

Committees: Streets and Walkways Sub - for decision Operational Property and Projects Sub - for decision	Dates: 06 September 2022 28 September 2022
Subject: Salisbury Square Development Highway Works Unique Project Identifier: TBC	Gateway 2: Project Proposal Regular
Report of: Executive Director Environment Report Author: Daniel Laybourn – City Transportation	For Decision
<h1 style="margin: 0;">PUBLIC</h1>	

Recommendations

<p>1. Next steps and requested decisions</p>	<p>Project Description: Highways and public realm work to facilitate and complement the City of London Corporation’s Salisbury Square Development.</p> <p>Next Gateway: Gateway 3/4 - Options Appraisal (Regular)</p> <p>Next Steps:</p> <ul style="list-style-type: none"> • Undertake preparatory survey work and liaise with the required statutory undertakers and stakeholders to develop highways and public realm improvement options with the Developer. <p>Requested Decisions:</p> <ol style="list-style-type: none"> 1. Note that funding is subject to the capital programme review and the final decision on whether to proceed will be dependent on the outcome of that review and approval by the Operational Property and Projects Sub Committee. 2. Approve to commence the project; 3. That a budget of £100,000 (amount already received) is approved for detailed design, engagement with stakeholders and survey work to reach the next gateway, as identified in Appendix 2; 4. Authorise officers to agree the works with the City Corporation as the Developer; 5. Note the total estimated cost of the project at £3m-£4m (excluding risk);
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	<p><u>Operational Property and Projects Sub Only</u></p> <ol style="list-style-type: none"> 1. Agree that the Corporate Programme Management Office, in consultation with the Chairman of the Operational Property and Projects Sub Committee and Chief Officer as necessary, is to decide whether any project issues or decisions that fall within the remit of paragraph 45 of the ‘City of London Project Procedure – Oct 2018’ (Changes to Projects: General), as prescribed in Appendix 3 of this report, is to be delegated to Chief Officer or escalated to committee(s); 2. Delegate authority to the Executive Director Environment to approve budget adjustments, above the existing authority within the project procedures and in consultation with Chamberlains, between budget lines if this is within the approved total project budget amount; and 3. Delegate to the Executive Director Environment, in consultation with the Chamberlain, authority to further increase or amend the project budgets in the future (above the level of the existing delegated authority) should any increase be fully funded by the Developer.
<p>2. Resource requirements to reach next Gateway</p>	<p>Transport and Public Realm staff allocation – £33,000 Approximately 300 hours of Transport and Public Realm officer staff costs associated with initial project planning, facilitating the detail design discussions, securing the necessary approvals from key stakeholders and project management.</p> <p>Highways staff allocation - £25,000 Approximately 250 hours of Highways officer staff costs associated with evaluation and outline design, including (but not limited to) street lighting and drainage and any required coordinating works with third parties such as utilities.</p> <p>Open Spaces staff costs allocation - £2,000 Provisional allocation should any proposals for greenery be progressed.</p> <p>Professional fees allocation - £40,000 This will cover (but not limited to) the procurement of technical assessments, including any surveys, security design tasks and utility enquiries. These figures are based on similar past projects and are funded by the Developer.</p> <p>Please see Appendix 2 for more details.</p>

Item	Reason	Funds/ Source of Funding	Cost (£)
Staff time	Project management & design of proposals	Developer	£60,000
Professional Fees	To cover (but not limited to) Technical assessments, including any surveys and utility enquiries	Developer	£40,000
Total			£100,000

Costed Risk Provision requested for this Gateway: Not requested at this stage of the project although an uncosted risk register is included with this report in **Appendix 4**.

£100,000 was received from the Developer on 19th May 2022 for the design and evaluation stage of this project under Planning Reference 21/00538/FULEIA (120 Fleet Street, London, EC4A 2BE). Any remaining monies at the next gateway will be put towards the implementation stage which itself will be funded by the City Corporation as the Developer. The allocation of resources is subject to advance receipt of all funds.

