

Committees: Streets and Walkways Sub <i>[for decision]</i>	Dates: 26 September 2023
Subject: 22 Bishopsgate public realm project Unique Project Identifier: 11808	Gateway 5 Regular Issue Report
Report of: Interim Executive Director Environment Report Author: Andrea Moravicova	For Decision
PUBLIC	

1. Status update	<p>Project Description:</p> <p>Deliver new and improved public realm in Bishopsgate, Crosby Square, Great St Helen's and Undershaft under the Section 278 and Section 106 agreements associated with the development at 22 Bishopsgate.</p> <p>RAG Status: Green (Green at last report to Committee)</p> <p>Risk Status: Low (Low at last report to committee)</p> <p>Total Estimated Cost of Project (excluding risk): £1,400,500</p> <p>Change in Total Estimated Cost of Project (excluding risk): £105,000 increase since last report to Committees (G5 January 2020) funded from 6-8 Bishopsgate S278.</p> <p>Spend to Date: £992,007</p> <p>Costed Risk Provision Utilised: N/A</p> <p>Funding sources:</p> <p>This project is fully funded through a combination of S106 and S278 contributions. The increase of the budget is funded through a S278 contribution received from the developer of 6-8 Bishopsgate.</p> <p>Slippage:</p> <p>The overall programme for 22 Bishopsgate public realm project was affected by the global pandemic and access to works' site at the southernmost end of Undershaft (due to the development at 6-8 Bishopsgate).</p> <p>The project was also impacted by the materialisation of several identified risks, including delays in the developer's delivery of Phase 1, the length of time required to conclude the S278 agreement and the presence of an underground structure related to the development that needed to be demolished.</p>
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	<p>The development work at 6-8 Bishopsgate delayed the completion of the S278 and S106 works of 22 Bishopsgate. The increase in cost of this last phase of work is paid for by 6-8 Bishopsgate and constitutes the increase in cost that this Issues report refers.</p> <p>The works are expected to be completed in December 2023.</p>																																												
<p>2. Requested decisions</p>	<p>Next Gateway: Gateway 6 Outcome report</p> <p>Requested Decisions:</p> <ol style="list-style-type: none"> 1. Note the delay to the completion of the S278 works associated with 22 Bishopsgate. 2. Note the 6-8 Bishopsgate S278 contribution of £105,000 towards the increased cost of the 22 Bishopsgate public realm project. 3. Approve an increase to the 22 Bishopsgate public realm project budget of £105,000 to complete the project implementation in Undershaft, Note the revised total estimated project cost at £1,400,500. 4. Approve the budget adjustment related to staff and works costs to be actioned as outlined in Table 2 Appendix 4 																																												
<p>3. Budget</p>	<p>The revised total cost of the project is estimated at £1,400,500 and includes a £105,000 increase from the Gateway 5 report agreed in January 2020. The cost increase is fully funded from 6-8 Bishopsgate development through their S278 contribution.</p> <p>The change in the total estimated costs is attributable to increase in material and works' costs over the period of two years whilst the development at 6-8 Bishopsgate was being undertaken making it unavailable for the public highway works to be completed.