

Committee(s): Streets and Walkways Sub – For Decision	Date(s): 26 September 2023
Subject: City Cluster Area – programme update (including Leadenhall Street Improvements) Unique Project Identifier(s): City Cluster Vision Phase One - 12072 Leadenhall Street Improvements – City Cluster Vision Programme - 12295	Public
Report of: Interim Executive Director, Environment Department	For Decision
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Summary

This report provides an update on the delivery of the City Cluster programme, which is structured around three workstreams and focused on the implementation of the City Cluster Vision and Transport Strategy. The programme will deliver an outstanding environment and improve the way that streets and spaces can support the local economy. These workstreams also include projects that will improve the environmental resilience of the public realm, addressing climate impacts in the coming years.

The three City Cluster workstreams are as follows:

- 1) Pedestrian priority and traffic reduction
- 2) Wellbeing and climate resilience
- 3) Activation and engagement

Since the last update report in November 2022, the following progress has been made:

- Three projects from the Wellbeing and Climate Resilience workstream have been completed and one is due to start on site in October 2023.
- Leadenhall Street Improvements project: An early concept design to introduce wider footways along the length of the corridor has been completed. Surveys have been completed to assess the viability of planting trees and introducing greenery. The resulting visualisations of this can be seen in Appendix 3. The next stage is to develop costed and validated greening and public realm options for future consideration by Members whilst continuing engagement with local stakeholders. The requested decisions detailed in this report are to enable this to happen and submit a Gateway 3 report back to Members in due course.

- As agreed in the last update report, a capital funding bid for the next phase of the programme's high priority projects has been submitted and a decision is expected by the end of 2023. The EC BID have also committed £1m towards the delivery of projects (subject to the success of the City's pending capital bid). A summary on progress was presented to the City Cluster Programme Board in July 2023, which included an update on current projects.
- In July 2023, TfL decided to make their Bishopsgate Experimental Traffic Order permanent. In short, this permanently restricts substantive access on Bishopsgate and Gracechurch Street between Shoreditch and London Bridge to buses and cycles only between 7am-7pm Monday to Friday.

Recommendations

1. Note and approve the content of this progress update.
2. Note the funding strategy in Appendix 2, and the commitment of £1m from the EC BID, subject to the outcome of the City's capital bid which has been submitted for consideration.
3. Approve funding of £35,000 from the S106 contribution of 40 Leadenhall Street for staff costs and fees for the management of the City Cluster programme including communications, for the next reporting period. As set out in Appendix 2.
4. Regarding the Leadenhall Street Improvement project, the following recommendations are sought to enable the project to progress to Gateway 3:
 - i. Approve the progression of the project's design shown in Appendix 3 towards a more-detailed design with costed greening and public realm options for future consideration and approval by Members.
 - ii. Approve the increased and amended budget shown in Appendix 4 to enable the above work to take place and reach the next gateway, including the requested increase of £173,000 to a new overall budget of £391,000. It's proposed that this be funded by the 20 Fenchurch Street S106 monies;
 - iii. Approve the inclusion of a works budget line to accommodate trial holes to help validate potential greening locations along the street; and
 - iv. Approve the amended Risk Register in Appendix 5 that has been updated following the outcome of TfL's Bishopsgate Experimental Traffic Order to release the funding previously held in the register back into the project.

Main report

Background

1. The City Cluster Vision (CCV) was adopted by Committees in May 2019 and provides a framework for the transformation of the streets and public realm of the area. The City Cluster Area delivery plan was approved by committees in July 2020 and divided the implementation of the Vision into three workstreams: 1) Pedestrian priority and traffic reduction, 2) Wellbeing and Climate Resilience, and 3) Activation and Engagement.
2. Officers have developed the projects within the workstreams in close collaboration with Ward Members, stakeholders, and the EC BID, through the establishment of a Programme Board. Regular updates have been provided throughout the process to ensure the scope of the workstreams is in line with programme objectives and strategic priorities.

Progress to date

3. A Programme Board meeting took place in July 2023, to review the following:
 - To discuss the Leadenhall Street Improvement project and agree next steps for the design development stage.
 - To discuss the programme funding strategy and planned capital funding bid.
 - To update the Board on progress to date on all workstreams. Included in section 7,8 and 9 below and in Appendix 1.
 - To update the Board on the work of the EC BID
 - To review the terms of reference for the Board.
4. A key item of the agenda was the review of the Leadenhall Street Improvement Project and the proposed funding strategy. Feedback on the Leadenhall Street designs was very positive, and members requested that timescales for implementation should be reviewed to deliver change within a shorter timeframe.
5. Funding for delivery of the next phase of the programme is yet to be determined and the aim is to secure additional funding via a City Community Infrastructure Levy (CIL) capital bid which has been submitted. An outcome is expected by the end of 2023. Other confirmed funding sources such as S106 and S278 forms part of the funding strategy. In addition to this, it has been confirmed that the EC BID will contribute £1m over a three-year period to fund projects in the programme. Further details of the funding strategy are included in the Financial Implications section of this report.
6. In July 2023, TfL decided to make their Bishopsgate Experimental Traffic Order permanent. In short, this permanently restricted substantive access

