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Committees: Streets and Walkways Sub - for decision Planning and Transportation – for decision Projects & Procurement Sub - for information	Dates: 19 March 2024 16 May 2024 10 June 2024
Subject: Stonecutter Court S278 Unique Project Identifier: 12319	Gateway 3/4/5: Options Appraisal and Authority to Start Work (Regular)
Report of Executive Director Environment Report Author: Clive Whittle	For Information
<h1>PUBLIC</h1>	

1. Status update	Project Description: Section 278 (S278) Highways and public realm works required to integrate the new building at 1 Stonecutter Street into the surrounding public highway. RAG Status: Green. (no status at last report to Committee) Risk Status: Low – project is fully reimbursable (Low at last report to committee) Total Estimated Cost of Project (excluding risk): £696,400 Change in Total Estimated Cost of Project (excluding risk): Increase of £146,400 since last report to Committee Spend to Date: £55,173 Costed Risk Provision Utilised: 0;
2. Next steps and requested decisions	Next Gateway: <i>Gateway 6: Outcome Report</i>

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Next Steps: Complete the detailed design package and finalise the construction planning in advance of works commencing on site.

Requested Decisions:

For Streets & Walkways Sub Committee

1. That a budget of **£631,400** is approved to reach the next Gateway;
2. Note the revised total estimated project budget is £696,400 (excluding risk);
3. That a Costed Risk Provision of £100,000 is approved (to be drawn down via delegation to Chief Officer) as set out in the risk register in Appendix 4.
4. Note the Commuted Maintenance sum of £45,100, is included in the budget and will cover any additional future maintenance costs for a period of 20 years.
5. That the design option shown in Appendix 2 is approved;
6. Note that the making of the necessary Traffic Orders, subject to no objections, or the resolution and consideration of any objections, is delegated to the Director of City Operations under the scheme of delegation;
7. Delegate to the Executive Director Environment authority to approve budget adjustments, above the existing authority within the project procedures and in consultation with the Chamberlain, between budget lines within the approved total project budget;
8. Delegate to the Executive Director Environment authority to further increase or amend the project budgets in the future (above the level of the existing delegated authority) provided any increase be fully funded by the Developer.

For Planning and Transportation Committee

9. Agree to enter into an agreement under Section 38 (S38) of the Highways Act 1980 to dedicate areas of private land (by the steps at Harp Alley as shown on Appendix 2) as public highway maintainable at public expense. The cost to maintain the adopted area for 20 years has been included in the commuted maintenance sum as detailed in paragraph 4, above and in Section 3.

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3. Budget		<i>For recommended option:</i>			
Item	Reason	Funds/ Source of Funding	Cost (£)		
Environmental Services (Highways) Staff costs	To enable Highways staff to undertake design and supervision work to reach Gateway 6	S278 Developer funding	£29,000		
Planning and Transportation (P&T) Staff costs	To enable City P&T staff to project manage the scheme to reach Gateway 6	S278 Developer funding	£11,000		
Street Lighting (M&E) Staff costs	To enable City Street Lighting staff to project manage the scheme to reach Gateway 6	S278 Developer funding	£12,300		
Legal Services Staff Costs	To prepare S38 agreement documents	S278 Developer funding	£3000		
Fees	To fund professional fees to undertake tasks such as surveys and traffic orders.	S278 Developer funding	£17,000		
Works	Funding for construction costs.	S278 Developer funding	£473,000		
Utilities	Funding for provisional and confirmed utility alterations	S278 Developer funding	£41,000		
Sub-total			£586,300		
Risk	S278 Developer funded. Further details can be found in Appendix 4 – Risk Register		£100,000		
Commuted Maintenance (Highways)	S278 Developer funded. A chargeable amount to account for the future maintenance implications of the scheme.		£16,500		