</p> <table border="1" data-bbox="413 1187 1355 1590"> <thead> <tr> <th>Item</th> <th>Approved Budget at G5 authority to start work (£)</th> <th>Additional Resource required to reach next gateway (£)</th> <th>Revised Budget (£)</th> </tr> </thead> <tbody> <tr> <td>Fees</td> <td>66,807</td> <td>5,728</td> <td>72,535</td> </tr> <tr> <td>Staff costs</td> <td>451,440</td> <td>14,448</td> <td>465,888</td> </tr> <tr> <td>Works</td> <td>667,640</td> <td>154,409</td> <td>822,049</td> </tr> <tr> <td>Lighting</td> <td>15,950</td> <td>-15,950</td> <td>-</td> </tr> <tr> <td>Utilities</td> <td>93,663</td> <td>-53,635</td> <td>40,027</td> </tr> <tr> <td>Total</td> <td>1,295,500</td> <td>105,000</td> <td>1,400,500</td> </tr> </tbody> </table> <table border="1" data-bbox="413 1617 1347 1948"> <thead> <tr> <th colspan="2">Funding sources</th> </tr> <tr> <th>Description</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td><i>Pinnacle - S106 - LCEIW</i></td> <td>250,863</td> </tr> <tr> <td><i>Pinnacle – S106 - Transport</i></td> <td>100,000</td> </tr> <tr> <td><i>22 Bishopsgate S278 (Crosby Sq supervision payment)</i></td> <td>44,637</td> </tr> <tr> <td><i>22 Bishopsgate - S278</i></td> <td>900,000</td> </tr> <tr> <td><i>6-8 Bishopsgate S278</i></td> <td>105,000</td> </tr> <tr> <td>Total Funding</td> <td>1,400,500</td> </tr> </tbody> </table> <p>Costed Risk Provision requested for this Gateway: N/A</p>	Item	Approved Budget at G5 authority to start work (£)	Additional Resource required to reach next gateway (£)	Revised Budget (£)	Fees	66,807	5,728	72,535	Staff costs	451,440	14,448	465,888	Works	667,640	154,409	822,049	Lighting	15,950	-15,950	-	Utilities	93,663	-53,635	40,027	Total	1,295,500	105,000	1,400,500	Funding sources		Description	Amount	<i>Pinnacle - S106 - LCEIW</i>	250,863	<i>Pinnacle – S106 - Transport</i>	100,000	<i>22 Bishopsgate S278 (Crosby Sq supervision payment)</i>	44,637	<i>22 Bishopsgate - S278</i>	900,000	<i>6-8 Bishopsgate S278</i>	105,000	Total Funding	1,400,500
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<p>4. Issue description</p>	<p>Although most of the project scope (Phases 1 and 2) was delivered in 2021, the Implementation of the southernmost area of Undershaft was impacted by access needs of the adjacent development at 6-8 Bishopsgate.</p> <p>Officers liaised with the developer at 6-8 Bishopsgate and 22 Bishopsgate about the completion of works to Undershaft and agreed that:</p> <ul style="list-style-type: none"> • Public realm works to the southernmost part of Undershaft will be deferred until the completion of the development at 6-8 Bishopsgate. This section of works will be treated as a separate phase (Phase 3 - see location plan in Appendix 3). • 6-8 Bishopsgate developer will contribute a sum towards the remaining works to Undershaft in accordance with the S8 and S278 agreement related to the development at 6-8 Bishopsgate. <p>Local stakeholders were informed of the issue and the proposed way forward.</p> <p>The work that is remaining includes reconstruction of a carriageway at the southernmost part of Undershaft as can be seen in Appendix 2.</p>
<p>5. Next steps</p>	<p>The construction at 6-8 Bishopsgate is nearing completion and officers are liaising with local occupiers about the works schedule for the Phase 3 implementation. This includes occupiers of St Helen's church and the Leadenhall Building,</p> <p>Cost estimates for the remaining works (Phase 3) were calculated based on the current material and works costs. The relevant funds have now been received from the developer of 6-8 Bishopsgate and officers are seeking Members approval for these to be allocated to the 22 Bishopsgate project budget as outlined in this report.</p> <p>Phase 3 works will be implemented from September 2023 in sections to ensure access to neighbouring premises is maintained and are due to be completed by December 2023.</p> <p>Gateway 6 report is expected to be submitted to committees before April 2024.</p>

