

<b>Committees:</b> Streets and Walkways sub-Committee [for decision] Operational Property & Projects Sub Committee [for decision]	<b>Dates:</b> 08 November 2022 Delegated
<b>Subject:</b> St Bartholomew’s Hospital environmental enhancements Issue Report  <b>Core project name:</b> St Bartholomew’s Hospital S106 <b>Unique Project Identifier:</b> 11057	<b>Gateway 5</b> <b>Choose an item.</b> <b>Issue Report</b>
<b>Report of:</b> Director of Environment Department  Choose an item. <b>Report Author:</b> Emmanuel Ojugo	<b>For Decision</b>
<h1 style="margin: 0;">PUBLIC</h1>	

<b>1. Status update</b>	<p><b>Project Description:</b></p> <p>1.1. This project involves improvements to the public highway surrounding St Bartholomew’s Hospital. This includes resurfacing, planting, seating opportunities and signage that support the new emerging Cultural Hub in the wider Smithfield area. The project is wholly funded by the Section 106 agreement, related to the extensive redevelopment of parts of the hospital. The project is being delivered in phases to meet the developer’s timetable.</p> <p>1.2. The developer has periodically notified the City of programme delays, the last of which was reported to Committee in February 2022. Members approved extending the City’s works programme to March 2023 to meet the developer’s updated timeline to open the building in mid-2023.</p> <p>1.3. There is now a need to target an increase in some staff budget, proportionate to the increased timetable and due in part, to a significant downturn in some staff services that were planned to support the delivery of the project, with work now undertaken by the project manager. See section 4.</p> <p><b>RAG Status:</b> Amber (Amber 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> £565,396.</p> <p><b>Change in Total Estimated Cost of Project (excluding risk):</b> The cost of the project will remain within the reported budget approved.</p>
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<p><b>Spend to Date:</b> £324,108 (inclusive of committed orders).</p> <p><b>Costed Risk Provision Utilised:</b> N/A, project was initiated prior to the introduction of the CRP in April 2019.</p> <p><b>Slippage:</b> In February 2022, Committee approved a programme extension to March 2023. Whilst most works are expected to be completed by March 2023, there may be further programme risk due to the capital programme review of projects.</p> <p><b>Background</b></p> <p>1.4. The project is being delivered in phases to accommodate the developer’s programme. Phase 1 involves improvements to the northern section of Little Britain north of King Edward Street. These works are largely complete aside from some minor street furniture and tree planting. However, Phase 2 works involving footway at West Smithfield and Giltspur Street have yet to commence.</p> <p>1.5. Delays to the commencement of Phase 2 works are due to several extensions to the developer’s building programme restricting the City’s access to finalise the design for a widened footway and the location of street trees.</p> <p><u>Current Position</u></p> <p>1.6. In December 2021 the developer notified the City that hoarding / scaffolding to the Giltspur Street façade would be struck in May 2022 for the City to access the public highway. At present the hoarding license remains in place, though much reduced at the time of reporting, and is now expected to be struck by December 2022.</p> <p>1.7. Site surveys are currently being carried out to finalise Phase 2 works to accommodate the developer’s intent to launch the building in summer 2023. The City’s improvement works are expected to commence in the new year and conclude by March 2023.</p>
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<p><b>2. Requested decisions</b></p>	<p><b>Next Gateway:</b> Choose an item. <b>Gateway 6</b></p> <p><b>Requested Decisions:</b></p> <p><u>It is recommended that:</u></p> <ul style="list-style-type: none"> <li>I. That the remaining project budget of £241,288 is revised as set out in the finance tables in Appendix 3; including any interest accrued to complete the project in accordance with the Section 106 Agreement.</li> <li>II. Approval of the budget adjustment summarised in table 2 Appendix 3.</li> <li>III. 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);</li> <li>IV. 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</li> </ul>
<p><b>3. Budget</b></p>	<p>3.1 Total cost of the project – £565,396. No CRP is proposed. The tables in Appendix 3 summarise resource requirements to reach the next Gateway (6).</p> <p>3.2 The project scope remains unchanged and the requested increase in P&amp;T staff costs is required to cover a downturn in staff resource which would have supported project delivery. The budget adjustment has been discussed with the City Chamberlain and is deemed affordable due to savings made in delivering Phase 1 works. Savings include recycling street furniture and revising the planting schedule, removing the need for a new irrigation system.</p> <p><u>Inflation</u></p> <p>3.3 It should be noted that the inflationary uplift in terms of Retail Price Index (RPI) is applicable yearly from July to June. The unit price of provision of materials is agreed under the current new City Term Contract (July 2022) schedule of rates and is subject to RPI annually. However, if materials are bespoke or unforeseen circumstances arise which affect the price of material, the contractor is within their rights to request a re-consideration.</p> <p>3.4 Such impacts are not considered a high project risk due to the use of a standard material palette. Potential material cost rises that may occur within the remaining project programme (up to March 2023)</p>

	<p>have been factored into the works budget and are reflected in Appendix 3.</p> <p><b>Costed Risk Provision requested for this Gateway: N/A</b> (No CRP is requested).</p>
<p><b>4. Issue description</b></p>	<p>4.1 The Developer has informed the City of their requirement to open the new building on Giltspur Street in Summer 2023. Whilst Committee have agreed an extension to the project programme to March 2023 to fulfil this commitment, a downturn in staff resources means it is necessary to reconfigure the budget to accommodate the shortfall in project support, and the increased role of the project manager to complete the work.</p> <p>4.2 The P&amp;T Staff costs projections have increased in line with current forecasting agreed with the Chamberlain to complete the project by March 2023. This represents an average allocation of sixteen hours a month and is summarised in Appendix 3 tables.</p> <p>4.3 Duties will include:</p> <ul style="list-style-type: none"> <li>• Engagement with St Bartholomew Hospital to work to their programme and communicate to stakeholders.</li> <li>• Agree schedule with TfL to have the bus stop/shelter removed and reinstated post practical completion and communicate this with stakeholders.</li> <li>• Facilitate additional permits to enable surveys to be carried out and subsequent permits to support implementation of the works early in 2023 when the hoarding will have been removed.</li> <li>• Acquire some services externally, related to supporting the implementation of Culture Mile programme including the installation of some street furniture design and signage.</li> </ul> <p>4.4 It should be noted, although this project is at an advanced stage with the majority of the scheduled works completed, funding is subject to a capital programme review. The City are however, obliged to undertake improvement these works as soon as is reasonably practicable in accordance with Section 106 obligations related to the redevelopment of St Bartholomew Hospital.</p>
<p><b>5. Options</b></p>	<p>5.1. There is a solitary approach to complete this project and it is proposed to reconfigure and reallocate staff resources, to meet the expected completion date of March 2023 as previously reported.</p>

## **Appendices**

<b>Appendix 1</b>	Project Coversheet
<b>Appendix 2</b>	Site Location/Works Phase Plan, S106/Indicative General Arrangement Plan
<b>Appendix 3</b>	Finance Tables
<b>Appendix 4</b>	Site Photos   Current site progress, Comparative Images
<b>Appendix 4</b>	Risk Register

## **Contact**

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