on Bishopsgate and Gracechurch Street between Shoreditch and London Bridge to buses and cycles only between 7am-7pm Monday to Friday. This decision has now enabled officers working on some elements of the programme, such as the Leadenhall Street Improvements and City Cluster Security Projects, to progress their own proposals which align with the now-permanent traffic restriction. It has also reduced the risk profile for the Leadenhall Street improvement project which is detailed in the risk section of this report.

7. Pedestrian priority and traffic reduction workstream

The table below provides a brief update on all the current projects in this workstream.

Typology of project	Location and brief description	Update
Cycling infrastructure	<u>Bevis Marks Cycle route</u> : Experimental protected cycle lane from St Botolph Street to Camomile Street.	Experimental scheme is to be made permanent in October 2023.
	<u>Aldgate to Blackfriars cycle route</u>	The Leadenhall Street concept design narrows the carriageway to 6.5 metres. In tandem with current and expected traffic volumes, this will provide a suitable environment for cyclists to take the primary position in the general traffic lanes. Light segregation is also being proposed east along Aldgate High Street from Mitre Street to the pedestrian crossing by Aldgate Square. With the experimental scheme on Bevis Marks being made permanent, St Botolph Street is to be upgraded with physical separation for cyclists from general traffic. Delivery is expected by 2028.
	<u>Houndsditch Experimental cycle scheme</u>	An experimental scheme is due to be delivered in 2024/25.
Traffic reduction and pedestrian priority	<u>Leadenhall Street</u> Transformation of this key route to include more space for people walking, improved crossings, greening and public realm enhancements.	The early concept design has been completed. This has established the scope and feasibility of the project, including pavements widened as much as possible on both sides of the street, space for planting and public realm

		<p>improvements (subject to further investigation of utilities) and early work on the incorporation of necessary security requirements. The design has already been used to inform the other projects, detailed in section 10 of this report, to ensure a holistic approach to the future transformation of the street.</p> <p>The project has been identified as a high priority with significant transformative benefits for the area. However, additional funding is now required to develop the more-detailed greening and public realm options prior to these options being presented to members in a future report for decision.</p> <p>As the requested decisions in the report utilise existing funding, they aren't dependant on the success of the CIL capital bid. The risk of abortive work should the CIL capital bid be unsuccessful or deferred is also low. If that was to happen, the next steps in the design process could be completed regardless, with the resulting options being presented to Members for a decision on their preferred approach. This would further clarify and solidify the City's vision for Leadenhall Street.</p> <p>Regarding the delivery of change on Leadenhall Street in a shorter timeframe, officers are already exploring the options to do this and, should they be approved, the requested decisions would help to improve the chances of this happening. With several S278 projects currently live along the street, it's very likely there will be various options to deliver improvements between them in a co-ordinated manner, aligned by the overall concept design that has been developed for the street.</p> <p>To expedite 'quick wins', these improvements may be limited to footway widening only with public realm and greening improvements to follow later, but officers will continue to investigate</p>
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		the possibilities and bring a report to members at the earliest opportunity.
	<p><u>St Mary Axe</u></p> <p>Phase 1: short-term measures to improve accessibility and experience for people walking.</p> <p>Phase 2: Transformative change to improve the walking experience, introduce greening and public realm enhancements.</p>	This project is currently on hold due to the new developments in the area which will need due consideration in future streetscape planning. Officers are currently liaising with colleagues in City Planning and the developer at 1 Undershaft to formalise a way forward.
Security	<p><u>Area wide security project</u></p> <p>Projects to incorporate appropriate security measures into the streets and public realm across the area.</p>	Data gathering and design development has commenced and consultation with stakeholders is planned to be undertaken in late 2023.
Pedestrian Priority and accessibility	<p><u>Creechurch Lane Area:</u></p> <p>This project includes pavement widening, accessibility improvements and planting, to introduce a permanent scheme in place of temporary measures.</p>	<p>This project has been identified as a high priority.</p> <p>A Gateway 1/2 report is on this committee agenda for decision.</p>

8. Wellbeing and Climate Resilience workstream

The content of this workstream has been organised into three key areas of work, as summarised below. The projects have been developed in collaboration with the City Gardens division, Climate resilience officers and local stakeholders.