Appendices

Appendix 1	Project Coversheet
Appendix 2	Plan of the remaining works (Phase 3)
Appendix 3	General arrangement plan for the 22 Bishopsgate project
Appendix 4	Finance tables

Contact

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Appendix 1

Project Coversheet

[1] Ownership & Status

UPI: 11808

Core Project Name: 22 Bishopsgate public realm project

Programme Affiliation: City Cluster

Project Manager: Andrea Moravicova

Definition of need:

Provision of new public space, including a raised table along Gt St Helen's, to cater for the sharp rise in pedestrian and cyclists expected to use this area.

Key measures of success:

1. Deliver an enhanced public realm in the vicinity of 22 Bishopsgate.
2. Ensure that the required functions of the streets are maintained.
3. Improve accessibility for all throughout the area.

Expected timeframe for the project delivery:

Key Milestones at Gateway 5:

Practical completion of development including Phase 1 works – March 2020

Commence Phase 2 work on site – March 2020

Completion of work on site – October 2020

The start on site was delayed by the Covid-19 pandemic and the timescales were revised accordingly. Further revisions were made due to adjacent development impacting access to works area, with Phase 2 works split to two separate works packages.

Key Milestones (current):

Completion of Phase 1 – August 2020

Commence Phase 2 – July 2020

Substantial completion of Phase 2 – 31 March 2021

Commence work to the southernmost section of Undershaft (Phase 3) – September 2023

Completion of works to the southernmost section of Undershaft (Phase 3) – December 2023

Gateway 6 (outcome report) – April 2024

Are we on track for completing the project against the expected timeframe for project delivery? No

Several issues delayed the works programme, including the Covid-19 pandemic, access to works site and the signing of the S278 agreement as well as obtaining a licence to work on private land in Undershaft.

Has this project generated public or media impact and response which the City of London has needed to manage or is managing?

No

[2] Finance and Costed Risk

Headline Financial, Scope and Design Changes:

'Project Briefing and Project Proposal' G1/2 report (as approved by PSC March 2017):

- **Total Estimated Cost** (excluding risk): £250,000 - £5,000,000
- **Resources to reach next Gateway** (excluding risk): £100,000
- **Spend to date:** £0
- **Estimated Programme Dates:**
 - Gateway 3 (Design) – July 2017
 - Gateway 4 (Detailed designs) – January 2018
 - Gateway 5 (Delegated authority to start works) - March 2018
 - Gateway 6 (Project Update) – November 2018
 - Works completion – November 2018
 - Project closure – April 2019

'Options Appraisal' G3 report (as approved by PSC 18/07/2017):

- **Total Estimated Cost** (excluding risk): £250,000 - £5,000,000
- **Resources to reach next Gateway** (excluding risk): additional budget of £50,000 was requested at this gateway, with the combined budget of G1/2 and G3 totalling £150,000.
- **Spend to date:** £5,500
- **Estimated Programme Dates:** Not supplied at this gateway

Project's scope increased since G2 report, increasing the lowest cost estimate of the project.

'Detailed Options Appraisal (Phase 2)' G4 report and Authority to start work (Phase 1)' G5 report (as approved by PSC 10/04/2018):

- **Total Estimated Cost** (excluding risk): £2,012,690
- **Resources to reach next Gateway** (excluding risk): £194,637
- **Spend to date:** £91,213
- **Estimated Programme Dates:**
 - Construction (Phase 1) – October 2018 – May 2019
 - Gateway 5 for Phase 2 - September 2018
 - Construction (Phase 2) – January 2019 – June 2019
 - Practical completion of the development – May 2019

'Authority to start Work (Phase 2)' G5 report (as approved by Chief Officer 10/01/2020):

- **Total Estimated Cost** (excluding risk): £1,295,500
- **Resources to reach next Gateway** (excluding risk): £1,002,821
- **Spend to date:** £211,506
- **Costed Risk Against the Project:** N/A
- **CRP Requested:** £0
- **CRP Drawn Down:** £0
- **Estimated Programme Dates:**
 - Construction works from March 2020 until October 2020

Detailed design has been completed on Option 1. The key design principles remain unchanged.

The final project budget of £1,295,500 sits within the original range.

There has been a delay of around 12-14 months to the planned schedule noted at the GW4/5 submission in April 2018. This delay emerged due to two factors: the first was a long Section 278 negotiation process with the developer, with the agreement finally being concluded in July 2019; and the second was delays to the Phase 1 works which are being implemented by the developer's contractor under the terms of the S278 agreement, and which need to be substantially complete before the Phase 2 works can commence.










Gateway 1&2 estimated completion in November 2018 and Members approval for project closure April 2019. Due to the delays detailed above the GW6 submission is now estimated to be December 2020.

