contract. However, due to complexities around Building Control sign off and warranty issues relating to the Pavilion services this has been transferred to the Kier contract. Kier are better equipped to construct Exit 6 and have given a quotation of £103,505 pending receipt of construction information. This work does not save time on the programme.

**Funding and budget breakdown:**

All costs arising from the delays and additional works for the Pavilion construction can be sourced from AHCPRE savings. The construction of the ‘Christmas tree base’ and ‘Exit 6’ tasks will be undertaken by Kier instead of Riney via a variation to the Pavilion contract, together with the ‘Construction of Site Logistics’.

	Item	Time delay in relation to Pavilion works	Increase in Pavilion Budget
Pav ilio	1 Removal of first obstruction excluding re-design fees	+ 28 days	£ 255,733.00

	2	Removal of second obstruction	+ 3 days	£7,407,00
	3	Additional storage costs to Little Hampton Welding due to delays in delivering CorTen roof structure to site.	0	£3,626.00
	4	Remaining sum for Thames Water sewer connection in addition to sum identified in Risk Register	0	£936.00
<b>Total</b>			<b>+31 days</b>	<b>£267,702.00</b>

	Item	Time delay in relation to Pavilion works	Increase in Pavilion Budget	
<b>Pavilion Fees</b>	5	Additional Consultant Fees	0	£ 35,224
	6	Additional CoL Staff Fees	0	£8,500
	7	Statuary Fees (CoL Building Control /Planning Recharge)	0	£7,500
<b>Total</b>			<b>0</b>	<b>£51,224.00</b>

<b>Additional Pavilion Works and Fees Total</b>	<b>+31 days</b>	<b>£318,926</b>
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	Item	Time saving in relation to Aldgate Square project	Contract Transfer
<b>Aldgate Square</b>	<b>Christmas Tree base</b>	- 15 days*	£32,330,00
	Phased construction site logistics	-28 days*	£6,950.00
	Exit 6 works	0 *	£103,505.00
	<b>Tasks re-allocated from Riney to Kier Total</b>		<b>- 43 days*</b>

\* subject to Riney's programme confirmation

### **Budget Alignment**

The current budget breakdown report does not accurately capture all the costs and details of payments incurred to date for the construction of the Pavilion. Therefore a realignment of the works

	and fees budget will be made to rectify this. The adjustments will not change the contract sum approved at the last Gateway 5 Issues Report.
<b>1. Last approved limit</b>	<b>£4,018,262</b>
<b>2. Options</b>	<p>1. Increase the Pavilion project budget and Kier contract to encapsulate all costs arising from additional construction issues and delays (Obstructions, additional fees, risks). Remove the 'Exit 6' works and the 'Christmas tree base' from Riney's contract and transfer to Kier via a variation to the Pavilion contract. Approve the coordinated phasing of Riney's works within the Pavilion site demise in order to bring completion of the Aldgate Square forward 28 days. This option is <b>recommended</b>.</p> <p>2. Increase the Pavilion budget and Kier contract to encapsulate all costs arising from additional construction issues and delays (Obstructions, additional fees, risks,). Do not appoint Kier to undertake 'Exit 6' works and the 'Christmas tree base' from the Riney's contract. Do not approve the coordinated phasing of Riney's works within the Pavilion site demise in order to bring completion of the Aldgate Square forward 28 days. This option is <b>not recommended</b>.</p>

### Contact

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<b>Committee(s)</b>	<b>Dated:</b>
Streets and Walkways Planning & Transportation	24/07/2017
<b>Subject:</b> Freight and Servicing Supplementary Planning Document – Draft for Consultation	<b>Public</b>
<b>Report of:</b> Steve Presland, Director of Transportation and Public Realm	<b>For Decision</b>
<b>Report author:</b> Eddie Jackson, Department of the Built Environment	

## Summary

This report presents the draft Freight and Servicing Supplementary Planning Document (SPD), and the associated Strategic Environmental Assessment (SEA) and Equality Analysis.

The SPD has been produced to provide additional guidance on the interpretation of policies in the City of London Local Plan in relation to freight and servicing movements. The SPD sets out potential measures for managing freight through minimising trips, matching freight demand to network capacity, and mitigating the impact of essential freight trips.

