

Committees: Streets and Walkways Sub <i>[for decision]</i> Projects and Procurement Sub <i>[for information]</i>	Dates: 14 May 2024 10 June 2024
Subject: Millennium Bridge House Area Improvements S278 Unique Project Identifier: 12305	Gateway 3/4: Options Appraisal (Regular)
Report of: Interim Executive Director Environment Report Author: Emmanuel Ojugo, Policy and Projects, City Operations	For Decision
<h1>PUBLIC</h1>	

1. Status update	<p>Project Description: A public realm improvement project within the immediate perimeter and streets of the approved Millennium Bridge House development at 2 Lambeth Hill.</p> <p>Next Gateway: Gateway 5 - Authority to Start Work (Light)</p> <p>RAG Status: Green</p> <p>Risk Status: Low (Low at last report to committee)</p> <p>Total Estimated Cost of Project (excluding risk): £150K-£300K.</p> <p>Change in Total Estimated Cost of Project (excluding risk): The previous report to Committee in September 2021 suggested the expected cost range to implement the project was between £150K-£300K. Based on current information, the expected upper limit of delivering the project could increase to £370K, the final figure will be confirmed prior to the next reporting stage.</p> <p>Given the relative simplicity of this scheme which will mainly deliver new pavement in the vicinity of the Millennium Bridge House development; it is proposed to delegate approval of a subsequent Gateway 5 report to the City Operations Director (City Streets & Spaces) provided costs identified at Gateway 3/4 are not exceeded by 10% to (in accordance with the City of London's Control of Projects processes).</p> <p>Spend to Date: £20,188</p> <p>NB: In September 2021, £50K was approved at the previous Gateway (September 2021) to carry out the project evaluation stage. It is now proposed to reconfigure the remaining £29,188 to complete reach the Gateway 5 reporting stage.</p> <p>Costed Risk Provision Utilised: £0 (No costed risk provision was prescribed at the previous gateway).</p> <p>Slippage:</p> <p>It was reported at the previous gateway, that practical completion of the development was expected by Q4 2023. However, delays to the developer's programme have reportedly extended practical</p>
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	<p>completion of the building to Q3 2024 to fulfil their obligations related to adjacent land. This has delayed the City’s access to the site to fully appraise the site and therefore delayed the project programme.</p> <p><u>Gates Strategy</u></p> <p>Members may recall as a condition of the developer’s planning approval they were obliged to produce a Gates Strategy outlining the mechanism for relocating the HSBC Gates. Due to access requirements the existing position of the HSBC Gates, namely the southern pair closest to the Bridge would be impacted by the necessary step/ramp projection on Peter’s Hill.</p> <p>Following two years of negotiation the Gates Strategy was approved 31st October 2023, under planning permission, 23/00180/PODC.</p> <p><u>New Lift Access</u></p> <p>As part of the Millennium Bridge House development the inclinator that transports visitors between Peter’s Hill (at Bridge level) and the Paul’s Walk (by the Riverside), is to be replaced by a vertical lift. This means there will be new footway within what was once the inclinator enclosure to the new lift. Access to the lift will interface with the new step/ramp arrangement and additional officer time is required to negotiate how these various elements are to be facilitated, in what is a constrained and busy environment.</p>
<p>2. Next steps and requested decisions</p>	<p>Next Gateway: Gateway 5: Authority to Start Work</p> <p>Next Steps:</p> <ul style="list-style-type: none"> • Complete detailed design; Q3 2024 • Programme the City of London delivery of works, Q3 2024 • Communicate the construction design package to stakeholders Q3 2024 <p>Requested Decisions:</p> <ul style="list-style-type: none"> • Approve the reconfiguration of the approved evaluation budget of £50K of which £29,812 remains to reach the next reporting stage. as summarised in Table 2: <i>Adjustment Required to reach the next Gateway</i>, in paragraph 3 of this report. • Request that the Gateway 5 report (Authority to Start Work), be delegated to the Director of the Built Environment, when final costs are known, provided detailed costs of the S278 works do not exceed the maximum limit of the agreed cost range by 10% (in accordance with project procedure). • Agree that any future required allocation of Costed Risk Provision be agreed by the Executive Director Environment and the Chamberlain, and that the Executive Director Environment is delegated to authorise the future drawdown of funds from this register.

3. Resource requirements to reach next Gateway

The following tables show the current spending on the project to date and the resources required to reach the next stage. A budget adjustment is required to reflect approximately 5 months of P&T officer time to negotiate and manage the project up to Gateway 5.

