

<b>Committees:</b> Streets and Walkways Sub-Committee <i>[for decision]</i> Projects Sub <i>[for decision]</i>	<b>Dates:</b> 15 October 2020 21 October 2020
<b>Subject:</b> Creed Court S.278  <b>Unique Project Identifier:</b> 12032	<b>Gateway 3/4:</b> <b>Options</b> <b>Appraisal</b> Regular
<b>Report of:</b> Director of the Built Environment  <b>Report Author:</b> Andrea Moravicova	<b>For Decision</b>
<h1>PUBLIC</h1>	

<b>1. Status update</b>	<p><b>Project Description:</b> Deliver public realm enhancements to the area surrounding the new development at Creed Court to accommodate projected increase in pedestrian traffic and servicing needs of the hotel.</p> <p><b>RAG Status:</b> Green (Green at last report to Committee)</p> <p><b>Risk Status:</b> Low (Low at last report to committee)</p> <p><b>Total Estimated Cost of Project (excluding risk):</b> up to £800,000</p> <p><b>Change in Total Estimated Cost of Project (excluding risk):</b> The current estimated costs of the project are within the range provided in the G1/2 Committee report</p> <p><b>Spend to Date:</b> £40,105</p> <p><b>Costed Risk Provision Utilised:</b> None to date</p> <p><b>Slippage:</b> Six months - Works programme was adjusted to align with revised developer's schedule due to Covid-19, with completion now planned in March 2022.</p>
<b>2. Next steps and requested decisions</b>	<p><b>Next Gateway:</b> Gateway 5: Authority to Start Work</p> <p><b>Next Steps:</b> Officers will continue to collaborate with the developer's team to finalise the Section 278 agreement to proceed with the scheme, produce detailed designs and liaise with local stakeholders, including residents, on final designs.</p> <p>Officers will also finalise and approve the construction package to prepare for start on site in Q4 2021.</p> <p>A Gateway 5 report to obtain authority to start works will be submitted for decision under delegated authority in Spring 2021.</p>

**Requested Decisions:**

1. Authorise officers to utilise £100,000 invoiced to the developer to progress the project to Gateway 5 (see section 3 table 1 below), in advance of the full S.278 payment. The amount will be deducted from the full S.278 payment.
2. Authorise officers, subject to receipt of the requested funds, to progress with detailed designs of the recommended option outlined below and fully funded by Section 278 agreement with the developer of Creed Court and undertake public consultation.
3. Note, that as per the Projects Procedure and subject to scope and costs remaining within the parameters agreed in this report, the approval of Gateway 5 report will be delegated to Chief Officer.
4. Note the total estimated cost of the project at £667,546 - £800,000 (excluding risk).

**3. Resource requirements to reach next Gateway**

Expenditure to date is £40,105. Activities completed include radar and topographic surveys, development of the design and negotiations with the developer regarding these proposals and Section 278 agreement, liaison with officers in Legal and Transportation teams on design proposals and their wider impact.

Table 1 below outlines the costs necessary to reach the next Gateway (Authority to Start Works) and includes the sum of £100,000 requested in this report and the spend to date of £40,105. These staff costs will cover project management, detailed design and construction package completion, local stakeholder liaison, developer negotiations and report writing.

Item	Reason	Approved budget	Resources required to reach next Gateway (£)	Required budget to reach next Gateway (£)
Fees	Topographical and radar surveys; site investigations, New Roads & Street works Act estimates, other surveys	£15,000	£3,000	£18,000
Highway staff costs	Detailed design and construction package production, highway contractor & third-party liaisons.	£14,000	£47,816	£61,816
P&T staff costs	Project management, detailed design, developer negotiations related to S.278 agreement, stakeholder engagement	£21,000	£49,184	£70,184
<b>Total</b>		<b>£50,000</b>	<b>£100,000</b>	<b>£150,000</b>

<p><b>4. Overview of project options</b></p>	<p>Officers in liaison with the developer considered the existing streets' layout, their location within the conservation area and the project's aim to deliver a well-functioning street environment that improves pedestrian permeability and accommodates projected increase in pedestrian traffic and servicing needs of the hotel. Consideration was also given to the recommendations of the City of London Heritage Environment team to preserve the characterful treatment to the carriageway at Ludgate Square, which enhances the setting of grade II listed 1-3 Ludgate Square. Accordingly, it is recommended to progress with detailed design for a single option, described in section 5, that reflects the scope outlined in the Section 106 agreement.</p>
<p><b>5. Recommended option</b></p>	<p>The recommended option reflects the scope outlined in the Section 106 agreement and proposes the installation of new Yorkstone paving in footways on Creed Lane and Ludgate Square and the southern footway on Ludgate Hill, improvement to the raised entry table at the Creed Lane / Ludgate Hill junction, raised carriageway in Creed Lane and Ludgate Square to facilitate better pedestrian movement and improve servicing of the hotel from Creed Lane. This option also includes replacement of the existing granite setts with the City's standard pallet setts and introduction of heritage lighting in Ludgate Square to enhance its historic character and appearance within the St Paul's conservation area.</p>
<p><b>6. Risk</b></p>	<p><i>1. Delays in Section 278 agreement sign off</i>  Risk response: Reduce  Negotiations and close liaison with the developer on detailed designs of the recommended option will continue to ensure project associated costs are defined as accurately as possible during the Gateway 3/4 implementation and Section 278 agreement is finalised before end of January 2021.</p> <p><i>2. Sub-surface utilities / structures or other archaeological remains cause issues during constructions</i>  Risk response: Reduce  Surveys have been undertaken to determine the extent of sub-surface elements as far as possible. Development of detailed designs will consider the utility information provided by the surveys and further investigations will be undertaken to determine the extent of underground structures and basements. This risk will be closely monitored during the implementation phase. Any costs reasonably incurred over and above the estimate due to sub-surface issues will be recoverable from the developer under the Section 278 agreement.</p>
<p><b>7. Procurement approach</b></p>	<p>The designs are being developed inhouse by the Highways team and all construction will be implemented by the City of London's Highways term contractor and any nominated sub-contractor or utilities provider as necessary, under the supervision of the Department of the Built Environment and in coordination with the developer's programme.</p>