The draft SPD has been subject to the statutory SEA process, which assesses the proposals in the document against environmental criteria, and the Equality Analysis which assesses the document's impact on protected groups.

## Recommendation(s)

Members are asked to:

- Note the report.
- Subject to comments received from your committee, approve the draft SPD and SEA for public consultation.

## Main Report

### Background

1. Freight – including delivery, servicing and construction traffic - accounts for a significant proportion of traffic in the City of London (20% between 07.00 and 19.00) and freight vehicles compete for scarce road space with other priority and vulnerable road users such as buses, cyclists and pedestrians. Freight vehicles also account for a disproportionate number of collisions/casualties

and are a significant source of air pollution. In December 2015, the Planning and Transportation Committee agreed the principles for moving towards a freight strategy with a single aim;

*“To reduce the number of freight and delivery vehicles on the City’s streets, particularly at peak times, whilst allowing the City to flourish”.*

2. One of the actions identified by the Committee was to produce a Supplementary Planning Document (SPD) covering freight consolidation. This has since been broadened to provide additional guidance on all aspects the management of delivery and servicing traffic in the City.
3. In November 2016 the Policy and Resources Committee agreed that a general objective of reducing traffic in the City should be adopted, subject to establishing the extent to which the City Corporation’s communities find it acceptable.

### **Freight and Servicing SPD**

4. The volume of freight traffic on City streets is closely linked to land use. Estimates suggest that nearly 50% of freight traffic on City streets is destined for the Square Mile. Through traffic largely confined to the London Distributor Roads of Upper/Lower Thames Street, and Farringdon Street/New Bridge Street.
5. The City of London Local Plan requires delivery and servicing plans for major developments in the City, but does not specify any particular measures for managing freight movement. This SPD aims to provide additional guidance on the management of freight movements in new developments, leading to a reduction in the impact of freight traffic on the City.
6. The SPD sets out potential measures for the management of freight through three key approaches;
  - Minimising freight trips – reducing the number of freight trips generated by premises in the City. This includes personal deliveries to workplaces and waste collections. The use of freight consolidation is likely to be part of this approach for many premises.
  - Matching demand to network capacity – maximising the proportion of essential freight trips taking place outside peak times and where possible, using quiet evening and night-time deliveries.



- Mitigating the impact of essential freight trips – where the transport of goods and services by road is essential, using the safest and quietest zero emission means of transport possible – which may include the use of electric or other alternative-fuelled vehicles, foot or cycle delivery.
7. The SPD has been produced with reference to the City of London Local Plan, the London Plan, and the recently published draft Mayor’s Transport Strategy. Officers in the Department of Markets and Consumer Protection have been consulted on the draft SPD, and their comments incorporated into the document.
  8. Screening of the SPD indicated that, as the content may impact on areas outside the City of London, a full Strategic Environmental Assessment (SEA) should be produced. The SEA is a statutory assessment process which reviews the document and its expected impact on the environment within the City and outside the City boundary. The SEA process provides a high level of protection for the environment by assessing the impact of the proposed options in the SPD against standard criteria, and considering reasonable alternative options.
  9. The SEA process found that the preferred options generated broadly positive effects across all criteria, but that the potential for some uncertain significant negative impacts exist in relation to out of town consolidation centres due to the possibility of increased local traffic outside the City boundary. The impacts are summarised in table 4.4 of the SEA document.
  10. The SEA and non-technical summary are attached as appendices to this report, and, subject to approval from your committee, will be published alongside the SPD document for public consultation.
  11. An Equality Analysis (EA) has been undertaken and found that no negative impact on the protected characteristics and positive impacts on some groups due to potential improvements in air quality and road danger. The EA is attached as an appendix to this report.

## **Proposals**

12. It is proposed that, subject to comments received from your committee, the draft Freight and Servicing SPD, and associated SEA are published for public consultation.

## **Corporate & Strategic Implications**

13. The SPD provides further guidance on the implementation of policies in the City of London Local Plan. It supports other policies and SPDs adopted by the City Corporation, particularly on Air Quality.
14. The SPD aligns with the Mayor of London's position on the management of freight, supporting Key Policy Priority 3 of the Corporate Plan; "Engaging with London and national government on key issues of concern to our communities such as transport, housing and public health".

