

Committees: Corporate Projects Board - for decision Projects Sub - for decision Streets & Walkways - for decision	Dates: 30 September 2020 21 October 2020 15 October 2020
Subject: 1-2 Broadgate section 278 highway works Unique Project Identifier: 12235	Gateway 2: Project Proposal Light
Report of: Director of the Built Environment Report Author: George Wright – City Transportation	For Decision
<h1>PUBLIC</h1>	

Recommendations

1. Next steps and requested decisions	<p>Project Description: Section 278 (S278) highway works to facilitate the new development at 1-2 Broadgate, EC2M 3WA.</p> <p>Next Gateway: Gateway 5 - Authority to Start Work (Light)</p> <p>Next Steps: Develop concept design proposals with developer, undertake preparatory survey work and liaise with utility companies.</p> <p>Funding source: Section 278</p> <p>Requested Decisions:</p> <ol style="list-style-type: none"> 1. That a budget of £50,000 is approved for design and evaluation to reach the next Gateway; 2. Note the total cost of the project is estimated to be between £750,000-£900,000 (excluding risk). 											
2. Resource requirements to reach next Gateway	<table border="1"> <thead> <tr> <th>Item</th> <th>Reason</th> <th>Funds/ Source of Funding</th> <th>Cost (£)</th> </tr> </thead> <tbody> <tr> <td>Staff time</td> <td>Project management and design</td> <td>Developer S278</td> <td>20,000 (P&T) 20,000</td> </tr> </tbody> </table>				Item	Reason	Funds/ Source of Funding	Cost (£)	Staff time	Project management and design	Developer S278	20,000 (P&T) 20,000
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			(Highways)
Fees	Topographical and radar surveys, site investigations, utility enquiries.	Developer S278	10,000
Total			£50,000
<p>Transport and Public Realm staff allocation – £20,000 Approximately 200 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> <p>Highways staff allocation – £20,000 Approximately 200 hours of Highways officer staff costs associated with evaluation and detail design, including street lighting, drainage and liaison with utility companies.</p> <p>Professional fees allocation - £10,000 This will cover the procurement of technical assessments, including any surveys and utility enquiries.</p>			
3. Governance arrangements	<ul style="list-style-type: none"> • Service Committee: Streets & Walkways. • Senior Responsible Officer: Leah Coburn, Group Manager Major Projects & Programme. • Project Board not required due to modest size and limited scope of project. 		

Project Summary

4. Context	<ol style="list-style-type: none"> 1. The planning application for 1-2 Broadgate was submitted in October 2018 and approved in March 2019. The application includes the demolition of the existing buildings and construction of a new building arranged over two basement levels, lower ground, upper ground and 12 upper floors, providing retail, leisure and office space. 2. Under the Section 106 Agreement the developer of 1 Broadgate is obligated to fund the required works on the public highway as a result of the new development. 3. As set out in the S106 Agreement, the City has received from the developer an “Evaluation and Design Fee Payment” of £50,000 for the purposes of undertaking the necessary evaluation and design. This will include surveys, consultation with specialists, health and safety
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	compliance, preparation of the drawings and specifications and obtaining the necessary approvals for the S278 works.
5. Brief description of project	<ol style="list-style-type: none"> 1. The full scope of the S278 works is yet to be agreed but is expected to include: <ul style="list-style-type: none"> ▪ Repaving of the footways surrounding the development and highway realignment to facilitate the new building footprint and pedestrian routes. ▪ Improved public realm to accommodate new pedestrian desire lines and increased pedestrian footfall.
2. Consequences if project not approved	There will be no mechanism through which the required highway changes to accommodate the new building can be delivered. This could damage the relationship between the City Corporation and a key City stakeholder.
3. SMART project objectives	<ul style="list-style-type: none"> • Wider footways to improve the environment for pedestrians • Improved public realm making the City a more attractive place • Meeting the needs to of developer and ensuring the S278 works are delivered by practical completion date
4. Key benefits	<ol style="list-style-type: none"> 1. Renewal of public highway surrounding development and resultant reduction in on-going maintenance requirements. 2. Improved environment for pedestrians. 3. Meeting the needs of a key City stakeholders.
4. Project category	4a. Fully reimbursable
5. Project priority	B. Advisable
6. Notable exclusions	None

Options Appraisal

7. Overview of options	An indicative scope of works area was agreed as part of the Section 106, limiting a series of options. However, officers are exploring opportunities to extend the scope of works area and a final agreed concept options will be presented at Gateway 5.
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Project Planning

8. Delivery period and key dates	Overall project: November 2020-March 2024.
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	<p>Key dates: November 2020-June 2021: Preparation of concept design, survey work and approvals.</p> <p>March 2021: Signing of Section 278 Agreement</p> <p>July 2021: Gateway 5 approval.</p> <p>September 2021-March 2022: Preparation detailed construction design pack and approvals.</p> <p>2023: Construction of the S278 works (exact dates TBC).</p> <p>Spring 2024: Gateway 6 report.</p> <p>Other works dates to coordinate: None.</p>
9. Risk implications	<p>Overall project risk: Low</p> <p>There are no red or amber risks identified at this time. Further information is contained in Appendix 2.</p>
10. Stakeholders and consultees	<p>Key stakeholders are:</p> <ol style="list-style-type: none"> 1. The developer (British Land) 2. The occupiers and owners of the buildings surrounding the development including Network Rail.

Resource Implications

11. Total estimated cost	<p>Likely cost range (excluding risk): £750,000-£900,000</p> <p>Likely cost range (including risk): N/A</p>															
12. Funding strategy	<p>Choose 1:</p> <p>All funding fully guaranteed</p>	<p>Choose 1:</p> <p>External - Funded wholly by contributions from external third parties</p> <table border="1" data-bbox="531 1379 1351 1816"> <thead> <tr> <th>Funds/Sources of Funding</th> <th>Cost (£)</th> </tr> </thead> <tbody> <tr> <td>S106 (Design and Evaluation payment)</td> <td>50,000</td> </tr> <tr> <td>Section 278 (on signing of agreement)</td> <td>850,000</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td style="text-align: right;">Total</td> <td>900,000</td> </tr> </tbody> </table>	Funds/Sources of Funding	Cost (£)	S106 (Design and Evaluation payment)	50,000	Section 278 (on signing of agreement)	850,000							Total	900,000
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13. Investment appraisal	None.															

14. Procurement strategy/route to market	N/A. Project will be delivered by the City's Highways Term Contractor who was appointed via a competitive tender process. Design work will be undertaken either in house using the City's Highways department or using the new Transport Professional Services contract once that is awarded.
15. Legal implications	None foreseen – a S106 agreement between the City and the developer has already been executed and this agreement obligates the developer to fund any works on the highway under the S278 mechanism.
16. Corporate property implications	None
17. Traffic implications	During the construction phase there will be occasions when sections of public highway are closed to other road users and appropriate traffic management will be put in place. It is not anticipated that there will be any permanent traffic implications once the S278 works are completed.
18. Sustainability and energy implications	<ol style="list-style-type: none"> 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. 2. Financial sustainability: the developer is paying for the scheme making it financially sustainable for the City.
19. IS implications	None
20. Equality Impact Assessment	A test of relevance will be undertaken and, if required, an Equalities Assessment will be completed prior to the Gateway 5.
21. 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	Project Briefing
Appendix 2	Risk Register
Appendix 3	Plan showing location and indicative scope of work

Contact

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