## **Appendices**

<b>Appendix 1</b>	Project Coversheet
<b>Appendix 2</b>	Risk Register (for recommended option)
<b>Appendix 3</b>	Design option
<b>Appendix 4</b>	Finance tables

## **Contact**

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## Options Appraisal Matrix

<i>Option Summary</i>	<i>Option 1</i>
<b>1. Brief description of option</b>	Delivering public realm enhancements to the area surrounding the new development at Creed Court as outlined in the Section 106 and 278 agreements to accommodate projected increase in pedestrian traffic and servicing needs of the hotel.
<b>2. Scope and exclusions</b>	<p>The project's scope includes:</p> <ul style="list-style-type: none"> <li>• installation of new Yorkstone paving in footways on Creed Lane between Ludgate Hill and Ludgate Square</li> <li>• installation of Yorkstone paving in both footways on Ludgate Square</li> <li>• installation of new Yorkstone paving to the southern footway on Ludgate Hill between Creed Lane and Ludgate Square</li> <li>• improvement to the raised entry table at the Creed Lane / Ludgate Hill junction</li> <li>• raised carriageway in asphalt on Creed Lane between Ludgate Hill and southern end of Ludgate Square</li> <li>• raised carriageway to the footway level in granite setts on Ludgate Square</li> <li>• introduction of heritage lighting in Ludgate Square</li> </ul>
<b>Project Planning</b>	
<b>3. Programme and key dates</b>	<p>Overall project completion: March 2022</p> <p>Key dates:</p> <ul style="list-style-type: none"> <li>• Finalise S278 Agreement – January 2021</li> <li>• Draft construction package – January – March 2021</li> <li>• Gateway 5 report – Spring 2021</li> <li>• Issue Construction package – April 2021</li> <li>• Pre-construction planning – May / July 2021</li> <li>• Project construction starts - Autumn 2021</li> </ul>

<b>Option Summary</b>	<b>Option 1</b>
	<ul style="list-style-type: none"> <li>• Construction completion - April 2022</li> <li>• G6 submission – Spring / Summer 2022</li> </ul>
<b>4. Risk implications</b>	<p>Overall project option risk: Low</p> <p>1) Delays in Section 278 agreement sign off 2) Sub-surface utilities / structures or other archaeological remains cause issues during constructions</p> <p>Further information available within the Risk Register (Appendix 2).</p>
<b>5. Stakeholders and consultees</b>	<ul style="list-style-type: none"> <li>• Developer of Creed Court</li> <li>• Local Ward Members</li> <li>• Local residents</li> <li>• Business owners / occupiers of adjacent premises</li> </ul>
<b>6. Benefits of option</b>	<p>The proposals will provide high quality public realm within the immediate vicinity of the development and facilitate better pedestrian movement around the development, improve servicing of the hotel from Creed Lane and enhance the historic character of Ludgate Square.</p>
<b>7. Disbenefits of option</b>	<p>None.</p>
<b>Resource Implications</b>	
<b>8. Total estimated cost</b>	<p>Total estimated cost: £667,546 - £800,000</p>
<b>9. Funding strategy</b>	<p>This project is fully funded through the Section 278 agreement with Dominvs Group, the developer of Creed Court.</p>
<b>10. Investment appraisal</b>	<p>None – scheme is fully funded by Section 278 with the developer.</p>

<b><i>Option Summary</i></b>	<b><i>Option 1</i></b>
<b>11. Estimated capital value/return</b>	N/A
<b>12. Ongoing revenue implications</b>	The cost of the scheme includes the commuted sum which accounts for the anticipated replacement of the materials for 20 years.
<b>13. Affordability</b>	The scheme is fully funded by the developer.
<b>14. Legal implications</b>	A Section 278 agreement will be entered into with the developer to secure payment for the works and comply with an obligation of the Section 106 agreement.
<b>15. Corporate property implications</b>	None
<b>16. Traffic implications</b>	None
<b>17. Sustainability and energy implications</b>	Use of high-quality standard pallet materials specified within the City public realm technical manual will contribute to the longevity of the surfaces post construction and better maintenance. The project will endeavour to re-use suitable materials wherever possible.
<b>18. IS implications</b>	N/A
<b>19. Equality Impact Assessment</b>	The impact assessment concluded there is no negative impact on equality criteria as a result of this project. The proposal aims to improve accessibility for pedestrians by improving the footway quality.
<b>20. Data Protection Impact Assessment</b>	N/A
<b>21. Recommendation</b>	Recommended