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Commuted Maintenance (Street Lighting M&E)	S278 Developer funded. A chargeable amount to account for the future maintenance implications of the scheme	£28,600
Project Total		£731,400
<p>Detailed financial information is shown in Appendix 3.</p> <p><u>Environmental Services (Highways) Staff Costs</u> An estimated £29,000 will be required for Highways staff to finalise the design, plan, manage and supervise the construction of the work.</p> <p><u>Planning and Transportation Staff Costs</u> An estimated £11,000 will be required for Policy and Projects staff to project manage the project to reach the next Gateway. Tasks will include oversight of the construction process, stakeholder engagement, general project management tasks and project close out.</p> <p><u>Street Lighting (M&E) Staff Costs</u> An estimated £12,300 will be required for M&E staff to complete the electrical work.</p> <p><u>Legal Services Staff Costs</u> An estimated £3,000 will be required for legal staff to complete the work necessary for the S38 agreement.</p> <p><u>Fees</u> An estimated £17,000 will be required for professional fees. These are for highway surveys and traffic orders.</p> <p><u>Works</u> City Engineers have estimated that the proposed works will cost £473,000. The works themselves are shown in Appendix 2 and detailed in section 4 of this report.</p> <p><u>Utilities</u> An estimated £41,000 will be required to fund alterations to utilities apparatus affected by the S278 works.</p> <p><u>Commuted Maintenance (Highways)</u> An estimated £16,500 will be required to fund future maintenance arising from the scheme. Specifically, these are to cover additional maintenance liabilities for the next 20 years for street furniture, highway areas constructed in Yorkstone, paving and the additional area of adopted highway.</p>		

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	<p><u>Commuted Maintenance (Street Lighting M&E)</u> An estimated £28,600 will be required to fund future maintenance implications of the scheme. Specifically, these are to cover maintenance liabilities for the next 20 years for the street lighting and electrical works undertaken as part of this project.</p> <p>Costed Risk Provision requested for this Gateway: £100,000 (as detailed in the Risk Register – Appendix 4)</p>
<p>4. Overview of project options</p>	<p>As part of the Planning Permission for the Stonecutter Court development, it was necessary for the developer to enter into a Section 278 agreement to pay for highway improvement measures to make the development acceptable.</p> <p>In terms of options, the scope is limited and defined at planning stage as the package of works required to make the development acceptable in planning terms and those required to integrate the development into the highway. No other options have therefore been explored.</p> <p>The S278 agreement was signed in December 2022 for the proposals as detailed below and shown in Appendix 2. This was developed in conjunction with the Developer to ensure coordination and integration with the new building and with a planned development nearby at 120 Fleet Street, which has changes proposed on St Bride Street within its scope.</p> <p>The proposals include:</p> <ul style="list-style-type: none"> • Reprofiting of the highway to remove a vehicle entrance and provide a level access for people walking on the southern side of Stonecutter Street. • A new vehicle service entrance on St Bride Street. This will require the relocation of some parking bays affected by the new entrance. The existing motorcycle parking bay will be removed, and a dockless e-scooter and cycle parking bay introduced. The provision and position of all the parking bays on St Bride Street will be reviewed as part of future works associated with the development of 120 Fleet Street, which are due to commence in 2026. • Repaving of St Bride Street and Harp Alley and parts of Stonecutter Street. The existing paving pattern on Stonecutter Street will be extended across the existing crossover. • Alterations to utilities and drainage in the locality of the development as required to meet the scope of the section 278 work.

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	<ul style="list-style-type: none"> • Work to amend or strengthen the pipe subway on St Bride Street, if required, to enable heavy vehicles to pass over it at the location of the vehicular crossover. • Street lighting work consisting of an illuminated handrail at the Harp Alley steps and luminaires attached to the new building are included within the scope of this project and is being dealt with by the City Highways team in accordance with the City’s Lighting Strategy. • Widening and improvements to the steps at Harp Alley leading to St Bride Street and the inclusion of a cycle wheeling channel. The widening involves the adoption of an area of private land, and the approval for this element lies with the Planning and Transportation Committee. Installing a ramp to improve accessibility is not feasible due to the significant level difference between St Bride Street and Harp Alley at the steps, and a ramp would block access to building service doorways along Harp Alley. • As things stand part of the steps which lead to Harp Alley are public highway and the other part are private land falling outside the highway. As such officers believe it is more rational and intuitive for those maintaining the steps in the future, for the full width of the steps to be public highway and not the responsibility of different parties to maintain. As such officers are proposing that the part of the steps which are not currently public highway, be adopted as public highway maintainable at the public expense by agreement with the landowner. The developer who has a long leasehold over the area has indicated their agreement to this, but this will be formalised in a s38 agreement (under the Highways Act 1980). As the City Corporation are the freehold owner of the land, they will also need to resolve to dedicate this land. This process will follow if members agree the recommendation.
<p>5. Recommended option</p>	<p>It is recommended that the design shown in Appendix 2 and outlined in this report is progressed to the next gateway.</p> <p>Whilst detailed construction planning is on-going, it’s currently planned that construction would start in Summer 2024. Due to the complicated/constrained environment at Harp Alley for the works needed to the steps, and the substantial area of footway reconstruction and surfacing needed in the streets surrounding the new building, construction is expected to last approximately 7 months.</p>

