

<b>Committees:</b> Corporate Projects Board Operational Property and Projects Streets and Walkways	<b>Dates:</b> 11 May 2022 30 May 2022 31 May 2022
<b>Subject:</b> 60 London Wall S278 <b>Unique Project Identifier:</b> 11982	<b>Gateway 6:</b> <b>Outcome Report</b> Regular
<b>Report of:</b> Executive Director Environment <b>Report Author:</b> Leah Coburn – City Transportation	<b>For Decision</b>
<h1 style="margin: 0;">PUBLIC</h1>	

## Summary

<b>1. Status update</b>	<p><b>Project Description:</b> 60 London Wall S.278 Highway Improvements. All project costs were fully funded by the developer.</p> <p><b>RAG Status:</b> Green (Green at last report to Committee)</p> <p><b>Risk Status:</b> Low – this project is fully reimbursable (Low at last report to committee)</p> <p><b>Costed Risk Provision Utilised:</b> N/A</p> <p><b>Final Outturn Cost:</b> £374,650</p>
<b>2. Next steps and requested decisions</b>	<p><b>Requested Decisions:</b></p> <p>Members of Streets and Walkways and Project Sub – Committees are asked to;</p> <ul style="list-style-type: none"> <li>• Approve the content of this outcome report noting that the project was delivered to meet the developers programme and within the budget approved at G5.</li> <li>• Authorise the Chamberlain's department to return unspent S278 funds to the Developer as set out in the s278 legal agreement (subject to the verification of the final account); and</li> <li>• Agree to close the 60 London Wall project</li> </ul>
<b>3. Key conclusions</b>	<p>The improvements, as shown in <b>Appendix 1</b>, have been successfully implemented in parallel with the completion of the building as agreed with the developer.</p>

	<p>There were delays to the programme caused by COVID-19 lockdown. Works were postponed during summer 2020 to ensure space was available for people returning to work to maintain safe social distancing. COVID-19 caused further delays by impacting the availability of term contractor staff to carry out the works. Delays were also caused by the developer failing to hand over areas to the City's contractor as agreed which required changes to the programme of works.</p> <p>Ultimately the delays did not impact the developer as COVID-19 also impacted their occupation date. This meant that the Highways works were completed prior to occupation.</p> <p>Carriageway resurfacing works on London Wall were delayed on multiple occasions due to issues with contractor resourcing and weather. These delays did not impact the occupation of the building.</p>
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## **Main Report**

### **Design & Delivery Review**

<b>4. Design into delivery</b>	The proposed design has successfully accommodated the associated new development. The City's Highways Team and the term contractor (J B Riney) worked together with the developer to re-programme works where necessary.
<b>5. Options appraisal</b>	The project was limited in its opportunities to explore different designs due to both the standardised nature of the work and the tangible restrictions around them, such as building lines and the road network. Therefore, alternative options were not explored.
<b>6. Procurement route</b>	The design was prepared in-house by the City's highways team and the City's term contractor was used to deliver the project.
<b>7. Skills base</b>	The Project Team had the skills, knowledge and experience to manage and deliver the project.
<b>8. Stakeholders</b>	Local stakeholders, such as neighbouring buildings, were engaged throughout the processes and the project was able to deliver the highways changes to the developers satisfaction.

### **Variation Review**

<b>9. Assessment of project against key milestones</b>	<p>As detailed above, the City's construction period was delayed by the COVID-19 pandemic and resulting lockdown, which meant works were paused and then caused issues with availability of resource for J B Riney to carry out the works. Works were also delayed by the developer failing to hand over areas as agreed. As a result completion of the project was delayed from September 2020 to March 2022.</p> <p>While significant, the delay did not impact the developer's occupation of their building as COVID-19 also delayed this and the</p>
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	final works to resurface the carriageway did not prevent occupation.
<b>10. Assessment of project against Scope</b>	<p>The cost estimate increased between G2 and G5 due to the need to undertake more substantial work to tie into building thresholds than what was anticipated. This required additional drainage works and additional construction costs of £170K which were detailed in the G5 report.</p> <p>A new dropshaft on London Wall was designed out during construction. Otherwise there were no substantial changes to the design approved at Gateway 5. This was achieved by opening a dialogue with the Developer and the statutory undertakers involved as early as possible to confirm the scope of work required.</p>
<b>11. Risks and issues</b>	The risk of the developer not handing over work areas in line with our programme was realised. This required the programme to be adjusted and increased staff costs. These increased costs were passed on to the developer. We work closely with developers on S278 projects try and capture changes to programme as soon as possible but it wasn't possible in this situation due to last minute changes to labour and materials due to the impact of the covid pandemic.
<b>12. Transition to BAU</b>	The project is now complete and has been passed over to the Highways Maintenance team to manage. The scheme was designed and built to the City's specifications.

### Value Review

<b>13. Budget</b>	<i>Estimated Outturn Cost (G2)</i>	£200,000-£250,000 (excluding risk):	
		<i>At Authority to Start work (G5)</i>	<i>Final Outturn Cost</i>
	<i>Fees</i>	£29,436	£9,846
	<i>Staff Costs</i>	£88,358	£77,086
	<i>Works</i>	£288,003	£287,718
	<i>Total</i>	£405,797	£374,650
	<p>The reduced spend on Fees compared to the estimate was due to the drop shaft not needing to be constructed which would have required archaeological supervision (Estimated at £10k). Costs for the topographical and radar surveys also came in under budget.</p> <p><b>Please confirm whether or not the Final Account for this project has been verified.*</b></p> <p><i>Not verified</i></p>		
<b>14. Investment</b>	N/A		
<b>15. Assessment of project against</b>	The project achieved its objectives of;		

<b>SMART objectives</b>	<p>1. Meeting the needs of the developer and delivering works to align with their programme</p> <p>2. Meeting the requirements of the City in terms of: appearance, function and cost (funded by the developer)</p> <p>3. Providing a better pedestrian experience, measured against the ten Healthy Streets indicators.</p>
<b>16. Key benefits realised</b>	<p>The key benefits have been realised;</p> <p>1. To deliver a high quality and functional highway in the vicinity of the development</p> <p>2. To mitigate the impacts of the development on the surrounding highway</p> <p>11. This project will be fully funded by the developer, including the provision of applicable commuted maintenance sums.</p>

### **Lessons Learned and Recommendations**

<b>17. Positive reflections</b>	The project team worked well with the Developer and their contractors in difficult circumstances. Despite the impact of COVID-19 the project delivered against the key milestone of ensuring works were completed in time for the occupation of the development.
<b>18. Improvement reflections</b>	<p>The agreed site handover phasing was not kept to by the Developer's contractors. This meant the project team had to adjust the work programme on several occasions. It is worth noting that this was happening under the effects of the COVID-19 restrictions, so it was more complicated for the project team to visit site and attend meetings as they had been able to do before.</p> <p>The issues of differences between building finished floor levels and the surrounding highways levels is one that often arises on these types of projects where the works are limited to footway replacement only i.e not a full scheme including carriageway reconstruction or a complete change to the highway. Both the Planning and Highways / Public Realm teams try to ensure this is avoided through the pre application and planning process.</p>
<b>19. Sharing best practice</b>	Dissemination of information through team and project staff briefings has taken place.
<b>20. AOB</b>	N/A

### **Appendices**

<b>Appendix 1</b>	60 London Wall – Before and After Photos
<b>Appendix 2</b>	60 London Wall – Final Project Costs

### **Contact**

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