Typology of project	Location and description	Update
Improvements to existing public spaces	1. <u>St Helens Churchyard:</u> Re-landscaping to include additional	Project on hold and subject to a CIL neighbourhood funding bid to be submitted by the Church.

	<p>greening and seating and step-free access</p> <p>2. <u>St Andrews Undershaft Churchyard</u>: proposals include re-configuration of steps, new planting beds (incorporating rainwater harvesting), increased greening and additional seating</p> <p>3. <u>Jubilee Gardens</u>: Relandscaping, including climate resilient planting and seating, new entrance, SuDS and green wall</p>	<p>Detailed design is completed and the submission for Faculty consent for trial holes to the Diocese of London has been approved, with trial holes planned to be completed in September, followed by Gateway 5 (Chief Officer approval). Works are expected to start on site in mid-2024.</p> <p>Construction information is complete. Works are anticipated to start on site in October 2023.</p>
Green Streets	<p>4. <u>Green streets</u>: Project involves the installation of seating and planters with a flexible, modular design across the area and is part-funded by the EC BID.</p>	Project completed in July 2023.
Climate change resilience measures	<p>5. <u>Bevis Marks SuDs pilot project</u>:</p> <p>A project to construct Sustainably drained planters with permeable paving, resilient planting, and seating as part of a pilot project for the Cool Streets and Greening programme.</p> <p>6. <u>Tree planting across the area</u></p>	<p>Project completed in April 2023.</p> <p>A total of 12 trees have been planted in the area to date. More are planned next planting season.</p>

9. Activation and Engagement workstream

This workstream has been agreed to be developed and implemented by the EC BID, coordinated with the Destination City team. This piece of work will identify shared goals and a delivery framework that enhances private-public sector engagement, outputs and outcomes.

10. Other project progress related to Section 278 agreements:

Projects at Construction Stage:

- 6-8 Bishopsgate S8/ 278: An area of footway widening, and reconstruction work is due imminently outside this development on Leadenhall Street. This will be delivered under agreement by TfL and the developer, with the design coming from the City's design for Leadenhall Street.
- 40 Leadenhall Street S278: A large scale S278 scheme around the new development on Leadenhall Street, Billiter Street, Fenchurch Street and Fenchurch Buildings, which also encompasses the remaining elements of the Billiter Street S106, 52-54 Lime Street and 10 Fenchurch Avenue S278 projects. The project is post G5 and is currently expected to begin construction in early 2024. The project's design for Leadenhall Street has also come from the City's design for the street and greening is being planned for Billiter Street and Leadenhall Street.

Projects at pre-construction stage:

- 1 Leadenhall Street S278: A S278 scheme on Leadenhall Street and Whittington Avenue. A G3/4/5 report is due to be submitted to committees in late 2023 for a planned construction start in Spring 2024. The scope of the project is to include delivery of the Leadenhall Street concept design in the proximity of the development and Whittington Avenue being raised and paved with granite setts to provide an enhanced walking environment.

Communication Strategy

11. The programme governance has been established and this includes a Programme Board that meets twice a year and includes representation from Ward Members, City officers and key stakeholders.
12. It has been identified that additional engagement and communication is required to provide regular updates to stakeholders on projects and increase engagement with the EC BID. A communication strategy has been produced and additional staff costs are requested in this report to deliver the outputs and continue working alongside stakeholders and the EC BID.
13. Annual programme reports will continue to be submitted to Committees and individual Gateway reports will be submitted as projects are developed.

Corporate & Strategic Implications

14. The City Cluster is identified as a Key Area of Change in the draft Local plan. The area will experience the largest increase in working population due to current and projected developments.
15. Transport Strategy – The City Cluster programme delivers against the following outcomes:
 - The Square Mile’s streets are great places to walk and spend time.
 - Street space is used more efficiently and effectively.
 - The Square Mile is accessible to all.
 - People using our streets and public spaces are safe and feel safe.
 - More people choose to cycle.
 - The Square Mile’s air and streets are cleaner and quieter.
 - Our street network is resilient to changing circumstances.
16. The Destination City initiative will ensure that the square mile remains a world-leading destination. In relation to the public realm, aspirations include:
 - Build on existing strategies to explore opportunities for more pedestrianised areas, particularly at the weekend.
 - Bring fun, colour, and lightness to City spaces, with focus on attracting families and more diverse audience groups as well as delivering for workers and residents; and find new opportunities to open and demystify City businesses.
17. The Climate Action strategy was adopted in 2020 and sets out how the City will achieve net zero, build climate resilience and support sustainable growth over the next two decades. A key deliverable is the Cool Streets and Greening programme which focusses on improving climate resilience in the public realm.