## **Health Implications**

15. The draft SPD will contribute to improved air quality and reduced road danger in the City, providing potential health benefits for the City population.

## **Conclusion**

16. The draft Freight and Servicing SPD provides additional guidance on Local Plan policies in relation to deliveries and servicing to new development in the City. The guidance aims to reduce the negative impacts of freight, while allowing the City to flourish.

## **Appendices**

- Appendix A - Freight and Servicing Draft Supplementary Planning Document
- Appendix B - Strategic Environmental Assessment
- Appendix C - Strategic Environmental Assessment – Non Technical Summary
- Appendix D - Equality Analysis Test of Relevance.

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<b>Committee(s):</b> Streets and Walkways Sub-Committee Planning and Transportation Committee	<b>Date:</b> 24 July 2017 25 July 2017
<b>Subject:</b> Eastern Cluster Area Enhancement Strategy – Update	<b>Public</b>
<b>Report of:</b> The Director of the Built Environment	<b>For Decision</b>
<b>Report author:</b> Maria Herrera - Project Manager, City Public Realm	

## Summary

This report provides an update on the work carried out to date on the preparation of an area enhancement strategy for the public realm in the Eastern City Cluster (ECC).

In 2016, Members approved a report to initiate the development of an area strategy for the ECC. A project steering group was created with senior officers from various departments to guide the development of the document. The strategy has been identified as a high priority in the DBE Programme Portfolio and is being developed alongside other key projects, including the ECC area security project, Freight and Servicing draft SPD and estate management approach.

In order to ensure the scope of the strategy is in line with corporate priorities it was agreed to develop the strategy by means of a two-stage process. The first stage (“Stage 1”) is now completed and includes the following elements:

- 1) A Literature Review and benchmarking exercise.
- 2) A detailed site analysis which identifies the main issues in the area and drivers for change. (Available in the Members’ reading room)
- 3) Targeted Consultation workshops with CoL senior officers, key stakeholders in the area and Ward members (Summary consultation report is attached in Appendix 1).

The work described above provided the platform to prepare the draft vision, aspirations and objectives for the area and these are contained in Appendix 2. These reflect the comments and issues raised by the various stakeholder groups and have been agreed by the project steering group.

The draft vision for the area is: “To provide an exceptional urban environment for a thriving world-class destination, where people feel comfortable and safe, and the quality of the user experience is paramount”.

The draft aspirations take into account the feedback from the stakeholder workshops and have been divided into three themes:

- Enable positive growth: This theme will cover aspects related to improving the pedestrian environment in order to accommodate future growth, taking into account environmental issues such as air quality, health & well-being and safety.
- Enrich the sense of place: This theme will reflect the importance of delivering high quality public spaces which respond to the various

needs of the area, supporting a wide range of activities at different times of the day.

- Create a world-class destination: This theme will reflect the need to ensure the area remains competitive and attracts businesses and visitors alike, encouraging place activation through events and cultural activities and supporting the emerging estate management approach.

The next stage (“Stage 2”) includes the following elements:

- 1) Developing site specific proposals for public realm enhancements in the area.
- 2) Identifying opportunities for cross-cutting initiatives such as culture and art, smart and digital solutions, and estate management.
- 3) Carrying out a comprehensive public consultation exercise on the strategy proposals.

In order to complete the strategy, a number of additional studies are required to inform Stage 2, these include:

- Traffic
- Culture and Art
- Smart and Digital

These studies will be developed in parallel with the Strategy, with the intention of finalising and adopting the strategy document in summer 2018.

Additional funding has been secured from Transport for London 2017-2018 LIP contribution (£100,000), and it is proposed to utilise a further £158,000 from the Section 106 Contribution from the Pinnacle development to complete the Strategy.

### **Recommendation(s)**

**It is recommended that Members:**

- i. Note the content of this update report and associated supporting information, attached in appendix 1 and 2.
- ii. Approve additional funding of £158,000 from the Section 106 contribution connected to the Pinnacle development to finalise the area strategy.