Table 1: Spend to date - 16800458: Millennium Bridge House S278			
Description	Approved Budget (£)	Expenditure (£)	Balance (£)
Env Servs Staff Costs	11,000	1,188	9,812
P&T Staff Costs	19,000	19,000	-
P&T Fees	20,000	-	20,000
TOTAL	50,000	20,188	29,812

Table 2: Adjustment Required to reach the next Gateway			
Description	Approved Budget (£)	Adjustment Required (£)	Revised Budget (£)
Env Servs Staff Costs	11,000		11,000
P&T Staff Costs	19,000	20,000	39,000
P&T Fees	20,000	(20,000)	-
TOTAL	50,000	-	50,000

Table 3: Revised Funding Allocation			
Funding Source	Current Funding Allocation (£)	Funding Adjustments (£)	Revised Funding Allocation (£)
S278	50,000	-	50,000
Total Funding Drawdown	50,000	-	50,000

Costed Risk Provision requested for this Gateway: X (No Costed Risk Provision is sought at this stage. A set of headline risks are recorded in the Risk Register – Appendix 2).

4. Overview of project options

- 4.1. The project scope is relatively simple and is essentially repaving work around the site of Millenium Bridge House. As such a single option has been discussed and agreed with stakeholders.
- 4.2. The works will consist of resurfacing the section of Peter’s Hill (Millennium Bridge Approach) south of Queen Victoria Street, this will include tying in with new footway to the new development and new lift access; including small parcels of land on Lambeth Hill, Trig Lane (a section of public highway) and Paul’s Walk. Sections of the existing steps between Peter’s Hill and Paul’s Walk, adjacent to Millennium Bridge House, will also be refurbished.
- 4.3. Currently, much of the pavioirs in Peter’s Hill are inconsistent, both in quality and state of repair. It is proposed to relandscape this area in line with the City’s current palette of materials, and in keeping with the City of London’s Public Realm Toolkit (approved January 2024). This will ensure consistency of

	coverage especially in this location which is one of the main gateways into the City of London for people walking and wheeling.
5. Recommended option	Given the relative simplicity of the scheme, a single option is proposed as discussed and agreed with key stakeholders.
6. Risk	<p>Overall project risk: Low</p> <ul style="list-style-type: none"> Full cost of works unknown <i>Risk response: accept</i> As the design develops, the detailed costs of the scheme will be established. It is expected that more information about the areas currently restricted by hoarding will become accessible to the City Engineer ahead of the Gateway 5. If that is not possible, there will be increased risk to the costs and a costed risk provision will be required, fully funded by the Developer. Project not delivered to programme <i>Risk response: reduce</i> The developer requires the environmental enhancement works to be completed to coordinate with their building refurbishment which is to be completed at the end of 2024. The programme will be developed to ensure alignment with this date as much as practically possible. Requirements regarding the HSBC Gates prove problematic and extend the programme <i>Risk response: reduce</i> The developer has submitted a Gates Strategy that was approved in July 2023. The strategy set out the approval mechanism that determines how the Gates relate to the S278 project and how they are to be progressed. The moving of the Gates is deliverable by the developer as a planning condition. The design and evaluation of the adjacent area to the Gates is to be carried out by the City pursuant to the S106 Agreement and delivered as part of the S278 project. This work is dependent on the developer fulfilling their obligations to have the HSBC Gates removed and relocated in conjunction with stakeholders and successfully obtaining statutory approvals. <p>Further information available within the Risk Register (Appendix 2)</p>
7. Procurement approach	<p>7.1. It is anticipated that all works will be undertaken by the City's Highways term contractor. Therefore, a PT4 Procurement form is not required to be submitted for this report.</p> <p>7.2. The design work is proposed to be carried out in-house by the Highways team in collaboration with the developer of Millennium Bridge House.</p>

	7.3. The materials and specification of the design will be as per the City's standard specification, in accordance with the City of London's Public Realm Toolkit (2024).
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Appendices

Appendix 1	Project Coversheet
Appendix 2	Risk Register (for recommended option)
Appendix 3	Site Location Plan
Appendix 4	Site Images
Appendix 5	Test of Relevance Equality Analysis

Contact

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Options Appraisal Matrix

Option Summary	Option 1
1. Brief description of option	<p>The works consist of resurfacing the section of Peter's Hill (Millennium Bridge Approach) south of Queen Victoria Street, including small parcels of land on Lambeth Hill, Trig Lane and Paul's Walk.</p> <p>Further to this, sections of the existing steps between Peter's Hill and Paul's Walk, adjacent to Millennium Bridge House, will also be refurbished and damaged treads replaced.</p>
2. Scope and exclusions	<p>The works are restricted to the aforementioned areas as described in <u>1. Brief description of option</u> and include - Peter's Hill (Millennium Bridge Approach) south of Queen Victoria Street, including small parcels of land on Lambeth Hill, Trig Lane and Paul's Walk.</p> <p>The extent of the project area is illustrated in the Appendix 4: Site Location Plan and associated maps.</p>
Project Planning	
3. Programme and key dates	<p>Overall project: The project works are expected to take 6-8 months to accord with the developer's programme and management of access requirements whilst works are underway. to Duration of project/expected completion date</p> <p>Key dates: The developer is currently in the process of discharging conditions in keeping with obligations related to the terms of the planning approval; and are expected to conclude these elements by September 2024.</p> <p>The City's programme of improvement works are expected to begin in October 2024 subject to the developer's programme and gaining access to the works area in a timely manner.</p>
4. Risk implications	<p>Overall project option risk: Low</p> <ul style="list-style-type: none"> • Full cost of works unknown <i>Risk response: accept</i> <p>As the design develops, the likely cost of the scheme will be established. The scope of the project will be tailored to ensure the developer is able to cover the costs. For the purposes of this report a cost range has</p>

