

Committees: Projects Sub <i>[for decision]</i> Streets and Walkways Sub Corporate Projects Board		Dates: 12 December 2018 4 December 2018 21 November 2018
Subject: 80 Fenchurch Street Unique Project Identifier: 12033	Gateway 2: Project Proposal Light	
Report of: Director of the Built Environment Report Author: Daniel Laybourn		For Decision
<h1>PUBLIC</h1>		

Recommendations

1. Next steps and Requested decisions	Approval track: 3. Light Next Gateway: Gateway 5 - Authority to Start Work (Light) Next Steps: Begin substantial work with Partners Group Fenchurch Limited (the Developer) on the design and evaluation of the required section 278 scheme Requested Decisions: <ul style="list-style-type: none"> • Approval to commence the project • Approval to recover existing shadow code staff costs from the received £40,000 design and evaluation sum. • Delegation of authority to the Director of the Built Environment to approve the start of work (Gateway 5) • Delegation of authority to the Director of the Built Environment to approve budget adjustments within the approved total project budget amount.
2. Resource requirements to reach next Gateway	Transport and Public Realm staff allocation – £15,000 Approximately 150 hours of Transport and Public Realm officer staff costs associated with initial project planning, negotiating the terms of the legal agreements, facilitating the detail design discussions, securing the necessary approvals from key stakeholders and project management.

	<p>Highways staff allocation - £15,000 Approximately 150 hours of Highways officer staff costs associated with evaluation and detail design, including street lighting and drainage and any required coordinating works with third parties such as utilities.</p> <p>Professional fees allocation - £10,000 This will cover the procurement of technical assessments, including any surveys and utility enquiries. These figures are based on similar past projects and are funded by the Developer.</p> <table><tr><th>Item</th><th>Reason</th><th>Funds/ Source of Funding</th><th>Cost (£)</th></tr><tr><td>Staff time</td><td>Project management, detailed design of current proposals and completing S278 agreement</td><td>Developer</td><td>£30,000</td></tr><tr><td>Professional Fees</td><td>Technical assessments, including any surveys and utility enquiries</td><td>Developer</td><td>£10,000</td></tr><tr><td>Total</td><td></td><td></td><td>£40,000</td></tr></table> <p>£40,000 has been provided by the Developer for the design and evaluation stage of this project via a Deed of Variation to the S106 agreement, which has enabled officers to begin initial work with the developer by placing their staff time costs in a temporary finance shadow code. To date, staff costs of £394.16 have been incurred and placed against the aforementioned finance shadow code. Any remaining monies will be put towards the implementation stage which itself will be funded by and subject to a future Section 278 agreement with the Developer. The allocation of resources is subject to advance receipt of all funds.</p>	Item	Reason	Funds/ Source of Funding	Cost (£)	Staff time	Project management, detailed design of current proposals and completing S278 agreement	Developer	£30,000	Professional Fees	Technical assessments, including any surveys and utility enquiries	Developer	£10,000	Total			£40,000
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3. Governance arrangements	<p>Spending Committee: Streets and Walkways Sub-Committee</p> <p>Senior Responsible Officer: Leah Coburn</p> <p>Project Board: No</p>																