## Background

1. In April 2016, Members approved carrying out an update to the ECC Strategy with the objective of ensuring that the City's streets and public realm are able to accommodate future growth and provide an attractive, well-functioning and safe urban environment fitting for the high profile status of the area. The revised document will also integrate the key principles of other ECC current projects including:
  - Area security project
  - Freight and Servicing – draft Supplementary Planning Document.
  - Estate management approach
  - Pedestrian Model
2. To ensure that the scope and focus of the strategy is in line with corporate objectives, including the new emerging Local Plan (2019), it was decided to develop the strategy and the public consultation by means of a two-stage process. The two stages are structured as follows:

**Stage 1:** This first stage includes the following elements (See appendix 1 and 2, and Site Analysis report is available in the Members' reading room):

- 1) An urban design analysis of the area identifying main issues and drivers for change (including Crossrail, increase in daytime population and major new developments) in order to define the scope.
- 2) Information gathering to identify international trends through a benchmarking exercise to identify precedents. A detailed review of current local and national policy was carried out in order to ensure that the strategy responds to evolving trends in urban policy.
- 3) A targeted consultation with key local stakeholders, developers, building owners and occupiers to understand their issues and needs.
- 4) Defining the draft vision, aspirations and objectives for the area.

**Stage 2:** This stage includes the following elements:

- 1) Developing site specific proposals for public realm enhancements for the area, taking into account other initiatives and projects such as the area security project and Freight & Servicing draft SPD.
- 2) Identifying opportunities for cross-cutting initiatives such as culture and art, smart and digital solutions and the emerging estate management approach.
- 3) Carrying out a comprehensive public consultation exercise on the strategy proposals.

## Current Position - Progress to date: Stage 1

3. A project Steering group was created in September 2016 to inform the development of the strategy and help guide the scope of the document. The steering group is formed of Senior CoL officers representing various departments and aims to ensure all corporate objectives are integrated into the document.
4. A project brief was agreed by the Steering Group and in December 2016. Following receipt of a number of submissions via request for quotation, City officers appointed FLUID (an architecture and urban design practice) to produce Stage 1.
5. The Stage 1 report has been finalised and is available in the Members' reading room. It covers the following aspects:
  - An analysis of the current issues and key drivers for change, including the predicted increase in daytime population as a result of an increase in office floor space and the arrival of Crossrail.
  - A comprehensive urban site analysis of the area, looking at historic development, street patterns, pedestrian connectivity, available public space and key routes.
  - An assessment of the environmental aspects of this part of the City, including data from the wind and sunlight model, air quality and green spaces.
  - An analysis of the current highway infrastructure in the area and taking into account other projects currently underway such as the Freight and Servicing draft SPD.
  - An assessment of the current cultural offer in the area, main destination points and areas of interest.
6. Furthermore, as part of Stage 1, four consultation workshops were organised between March and July 2017 with local stakeholders, insurance market representatives, City officers and Ward Members. The aim of the workshops was to receive initial views on how the stakeholders would like to see the area evolve and to establish the main issues that need to be addressed in order to deliver the aspirations for the area. The workshops were structured through interactive round-table discussions, focused on various themes such as public realm and connectivity, transport infrastructure and resilience, security, health & wellbeing and arts & culture. Details of the workshops are as follows:
  - **Workshop 1:** Attendees included CoL senior officers and project officers from various departments and their respective divisions. Some of the key points and issues that were discussed at this workshop are as follows:

- Maintain and increase the provision of public spaces and pocket parks.
  - Improve footway capacity and pedestrian connectivity to accommodate a growing working population.
  - Address air and noise pollution.
  - Deliver high quality public spaces that are welcoming and inclusive.
  - Protect and enhance the historic character of the area.
  - Enhance the cultural offer and weekend activities.
  - Consider servicing demands and needs; freight consolidation.
  - Review the security measures for the area.
  - Ensure the City's infrastructure is resilient and well maintained.
- **Workshop 2:** Attendees included representatives from key stakeholders in the area, including developers, occupiers and landowners. Some of the key points and issues that were discussed at this workshop are as follows:
    - Provide more public spaces and increase greenery.
    - Consider environmental impacts and air quality.
    - Improve the pedestrian experience and provide a secure and attractive urban environment.
    - Enhance local heritage and support cultural activities.
    - Address servicing demands and needs.
    - Ensure the public spaces and amenities are of high quality, in order to reflect the status of the area.