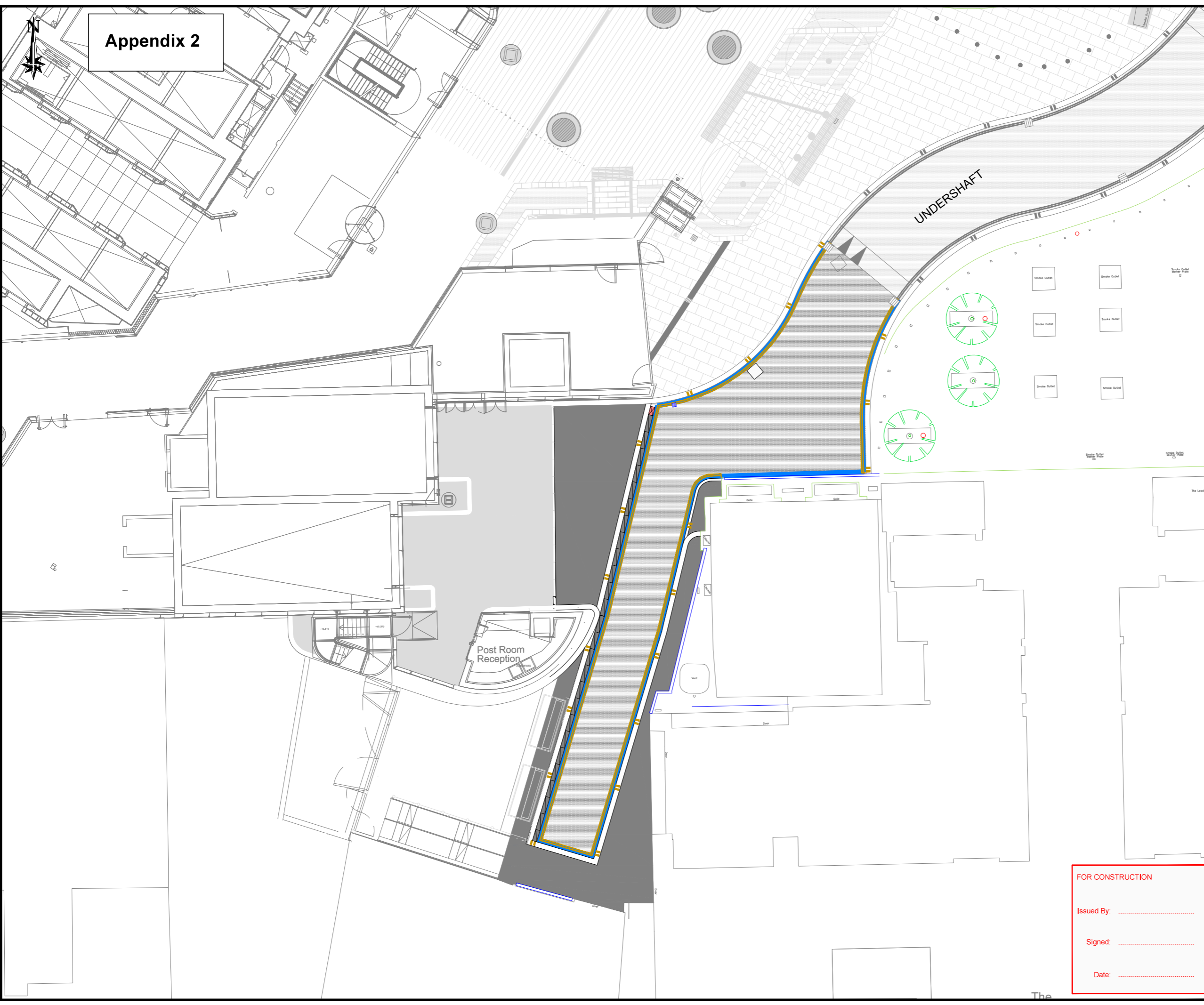
Total anticipated on-going commitment post-delivery [£]: N/A
Programme Affiliation [£]: N/A

Notes:

- 1. No information to be scaled from this drawing.
- 2. Works shall comply with the current City of London Specification for Highway works.
- 3. All road markings refer to the "Traffic Signs Regulations and General Directions 2016". Refer to drawing number 1200/16100403/PH3/RM
- 4. This drawing is to be read in conjunction with all relevant drawings
- 5. The Contractor will be held responsible for any damage caused to private highways and privately owned street furniture.

KEY

-  300 x 200 fine picked silver grey granite kerb
-  150 x 300 fine picked silver grey granite kerb
-  Proposed 40mm thick mastic surfacing
-  Proposed UltiLayer Carriageway surfacing
-  50mm thick hot poured mastic channel 225mm wide.
-  Proposed 450 x 450mm cycle friendly gully
-  Proposed 675 x 675mm 225mm thick internal brickwork manhole with 600 x 600mm D400 cover.
-  FASERFIX KS 200 with built-in fall 0.5 %, up to load class F 900 with D400 Ductile iron grating (SW 18).
-  FASERFIX KS 200 Trash box with galvanised bucket.