Financial implications

18. The delivery of the short-term projects for the first two years, 2022-2024, at an estimated total cost of £2.9m is fully funded through a variety of sources, including site specific Section 106 contributions, Section 278 payments, Climate Action Strategy programme and external sources. However, the medium-term transformative projects such as Leadenhall Street are not fully funded. Officers have estimated costs for all projects and developed a funding strategy. See Appendix 2 for further information.
19. A capital bid for City CIL funding has been submitted with an outcome expected by the end of 2023. Substantial CIL contributions in excess of £80m have been generated in this area as a result of several new developments, and key stakeholders, including the programme board have expressed their support for utilising a proportion of this funding for the delivery of projects to transform the area.

20. In 2020 TfL's Liveable Neighbourhood programme funding of £4m was withdrawn as a result of TfL's financial situation. Officers will continue to work closely with TfL to investigate future funding.
21. Funding from Section 106 agreements in the area are a key funding source for the delivery of the City Cluster programme. Additional S106 funds are proposed to be allocated to the programme through the "S106 Allocation report" which is also on this Committee's agenda.

Legal implications

22. The existing S106 contributions which are proposed to be used to fund the programme are specific to this area, in scope and geography. Section 106 payments made and held for specific purposes must be spent on the purposes for which they are held and in accordance with the City's obligations under the agreement unless these agreements are specifically re-negotiated with the relevant parties.
23. Where further consultation is required on individual projects, this will be carried out as the project moves forward, in accordance with either the statutory requirements or the principles which guide general consultation.
24. The City published an Infrastructure funding statement annually which includes a statement of the infrastructure projects or types of infrastructure which the City intends will be, or may be, wholly or partly funded by CIL. Where proposals for works within the City Cluster Vision fall within the scope City of London Infrastructure List, CIL funds may be used towards such works.
25. Furthermore, the removal of regulation 123 of the CIL regulations 2010, that restricted pooling of S106 and CIL contributions now allows local authorities to combine CIL and 106 revenues towards the same infrastructure project or item.

Risk Implications

26. The top three programme risks are as follows:

Risk	Description	Response
Future funding is not secured for the delivery of medium- and long-term projects	At present, funding has been secured to deliver the short-term projects (2022-2024), Funding for future years (beyond 2024) is uncertain and subject to future capital bids and allocation of S106	Additional funding sources are being investigated, officers will work closely with the Chamberlains Dept. Officers are working with stakeholders including the

	contributions from the local area.	EC BID to support the funding of the workstreams.
Delivery timescales are delayed	Projects will need to be coordinated with the on-going developments in the area. This will impose various programme constraints.	On-going communication with developers and contractors is essential, as is the need for flexibility in the programme.
Lack of stakeholder support	The public consultation on the City Cluster Vision and the Transport Strategy highlighted strong overall support to deliver the proposed initiatives.	<p>A communication strategy is in place to ensure stakeholders are kept updated and consulted at various stages of the projects.</p> <p>The EC BID and stakeholders in the Cluster have expressed their support for the programme. Engagement with these groups has been maintained and will be enhanced.</p>

27. For the Leadenhall Street improvement project and its risk profile, TfL's decision to make the Bishopsgate experimental traffic order permanent means that there is no longer a need to hold funding in its risk register for an experimental timed closure point on the street. This was approved by members in May 2022 in case TfL removed or amend their experiment which could have led to an unwanted increase in general traffic on Leadenhall Street. The proposed risk register included in Appendix 5 of this report therefore no longer includes this risk and has been amended accordingly to reflect the status of the project. At this time, no funding has been attributed to the risk register as the risks for the next stage of work are minimal and mitigations are already accommodated in the project's BAU activities by Officers.

Conclusion

28. The City Cluster area delivery plan outlines a framework for the creation of a positive and welcoming street environment to support the City Cluster. The programme will ensure the streets and spaces are attractive, safe, and inclusive. The ability to place the City Cluster as a destination beyond the working hours, welcoming visitors and workers alike remains a key aim of the programme.

Appendix:

Appendix 1. Overall Programme update (Programme Board presentation).

Appendix 2. Report funding tables and Programme funding strategy for 2024-2027.

Appendix 3. Leadenhall Street Improvements: Design plan and visualisations

Appendix 4. Leadenhall Street Improvements funding information and budgetary requests.

Appendix 5: Leadenhall Street Improvements Proposed Risk Register (for approval).

Other relevant papers in this Committee's Agenda:

Section 106 Allocation report

– For decision

Creechurch Lane Area Gateway 1/2 report
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– For decision

Other relevant documents:

City Cluster Vision (adopted 2019)

<https://www.cityoflondon.gov.uk/assets/Services-Environment/public-realm-city-cluster-vision-area-strategy.pdf>

City of London Transport Strategy (adopted 2019)

<https://www.cityoflondon.gov.uk/assets/Services-Environment/city-of-london-transport-strategy.pdf>

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