A report with the key findings from workshops 1 and 2 is attached in **Appendix 1**. This report illustrates how users would like to see the area evolve and identifies high level aspirations.

- **Workshop 3 - Members briefing:** A briefing session with Ward Members from Lime Street, Langbourn, Bishopsgate, Aldgate Wards and Planning & Transportation committee, was organised with the purpose of providing feedback from the stakeholder workshop.
- **Workshop 4:** Lime Street Ward Insurance forum meeting, with senior representatives from the insurance market. The meeting was facilitated by Mr Henry Colthurst CC and Alderman Charles Bowman from Lime Street Ward, and hosted by the Worshipful Company of Leathersellers. The purpose of the session was to give this key stakeholder group an opportunity to record their views and aspirations for the area.

The key points and issues that were discussed at this forum were similar to those views expressed in the earlier workshop with stakeholders, these are as follows:

- Provide an improved pedestrian environment and improve connectivity and movement.
- Improve air quality and well-being, introduce more greenery and

- enhance tranquil spaces.
- Provide better security for buildings and people
- Address servicing demands/needs in the area both corporate and personal.
- Increased competitiveness through enhanced digital infrastructure and cultural offer.
- Consider the introduction of measures to provide more space for pedestrians in order to cope with the projected increase in office workers and visitors (i.e. street closures or pedestrian priority areas).
- Support out of hours, weekend and evening activities to bring dynamism into the area and attract a wide range of users and visitors.
- Provide amenable and high quality public spaces where people can spend time and that support changing work patterns and demographics.

### **Draft Vision, Aspirations and Objectives**

7. The feedback from the workshops was utilised to define a draft vision, aspirations and objectives for the area. These recognise that the ECC is not only a place for business, but also a place to visit and to spend time in.
8. The draft vision for the area is:  
 “To provide an exceptional urban environment for a thriving world-class destination, where people feel comfortable and safe, and the quality of the user experience is paramount”.
9. The draft strategy aspirations and objectives are grouped into three main themes (See **Appendix 2**) which respond to the issues and points raised by the stakeholder groups and the project Steering Group.

	<b><i>Key issues &amp; ideas</i></b>	<b><i>Draft Strategy Aspiration</i></b>	<b><i>Draft Strategy objectives</i></b>
1	Increase in daytime population.	<b>1. Enable positive growth – To make the public realm function well and be responsive to change.</b>	1.1 Ensure major routes to stations and key destinations in the Eastern Cluster are able to accommodate the projected increases in pedestrian and cyclist flows. Provide new and enhanced routes for pedestrians.  1.2 Prioritise pedestrians over vehicles whilst supporting and
2	Congested footways and lack of available public spaces.		
3	Meet servicing needs and demands and consider consolidated servicing to remove vehicles from streets.		



4	Improve road safety for all users, including pedestrians and cyclists.		<p>allowing businesses in the Eastern Cluster to flourish.</p> <p>1.3 Increase the amount of public space, and create well-serviced and secure places to support agile working and lifestyle needs.</p>
5	Accommodate changes in workforce demographics and flexible working patterns.		
6	Improve security, without creating barriers for pedestrian movement.		

	<b>Key issues &amp; ideas</b>	<b>Draft Strategy Aspiration</b>	<b>Draft Strategy objectives</b>
1	Maintain and celebrate the unique historic character of the area.	<p><b>2. Enrich the sense of place – To provide healthy and characterful spaces.</b></p>	<p>2.1 Create public places of supreme quality that provide memorable experiences and reflect the status of the area.</p> <p>2.2 Reinforce the sense of place by celebrating the area’s diverse character with its unique mix of renowned historic and contemporary architecture.</p> <p>2.3 Deliver successful public places that are welcoming, inclusive, safe and positively influence health and wellbeing</p>
2	The quality of the public spaces should match the high profile status of the area.		
3	Address lack of greenery and green spaces.		
4	Consider environmental qualities, such as sunlight and wind and mitigate impacts of climate change.		
5	Improve air quality and limit disturbance from noise and construction.		