Appendix 2

TITLE:
22 Bishopsgate S278 (Phase 3)

TITLE:
General Arrangement

CLIENT:
HIGHWAY DESIGN AND CONSTRUCTION
DEPARTMENT OF THE BUILT ENVIRONMENT
PO BOX 270
GUILDHALL
LONDON
EC2P 2EJ
TEL: 020 7606 3030



CITY OF LONDON

FOR CONSTRUCTION

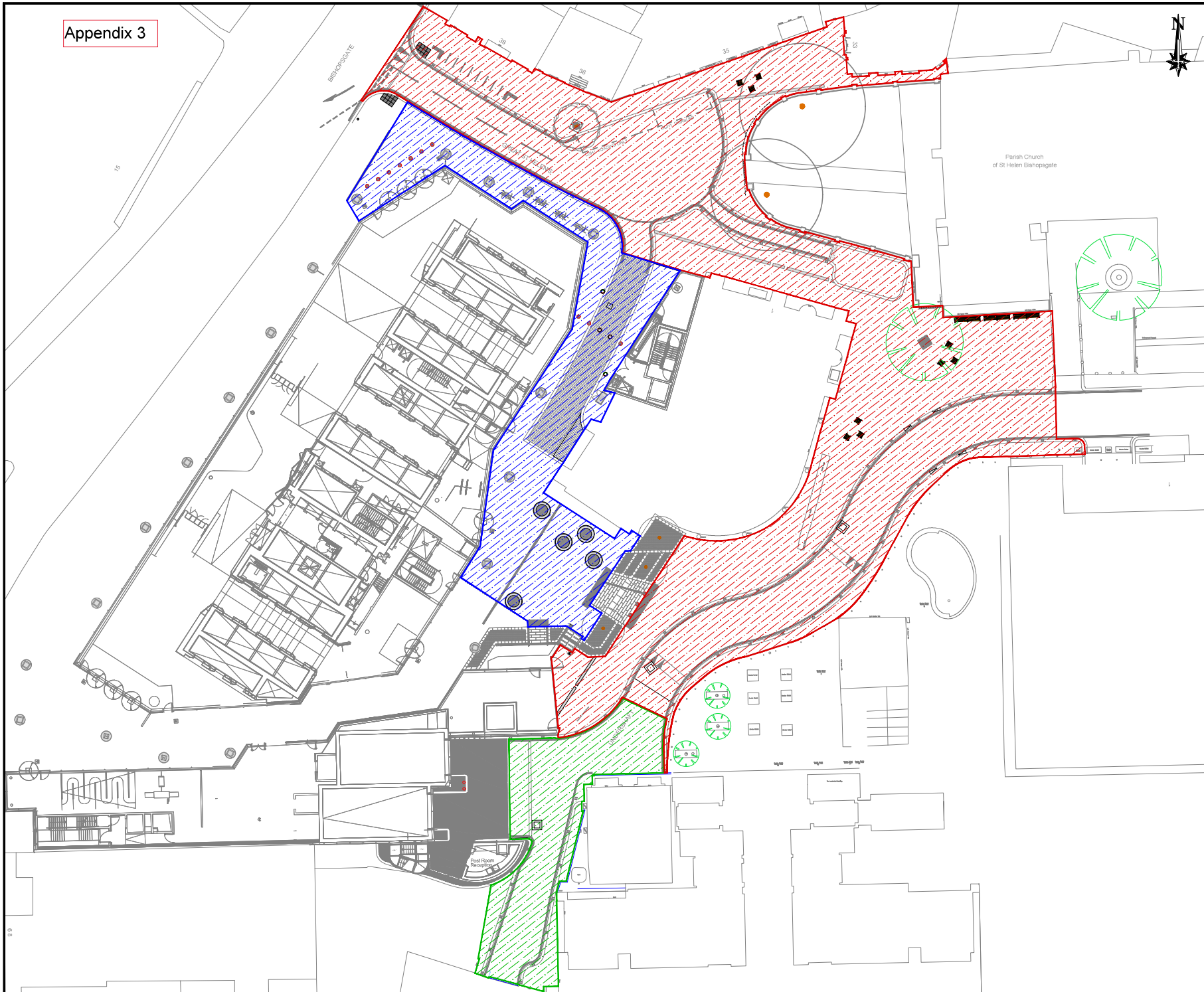
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Date:

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Date: Nov 2022	
Designed by: SR	
Checked by: BM	
Scale & Drawing Size: N.T.S.@A1	
Revision: Drawing No: 100/16100403/PH3/GA	

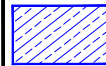
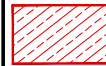
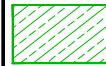
Appendix 3



Notes:

- 1. No information to be scaled from this drawing.
- 2. This drawing is to be read in conjunction with all relevant drawings

Key:

-  Phase 1 Works Boundary
-  Phase 2 Works Boundary
-  Phase 3 Works Boundary

Rev. No.	Date	Description	By
Revision			

22 Bishopsgate S278

Works Boundary Plan

CLIENT
HIGHWAY DESIGN AND CONSTRUCTION
 DEPARTMENT OF THE BUILT ENVIRONMENT
 PO Box 270
 GUILDHALL
 LONDON
 EC2P 2EJ
 TEL: 020 7606 3030



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Date: Aug 2023	
Designed by: SR	
Checked by: BM	
Scale & Drawing Size: 1:200@A1	Revision:
	Drawing No: 100/16100403/WB

Appendix 4

Table 1: Expenditure to Date			
Description	Approved Budget (£)	Expenditure (£)	Balance (£)
16800371: 22 Bishopsgate S106			
Env Servs Staff Costs	8,976	8,975	1
P&T Staff Costs	86,443	86,442	1
P&T Fees	2,625	2,625	-
Total 16800371	98,044	98,042	2
16800419: 22 Bishopsgate Phase 1 S278			
Env Servs Staff Costs	44,637	44,389	248
Total 16800419	44,637	44,389	248
16100403: 22 Bishopsgate Phase 2			
Env Servs Staff Cost	181,154	152,732	28,422
Legal Staff Costs	2,500	1,148	1,352
Open Spaces Staff Costs	5,000	-	5,000
P&T Staff Costs	122,730	122,461	269
P&T Fees	64,182	59,111	5,071
Lighting	15,950	-	15,950
Main Works	667,640	479,973	187,667
Utilities	93,663	40,027	53,636
Total 16100403	1,152,819	855,452	297,367
GRAND TOTAL	1,295,500	997,883	297,617

Table 2: Resources Required to reach the next Gateway			
Description	Approved Budget (£)	Resources Required (£)	Revised Budget (£)
16800371: 22 Bishopsgate S106			
Env Servs Staff Costs	8,976	-	8,976
P&T Staff Costs	86,443	-	86,443
P&T Fees	2,625	-	2,625
Total 16800371	98,044	-	98,044
16800419: 22 Bishopsgate Phase 1 S278			
Env Servs Staff Costs	44,637	-	44,637
Total 16800419	44,637	-	44,637
16100403: 22 Bishopsgate Phase 2			
Env Servs Staff Cost	181,154	5,000	186,154
Legal Staff Costs	2,500	(1,352)	1,148
Open Spaces Staff Costs	5,000	(5,000)	-
P&T Staff Costs	122,730	15,800	138,530
P&T Fees	64,182	5,728	69,910
Lighting	15,950	(15,950)	-
Main Works	667,640	154,409	822,049
Utilities	93,663	(53,635)	40,028
Total 16100403	1,152,819	105,000	1,257,819
TOTAL	1,295,500	105,000	1,400,500

Table 3: Revised Funding Allocation			
Funding Source	Current Funding Allocation (£)	Funding Adjustments (£)	Revised Funding Allocation (£)
16800371: 22 Bishopsgate S106			
S106 - Pinnacle - Transport - 06/01123/FULEIA	98,044	-	98,044
Total 16800371	98,044	-	98,044
16800419: 22 Bishopsgate Phase 1 S278			
S278 - 22 Bishopsgate Crosby Square Supervision Payment	44,637	-	44,637
Total 16800419	44,637	-	44,637
16100403: 22 Bishopsgate Phase 2			
S106 - Pinnacle - LCEIW - 06/01123/FULEIA	250,863	-	250,863
S106 - Pinnacle - Transport - 06/01123/FULEIA	1,956	-	1,956
S278 - 22 Bishopsgate	900,000	-	900,000
S278 - 6-8 Bishopsgate	-	105,000	105,000
Total 16100403	1,152,819	105,000	1,257,819
TOTAL	1,295,500	105,000	1,400,500