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6. Risk	<p>The overall risk level of this project is estimated to be medium due to the identified risk of a pipe subway which may require strengthening works. The remainder of the proposals are of a minor nature, and the project is fully funded by the Developer. Any reasonable cost increases will be met by them under the terms of the S278 agreement. The Costed Risk Register can be seen in Appendix 4.</p> <p>Costed Risk Provision Utilised at Last Gateway: £0 Change in Costed Risk: +£100,000.</p> <p>Further information available in the Risk Register (Appendix 4)</p> <p><u>Traffic Implications</u></p> <p>The City is under a duty to “secure the expeditious, convenient and safe movement of vehicular and other traffic (including pedestrians)” so far as practicable (S.122 Road Traffic Regulation Act 1984). Traffic impact during construction will be minimised as far as possible but will require some pavement and lane closures to enable the works to be undertaken.</p> <p><u>Legal Implications</u></p> <p>Officers have already entered into a Section 278 agreement with the developer and will ensure payment is provided prior to the works commencing. If agreed necessary, the Section 278 agreement will be amended to incorporate the small piece of additional land which is to be dedicated.</p> <p>Once adopted as public highway the City Corporation as highway authority would become liable for the maintenance and upkeep of this small additional piece of land. The cost to maintain the adopted area for 20 years has been included in the commuted maintenance sum detailed in this report.</p> <p>Statutory consultation for Traffic Orders is necessary for the relocation and/or removal of parking bays, and for the introduction of a dockless e-scooter and cycle hire parking bay. Once the consultation has closed officers will need to consider whether a public inquiry should be held and must consider all objections duly made and not withdrawn. However, holding a public inquiry is very rare, and this can usually be managed through dialogue with the objector or through minor amendments that do not affect the overall project. Consideration or resolution of any objections to the advertising of Traffic Orders before making them is delegated to the Director of City Operations under the scheme of delegation.</p>
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	<p><u>Equalities</u></p> <p>As a Public Authority, the City must have due regard to equality considerations when exercising its functions (section 149 Equality Act 2010). A Test of Relevance has been completed, which indicates a full Equalities Impact Assessment (EqIA) is not required, as minimal impact was found. It did however note that there is a lack of step free access to Harp Alley from St Bride Street. Installing a ramp had been considered, however, there are doorways on Harp Alley which make this difficult and prohibitively expensive. There are no public access points to any buildings from Harp Alley. A step free access remains from Farringdon Street 150m away.</p>
7. Procurement approach	Highway construction and street lighting works will be delivered by the City's Highway Term Contractor, FM Conway.
8. Design summary	<ol style="list-style-type: none"> 1. Reconstruction of footway and carriageway on Stonecutter Street, St Bride Street and Harp Alley; 2. Repositioning and removal of parking bays to facilitate a new vehicle access; 3. Introduction of a dockless e-scooter and cycle hire parking bay; 4. Carriageway resurfacing and reprofiling where required; 5. Alterations to utilities and drainage in the locality of the Development; 6. Reconstruction and widening of the existing steps on Harp Alley, adoption of a portion of private land on the steps as public highway, the inclusion of a cycle wheeling channel to assist people with cycles to transport them up and down more easily, and; 7. Amended and additional street furniture, lighting and signage around the Development.
8. Delivery team	Project management will be provided by the Policy & Projects section. Highway construction works including lighting and electrical works will be undertaken by the City's Highway Term Contractor, FM Conway, with supervision undertaken by City Highway Engineers
9. Success criteria	<ol style="list-style-type: none"> 1. Improved and more accessible public realm, so people walking, cycling and wheeling feel more welcomed. 2. The new development is integrated and accommodated into the highway improvement works.
3. Progress reporting	Officers will report via monthly Project Vision updates. Should it be required, issues requiring further decisions by Members will be brought back as an Issue Report.

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Appendices

Appendix 1	Project Coversheet
Appendix 2	Works Plan
Appendix 3	Finance Tables
Appendix 4	Risk Register

Contact

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