3. Governance arrangements

Spending Committee: Streets and Walkways Sub-Committee
Senior Responsible Officer: Leah Coburn, Policy and Projects, City Operations
Project Manager: Daniel Laybourn, Policy and Projects, City Operations
Project Board: No

Project Summary

<p>4. Context</p>	<ol style="list-style-type: none"> 1. Planning permission for the City of London Corporation's development at Salisbury Square (20/00997/FULEIA) was granted on 30th July 2021. 2. The site is bounded by Fleet Street, Salisbury Court, Salisbury Square, Primrose Hill & Whitefriars Street. The application includes the construction of a new combined court building and police headquarters for the City of London, and new office and retail spaces. 3. Under the Section 106 Unilateral Undertaking, the City of London Corporation is obligated to fund the works on the public highway that are considered necessary to make the development acceptable in planning terms.
<p>5. Brief description of project</p>	<p>As a minimum, the scope of the highway works is expected to include the following elements:</p> <ol style="list-style-type: none"> 1. Public realm and highway accommodation and improvement works, including an enlarged Salisbury Square; 2. Improved seating, greening and cycling provisions; 3. Revised access and servicing arrangements; 4. Changes to traffic management and access in the area around the development (subject to due consideration and subsequent consultation); 5. Widening of Fleet Street's southern footway within the vicinity of the site if it's found to be feasible; 6. Complementary works to accommodate new pedestrian routes through the site; 7. Hostile vehicle mitigation (HVM) measures in public areas where appropriate; 8. Changes to motor vehicle parking; and 9. Any ancillary works that the City considers necessary in undertaking the highway works.
<p>6. Consequences if project not approved</p>	<ol style="list-style-type: none"> 1. The City's obligations as set out in the associated Section 106 Unilateral Undertaking would not be fulfilled. 2. Also, there would not be a mechanism for the required highways changes considered necessary to make the development acceptable in planning terms to be made. This could result in an unsafe and unpleasant environment for pedestrians. 3. Furthermore, the City may need to fund any increases in maintenance liability costs made necessary by the development.

7. SMART project objectives	<ol style="list-style-type: none"> 1. Making the Square Mile's streets great places to walk and spend time. (Quantifiable improvements in Pedestrian Comfort Levels, Healthy Streets scores and Accessibility) 2. Making the Square Mile's air and streets cleaner and quieter (Net increase in greening in the project's area of scope) 3. Climate resilience in our buildings, public spaces and infrastructure.
8. Key benefits	<p>Key benefits will include providing an enhanced environment for all street users, especially those walking through the area. Achieving these benefits will help to support the City's Climate Action and Transport Strategies. The project is to also include security measures that meet with the developer's requirements.</p>
9. Project category	<p>4a. Fully reimbursable</p>
10. Project priority	<p>A. Essential</p>
11. Notable exclusions	<p>None.</p>

Options Appraisal

12. Overview of options	<ol style="list-style-type: none"> 1. A minimum scope of works is listed in section 5 of this report. Officers will explore opportunities to potentially expand the scope of works to better improve the pedestrian and cycling provisions in a way that complements the local environment. 2. The minimum scope may include changes to traffic management in the area around the development. Through the next stage of work, options for this will be explored and reported back to Members in the next gateway report (G3/4). 3. Please see Appendix 5 for a plan of the site.
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Project Planning

13. Delivery period and key dates	<p>Overall project: The project is expected to take 4-5 years and complete at the same time as the development in 2026.</p> <p>Key dates:</p> <ul style="list-style-type: none"> • Gateway 1/2 – September 2022
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	<ul style="list-style-type: none"> • Gateway 3/4 – Summer 2023 (estimated) • Gateway 5 – Summer 2024 (estimated) • Gateway 6 – 2026/7 (estimated 6 months post-scheme completion) <p>Other works dates to coordinate: The scope of this project will overlap with the scope of the Fleet Street ‘Healthy Streets Plan’ project. As there are synergies between these two projects, officers will look to plan a single set of improvements to the public realm and highways which achieve the objectives of both projects.</p>
14. Risk implications	<p>Overall project risk: Low</p> <p>Officers believe the project can meet the Developer’s programme dates, and the project is fully reimbursable. An early uncoded risk register has been included with this report in Appendix 4.</p>
15. Stakeholders and consultees	<ol style="list-style-type: none"> 1. The Developer and their agents; 2. Local stakeholders, building owners and occupiers (including the Fleet Street Quarter BID); 3. Transport for London (TfL); 4. All required internal stakeholders; 5. Local Residents; and 6. Ward members (Castle Baynard)