	<b>Key issues &amp; ideas</b>	<b>Draft Strategy Aspiration</b>	<b>Draft Strategy objectives</b>
1	Provide more art and cultural events to support the status of the area and attract visitors and workers.	<p><b>3. Create a world-class destination – To create a smart and vibrant environment that strengthens the area’s unique offer.</b></p>	<p>3.1 Enhance the area’s reputation as a world-class destination and leading centre for business, enriched by an improved culture and leisure offer.</p> <p>3.2 Deliver a series of smart</p>
2	Increase competitiveness through enhanced digital infrastructure.		

3	Create a vibrant area by activating the public realm; improve weekend activities and retail offer.		initiatives that will enable the Eastern Cluster to thrive as a destination for business.
4	Build connections with the wider area to attract visitors and establish clear walking routes to/from key destinations		3.3 Establish a collaborative estate management approach to ensure a high standard of maintenance and coordination of activities and events.

### **Strategy development - Stage 2**

10. The next step is to develop “Stage 2” which will include the following elements:

- Site specific proposals for public realm enhancements for the area, including a delivery plan with timescales and cost estimates with potential funding sources.
- Identifying opportunities for cross-cutting initiatives such as culture & art, smart and digital solutions, and the emerging estate management approach.
- Carry out a comprehensive public consultation exercise on the strategy proposals.

11. As part of Stage 2, additional studies are required in order to achieve a comprehensive strategy and better reflect the identified needs and aspirations of stakeholders. The studies which have been identified as necessary to finalise the strategy are as follows:

#### 1) Traffic

Objective: To gather information on the existing situation, in order to better understand what the constraints and opportunities are for future changes. These will be developed taking into account the work currently underway for the area Security Project and the Freight and Servicing draft SPD. These studies will include the following elements:

- Traffic counts in various streets and junctions
- TfL high level model testing
- On-street activity surveys

#### 2) Culture and Art

Objective: Building on the already well-established Sculpture in the City project, this study will set out proposals to position this part of the City as a world-class destination and a venue for events and cultural activities.

### 3) Smart and Digital

Objective: To produce an analysis of the site's current digital infrastructure and smart solutions to determine the gaps and opportunities in order to develop area specific proposals with feasibility analysis and outline cost implications, taking into account other current CoL projects and programmes.

12. Once the draft Stage 2 document is produced and relevant studies are undertaken, a comprehensive public consultation exercise will be organised in spring 2018. The consultation will be targeted at a wide range of users, including visitors, office workers, landowners and developers. The consultation will involve the following:

- A public exhibition
- Drop-in sessions and meetings with high level stakeholders
- On-line and on-street surveys to capture the views of the local community
- Consultation leaflets or postcards (if required)

13. The comments received during the consultation will be analysed and integrated when appropriate, with the aim of drafting a final strategy by summer 2018

## **Corporate & Strategic Implications**

14. The strategy will support corporate objectives, policies of the Local Plan (review underway) and other City strategies. In particular, Core Strategic Policy CS7: Eastern Cluster (Key City Places). The ECC boundary has been kept in accordance with the current Local Plan, CS7: Eastern Cluster, in the interests of consistency.

15. The Strategy will support and take into account other City wide initiatives and projects currently under development, including Servicing and Freight Draft Supplementary Planning Document, Eastern Cluster Area Security Project, and the emerging estate management approach for the area.

## Implications

16. For the development of the strategy, funding of £160,000 was secured from Transport for London 2016/17 contribution (£80,000) and Section 106 contributions from the Pinnacle development (£80,000). The spend to date is £110,579 (staff costs and fees). Please refer to **Appendix 3** for further detail.

17. Additional funding of £158,000 is now required to finalise the strategy, and it proposed to utilise the funding from the Section 106 contribution connected to the Pinnacle development, (“Enhancement Works Area” contribution-Pinnacle S106 agreement (Schedule 2(2.2)), which was earmarked in 2011 for the Eastern Cluster Area projects (Phases 2-4). Such areas will be reviewed as part of the development of the strategy. Please refer to **Appendix 3** for further detail.