Option Summary	Option 1
	<p>been developed that will be finalised prior to Gateway 5 when more information about areas currently restricted by hoarding will be accessible to the City Engineer.</p> <ul style="list-style-type: none"> • Project not delivered to programme <i>Risk response: reduce</i> <p>The developer requires the environmental enhancement works to be completed to coordinate with their building refurbishment which is to be completed at the end of 2024. The programme will be developed to ensure alignment with this date as much as practically possible.</p> <ul style="list-style-type: none"> • Requirements regarding the HSBC Gates prove problematic and extend the programme <i>Risk response: reduce</i> <p>The developer was submitted a Gates Strategy that was approved by July 2023. The document set out the approval mechanism that determines how this element related to the project (deliverable by the developer as a planning condition), is to be progressed.</p> <p>The design and evaluation of the adjacent area is to be carried out by the City pursuant to the S106 Agreement. This is dependent on the developer fulfilling their obligations to have the HSBC Gates removed and relocated in conjunction with stakeholders and successfully obtaining statutory approvals.</p>
5. Stakeholders and consultees	<ul style="list-style-type: none"> • Developer of Millennium Bridge House • The Millennium Bridge Commission • Bridge House Trust • National Lottery • Sir Anthony Caro Estate • City of London School • District Surveyor • City Surveyor • Comptroller and City Solicitor

Option Summary	Option 1
	<ul style="list-style-type: none"> • Development Management Division • City Arts Initiative • The City of London Access Team
6. Benefits of option	<ul style="list-style-type: none"> • Improved pedestrian movement in the City is expected as a result of a new decluttered environment that improves pedestrian permeability. • Reduced maintenance burden by a using the City's standard palette of materials promoting the City's identity through consistency of coverage in accordance with current guidance in the City of London's Public Realm Toolkit (2024) and Technical Manual (2016). • The developer's aspirations and requirements will be met, by ensuring the surrounding highways work is completed to a high standard prior to occupation of the development.
7. Disbenefits of option	A single option is prescribed and it has been agreed with stakeholders that, given the relative simplicity of the project this approach is a net benefit, given the location and its constraints.
Resource Implications	
8. Total estimated cost	<p>Total estimated cost (excluding risk): £370K <i>Anticipated lifetime cost to deliver this project : £275K-£370k I am confident the project can be delivered within this range given its relative simplicity.</i></p> <p>Total estimated cost: (including risk): £370K – <i>No Costed Risk is sought at this stage.</i></p>
9. Funding strategy	<i>This project is to be wholly funded by S106/S278 Agreement with the developer of Millennium Bridge House.</i>
10. Investment appraisal	<i>A single option is proposed for this project and is to be funded wholly by contributions from external third parties – The developer of Millennium Bridge House.</i>
11. Estimated capital value/return	N/A

Option Summary	Option 1
12. Ongoing revenue implications	<i>Cost Neutral.</i>
13. Affordability	<i>The estimated budget range has been devised with the City's Highway Engineer. The costs are considered affordable and are in keeping with the legally binding Term Contract for delivery. The final costs will be reported at the next Gateway when more information is available.</i>
14. Legal implications	<i>Delivery of this project is in keeping with the related Section 106 Agreement and is legally binding.</i>
15. Corporate property implications	<i>List key corporate property implications for each option in consultation with the City Surveyor's Corporate Property team. If there are none, state 'none'.</i>
16. Traffic implications	<i>None.</i>
17. Sustainability and energy implications	<i>It is anticipated that all materials will be sustainably sourced where possible and be suitably durable for construction purposes.</i>
18. IS implications	<i>N/A</i>
19. Equality Impact Assessment	<i>A Test of Relevance, Equality Analysis was carried out. As a result of this screening exercise it was not considered necessary to carry out a full Equality Assessment of this project.</i>
20. Data Protection Impact Assessment	<i>N/A</i>

<i>Option Summary</i>	<i>Option 1</i>
21. Recommendation	Recommended