Resource Implications

16. Total estimated cost	<p>Likely cost range (excluding risk): Between £3m - £4m</p> <p>Likely cost range (including risk): Between £3.7 - £4.7m</p>									
17. 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"> <thead> <tr> <th>Funds/Sources of Funding</th> <th>Cost (£)</th> </tr> </thead> <tbody> <tr> <td>Staff time fees (fully externally funded)</td> <td>60,000</td> </tr> <tr> <td>Professional fees (fully externally funded)</td> <td>40,000</td> </tr> <tr> <td style="text-align: right;">Total</td> <td>100,000</td> </tr> </tbody> </table> <p>£100,000 has been received from the Developer. All further project funding requirements are to be fully met by the Developer. This is an uncapped funding arrangement as a normal S278 agreement would be, but as explained in the legal section, the City cannot contract with itself so a S278 agreement is not the right mechanism.</p>	Funds/Sources of Funding	Cost (£)	Staff time fees (fully externally funded)	60,000	Professional fees (fully externally funded)	40,000	Total	100,000
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18. Investment appraisal	Not applicable.
19. Procurement strategy/route to market	<p>For feasibility and design work it may be necessary to utilise consultancy support. The Transportation and Public Realm Framework would be utilised for these services.</p> <p>Any future work to the public highway will be undertaken by the City's highways term contractor. The term contractor has been chosen through a competitive tender process and represents good value for money.</p> <p>The City's procurement strategy will be adhered to.</p>
20. Legal implications	<p>The Section 106 Unilateral Undertaking includes a requirement for the City Corporation as landowner to pay for the scheme of highway works which were considered necessary to make the development acceptable in planning terms which are defined in the undertaking and planning permission. In this instance, because the City Corporation are the owner of the land and the City Corporation cannot contract with itself (and could not enforce an agreement against itself) a Section 278 agreement will not be required. This was anticipated at the time planning permission was granted for the development, and in the unilateral undertaking given in connection with the planning permission, the City Corporation as Owner gave covenants relating to the necessary scheme of highway works, including an undertaking to meet the cost of the works.</p>
21. Corporate property implications	None. The highway work facilitates the development and will be coordinated with the Development build programme.
22. Traffic implications	<ol style="list-style-type: none"> 1. Under Section 16 of the Traffic Management Act 2004, the City's network management duty is to "manage the City's road network with a view to achieving, so far as may be reasonably practicable having regard to their other obligations, policies and objectives, the expeditious movement of traffic (which includes pedestrian traffic) on the authority's road network". 2. Any proposed changes to traffic management in the area around the development are likely to have traffic implications. These will be detailed in subsequent reports to committee.
23. Sustainability and energy implications	<ol style="list-style-type: none"> 1. There are no relevant sustainability impacts associated with this project <p>Additional sustainability/energy implications:</p> <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. Any greening and planting in the public space will help to improve the scheme's climate resilience.
24. IS implications	None.
25. Equality Impact Assessment	An equality impact assessment will be undertaken. The CoLSAT (City of London Street Accessibility Tool) and Equalities Analysis processes will form a key part of the project's design to ensure the deliverables maximise accessibility opportunities and improvements for as many users as possible.
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	Project Briefing
Appendix 2	Financial Information
Appendix 3	Paragraph 45 of the 'City of London Project Procedure – Oct 2018' (Changes to Projects: General)
Appendix 4	Risk Register
Appendix 5	Site Plan/ Project Scope

Contact

Report Author	Daniel Laybourn
Email Address	Daniel.Laybourn@cityoflondon.gov.uk