## Conclusion

18. The key dates are as follows:

<b>Task</b>	<b>Target date</b>
Develop briefs and appoint consultants	August – September 2017
Develop strategy and undertake studies	October 2017- March 2018
Submit draft Strategy to committees	April 2018
Public consultation	May 2018
Finalise Strategy	June 2018
Adopt Strategy	July 2018

19. The challenge for the area will be to accommodate the many demands generated by growth whilst creating a safe, efficient and attractive public realm for a world-class destination. The area strategy will ensure the needs for the area are identified and prioritised and enhancements delivered as funding becomes available.

## Appendices

1. Consultation Workshops report. – Circulated separately
  2. Draft Vision, Strategy aspirations & objectives - Circulated separately
  3. Funding tables - Circulated separately
- Stage 1 report is available in the Members’ reading room

## Background Papers

- Committee report: “Eastern City Cluster Area Enhancement Strategy – Proposed update of Strategy”, approved by Street Walkways Sub-Committee and Planning and Transportation Committee in April 2016.

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<b>Committee(s):</b>	<b>Date(s):</b>
Streets and Walkways Sub Committee	24/07/17
<b>Subject:</b> Highways Maintenance Contract: Tarmac purchase of JB Riney	<b>Public</b>
<b>Report of:</b> Director of the Built Environment	<b>For Information</b>
<b>Summary</b>	
<p>The City's highways term maintenance contractor is J. B. Riney &amp; Co. Ltd (<b>Riney</b>), which delivers highway maintenance, resurfacing, drainage, street lighting, public realm enhancements, road marking and highway changes for the Department of the Built Environment, as well as similar services for other departments.</p> <p>This report notes that Tarmac Trading Limited have purchased the family shareholding of JB Riney &amp; Co Ltd and now own the company. However, Riney will continue to trade as usual, retaining the company name and corporate identity.</p> <p>Riney and Tarmac have reassured the City of London that they will continue the partnering ethos that has delivered a highly successful, high quality and cost effective service for the Square Mile, and although the ownership change does introduce a degree of uncertainty, the City remains committed to working with both parties to ensure the contract remains on track.</p>	
<b>Recommendation(s)</b>	
Members are asked to note the report.	

## Main Report

### Background

1. The City Corporation is the Highway Authority for all the public highway and City walkway areas in the Square Mile, except those streets that fall within the Transport for London Road Network.
2. As such, the Department of the Built Environment (**DBE**) is responsible for maintaining those streets, footpaths and walkways, including inspecting them for defects, undertaking repairs and resurfacing, maintaining signs, road markings, bollards, street nameplates and drainage, and looking after all the powered & illuminated street furniture in the City, from road signs to street lights. In addition, DBE are responsible for the highway construction aspect involved in making alterations to streets to satisfy road safety or transportation

requirements, as well as delivering projects to enhance the public realm and undertaking reparations and highway changes around new building developments.

3. DBE delivers all these functions through the use of a term contract, with the current incumbents being Riney, who have delivered between £4m and £12m worth of work each year depending on the volume of work required. Riney have almost completed Year 5 of the initial five year term under the contract, and Finance Committee (and the Court of Common Council) agreed late last year to exercise the City's option under the contract to extend that term by a further five years.
4. During that time, Riney have maintained a very high level of performance, both in terms of their contract delivery (as measured through their KPIs) and their quality of work. Projects are delivered to a very high standard, on time & budget, and with the minimum of fuss and disruption to the public.
5. However, late last year, their Managing Director and majority shareholder, Brendan Riney, sadly passed away, leaving the company and family to resolve any outstanding ownership issues.

### **Current Position**

6. On 15 May, Riney and Tarmac informed the City that Tarmac had purchased the family shareholding in Riney and now controlled the company. The acquisition would appear to give Tarmac a foothold in London's term maintenance contract marketplace, where it can take up to five years to win contracts from a standing start, allowing them to build on their strategic sites and operations in the South.
7. Tarmac, a CRH plc group company, has a turnover of around £2billion pa, with over 150 years of experience in the sector, 25 depots around the UK and nearly 7,000 employees. They have a combined breadth of capability and expertise that covers asphalt, concrete and other highway products, as well as highway services, construction and traffic management.
8. Representatives of Tarmac have made it clear that although Riney will be operating as part Tarmac's highways services arm, Riney will continue to trade as usual, retaining the company name, management team, corporate identity and branding.
9. Riney have suggested that joining forces will secure a more stable future for the company, and Tarmac's wider resources will bring economies of scale in terms of supply chain & tendering power. Tarmac does have a history of purchasing successful companies and managing them at arms' length, allowing them to retain their brand identity, staff and operation, which gives City officers confidence regarding this purchase.
10. There are always risks when such purchases do take place, but both companies are doing all they can to reassure the City that the contract will continue to its previous high delivery standards. Both Riney and Tarmac describe this transaction as merely a share purchase, and have explicitly