Project Summary

4. Context	<p>4.1 80 Fenchurch Street is a development on Fenchurch Street and Carlisle Avenue, adjacent to Northumberland Alley. The development is an 8 to 15-storey building comprising office accommodation and retail space at ground floor level. There is a servicing bay contained within the development which is accessed via Carlisle Avenue.</p> <p>4.2 In August 2008, the development was granted planning consent subject to a S278 agreement being entered prior to implementation. A S106 agreement was signed in November 2014. A Deed of Variation to the S106 was made in June 2018 and a £40,000 design and evaluation payment was received on 18th June 2018 from the Developer.</p> <p>4.3 The Developer's design team has been developing the scheme, and the City Transportation team have met with the developer to discuss their proposed S278 scheme.</p> <p>4.4 The development is due for completion in May 2020. Therefore, further discussions regarding highways reconstruction will take place later in time for Gateway 5, ensuring that incidental effects on both the developer's and the City's construction plans are carefully considered and planned.</p> <p>4.5 The scheme is envisaged to continue the footway improvements from the Aldgate Highway Changes and Public Realm Improvements Project in a seamless manner.</p>
5. Brief description of project	<p>5.1 The project will involve as a minimum reconstruction of the footway outside the development on Fenchurch Street and Carlisle Avenue, and the entirety of Northumberland Alley in high-quality yorkstone paving to the Corporation's specification.</p> <p>5.2 A new vehicle crossover will need to be provided on Carlisle Avenue for servicing the new development.</p> <p>5.3 Two redundant crossovers will need to be removed on Carlisle Avenue and adjacent to Northumberland Alley. On Northumberland Alley, this removal could enable the extension of the footway further south to create a substantial improvement to the pedestrian and cycle facilities. The developer has already responded favourably to this regarding their accessibility commitments.</p>
6. Consequences if project not approved	<p>6.1 There will be no mechanism through which the highway changes required to accommodate the new building can be delivered.</p> <p>6.2 The developer will be in breach of their S106 agreement if they are unable to enter into a S278 agreement to enable highway improvement work.</p> <p>6.3 The City may need to fund any increases in maintenance liability costs made necessary by the development.</p>

7. SMART Project Objectives	<p>7.1 Deliver a high quality public realm near the development.</p> <p>7.2 Deliver a scheme that benefits all users of the public highway.</p>
8. Key Benefits	Providing an enhanced environment for all street users
9. Project category	4a. Fully reimbursable
10. Project priority	A. Essential
11. Notable exclusions	None

Options Appraisal

12. Overview of options	<p>12.1 Whilst constrained by very limited options given the need to provide footways and service bay access, the extent of the highway work matches and improves on that currently proposed by the developer. This scheme will also take into consideration the emerging Eastern City Cluster Area Strategy and Transport Strategies.</p> <p>12.2 The choice of kerbs and paving will follow the City's approved material palette.</p>
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Project Planning

13. Delivery Period and Key dates	<p>Overall project: Completion of highway work around the time for the building's practical completion in May 2020. Exact timings to be determined in co-operation with the developer as work progresses.</p> <p>Key dates:</p> <p>Gateway 5 Report- Late 2019</p> <p>Practical completion of Development – 1st May 2020</p>
14. Risk implications	<p>Overall project risk: Low</p> <p>Currently we believe we can meet the Developer's programme dates.</p>
15. Stakeholders and consultees	<p>15.1 The Developer (Partners Group Fenchurch Limited)</p> <p>15.2 Local building owners and occupiers who utilise Carlisle Avenue and Northumberland Alley for access.</p> <p>15.3 Ward Members</p>

Resource Implications

16. Total estimated cost	Likely cost range: £220,000 - £240,000									
17. Funding strategy	Choose 1: All funding fully guaranteed	Choose 1: External - Funded wholly by contributions from external third parties								
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The eventual scheme will be fully funded by the Developer, as will associated staff costs and fees.										
18. Investment appraisal	N/A									
19. Procurement strategy/Route to Market	Any work to public highway will be undertaken by the City's highways term contractor. JB Riney was chosen as the term contractor through a competitive tender process and represent good value for money. The City's procurement strategy will be adhered to.									
20. Legal implications	20.1 The City will enter into a S278 Agreement with the developer to ensure payment is provided prior to work being initiated.									
21. Corporate property implications	None									
22. Traffic implications	22.1 The City Transportation team are not anticipating any changes to the existing waiting restrictions in Fenchurch Street and Carlisle Avenue, but any approvals needed in this regard will be included in the Gateway 5 report									
23. Sustainability and energy implications	23.1 Environment sustainability: It is anticipated that all materials will be sustainably sourced where possible and be suitably durable for the design life of the asset. 23.2 Financial sustainability: As the developer is paying for the scheme it is financially sustainable for the City.									
24. IS implications	None									

25. Equality Impact Assessment	An equality impact assessment will not be undertaken.
26. Data Protection Impact Assessment	The risk to personal data is less than high or non-applicable and a data protection impact assessment will not be undertaken.

Appendices

Appendix 1	'Red Line' drawing of the development and local area
Appendix 2	Gateway 1 - Project Briefing

Contact

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Appendix 1 - 'Red Line' drawing of the development and local area