stated that the excellent working partnership ethos of the contract, which drives a low claim culture, will remain, and the high quality services provided to the City of London will continue to be delivered.

11. A financial and legal assessment of the purchase has been made by the Chamberlain and the Comptroller & City Solicitor respectively. They have confirmed that the share purchase does not involve a transfer of any of Riney's rights or obligations under the contract, so formal Member approval or alteration is not required to the current contract (or its extension), other than making Members aware of the change by way of this report.
12. Officers will continue to operate the contract in its normal format and look to ensure it delivers services to the same high standards. As part of that process, the Tarmac team will be formally introduced to the Chairman of your Committee in due course, allowing him the opportunity to emphasise the importance of this contract continuing to operate to its previous high standards. In particular, a number of extremely high profile schemes, such as Crossrail, Goldman Sachs, Bloomberg and London Wall Place are dependent on its continuing success.

### **Proposals**

13. The contract will aim to continue to deliver successful results and its performance will be monitored against the 12 KPI's relating to the contract. Monthly contractual meetings will continue, so key issues can be discussed and addressed, and the annual contract board provides senior officers the opportunity to address more strategic issues. I have therefore attached the current KPI's for your reference.

### **Corporate & Strategic Implications**

14. A change in ownership may bring a degree of uncertainty, and the City has to be prepared for Tarmac to bring a different perspective in the longer term. However, in the short term, the City will still pay and order from Riney, and our various contacts remain the same.

### **Conclusion**

15. In conclusion, the purchase brought initial concerns, but after further investigation and engagement with both Riney and Tarmac, it appears that all three parties want the contract to continue to perform to its same high standards. In particular, Tarmac's stated approach of looking for successful companies to acquire and improve (but retain their individual identities) would appear not to conflict with the City's requirements, and indeed may offer some future opportunities.
16. This purchase appears to be a positive step, and combining the expertise of both businesses in the London marketplace could strengthen Tarmac's overall

highways customer base whilst allowing Riney to focus on high quality, effective and efficient services to the City.

## **Appendices**

- Appendix 1 – KPI Results

### **Background Papers:**

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Appendix 1 - JB Riney KPI Performance Summary Sheet

**Key Performance Indicators - Maintenance Term Contract with J B Riney & Co Ltd for year 4 of the contract**

Key Performance Indicators - Maintenance Term Contract with J B Riney & Co Ltd - from July 2015				Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16
No.	Area	Description	2015/2016 Target	Met Yes/No	Met Yes/No	Met Yes/No	Met Yes/No	Met Yes/No	Met Yes/No	Met Yes/No	Met Yes/No	Met Yes/No	Met Yes/No	Met Yes/No	Met Yes/No
1	Inspections	Number of inspections completed & reported in time	All Zones completed	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Inspections	Accuracy and completeness of inspections.	98%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Programmed Works	Civil engineering works that are completed within the agreed programme.	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A*	Yes
4	Mechanical & Electrical	Annual cyclical mechanical & electrical works to be completed within the agreed programme	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	Compliance with TMA	% Fixed Penalty Notices served each month	98%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	C C Scheme	Sites achieving gold award standard	Within Top 25%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7	Measurements	Works correctly measured	96%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Invoices	Check invoices so as to ensure are free from mathematical error	98%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Mechanical & Electrical	Time taken to attend street lighting faults.	1.5 Days	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Public Information for Works	Ensure that the correct procedures are adhered to informing the public when works are carried out	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
11	Health & Safety at sites of work	Ensure that J B Riney & Co Ltd comply with their own Health & Safety policies at sites of work	97%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
12	Emergencies	Number of emergencies completed within the agreed time frame	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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