

Committees: Streets and Walkway Sub-Committee – For Decision Projects and Procurement Sub-Committee – For Information	Dates: 01 October 2024 21 October 2024
Subject: Queensbridge House Hotel Section 278 Public Realm Enhancements and Highway Works Unique Project Identifier: 12034	Gateway 6: Outcome Report Light
Report of: Executive Director of Environment Report Author: Leila Ben-Hassel	For Decision
PUBLIC	

Summary

1. Status update	<p>Project Description: This project aimed to deliver highway changes and public realm improvements in the vicinity of the new Queensbridge House Hotel (now Westin) to accommodate and integrate the hotel operations into the surrounding City of London highway (Please see location map in appendix 2).</p> <p>The project programme was coordinated with the hotel's construction programme. Delays were incurred due to the development programme slipping by at least a year. It was further impacted by the Covid-19 pandemic as well as extensive negotiations with the developer to agree the scope of highway changes.</p> <p>The scope of works was finalised and approved with the developer as part of a S278 agreement in December 2021. Works started on site in July 2022 and main works were completed in February 2023. Construction delays are summarised in section 9.</p> <p>RAG Status: Green (Amber at last report to Committee) Risk Status: Low (Low at last report to committee) Costed Risk Provision Utilised: 0</p>
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	Final Outturn Cost: £504,691
2. Next steps and requested decisions	Requested Decisions: <ul style="list-style-type: none"> • Note the conclusions of the report • Approve the closure of the project upon completion of outstanding signage changes and accounts verification.
3. Key conclusions	<ul style="list-style-type: none"> • Works were completed within the approved project budget. There is an acknowledgement that the project programme slipped by over a year and contributing reasons are summarised in Section 9: <i>Assessment of project against key milestones</i>. • Once works started on site, the delivery was time efficient with gangs in both areas on the north side and south side of Upper Thames St. • Close coordination with the hotel in the phasing of the works led to minimum disruptions to their operations as the highway works finished after they opened the hotel. • As the Queensbridge House Hotel development involved a change of use from office to hotel and restaurant, the works have enhanced the approach to both its main and secondary entrances and accommodate well the increase in visitors and pedestrian traffic. • Accessibility has been improved through the raising of the carriageway on High Timber Street, the table on Little Trinity Lane and the new step-free route from Queen Victoria Street to the riverside through the hotel.

Main Report

Design & Delivery Review

4. Design into delivery	<p>The design was developed based on available information and site constraints. The hotel hoarding layout was such that some areas could not be surveyed until the entirety of the hoarding was taken down. This delayed the finalisation of the construction package.</p> <p>Private land drainage issues impacted the highway works causing delays on site. The City's Highways Construction Manager was able to get works onsite to resume despite the matter not being resolved between both parties. This issue sits outside of the scope</p>
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	<p>of the S278 works and is still being dealt with by the Highways Management Team.</p> <p>The design included a series of bollards carefully placed to minimise over running of the pavement, particularly along the section of private land by Stew Lane.</p>
5. Options appraisal	<p>Initial concept design options did include lighting and greening enhancements. Due to financial constraints the developer did not want to include these in the project scope as these were over and above what was required to mitigate the impact of the development.</p> <p>The hotel lighting scheme was assessed by officers and deemed sufficient alongside existing highways lighting to ensure the area feels safe at night-time.</p> <p>The option agreed with the developer was taken to delivery. It involved levels adjustments, resurfacing both on the north side and south side of Upper Thames Street and raising of the carriageway by the main porte-cochere. Officers did not resurface the entire raised carriageway section in granite in front of the porte-cochere. With environmental and costs considerations in mind, officers reused and repaired the existing York stone raised tables to match the granite. Asphalt was used on the north side in line with City Highway standard materials.</p>
6. Procurement route	<ul style="list-style-type: none"> • The concept design work was procured as a direct award given the small scale of the project and the developer's tight deadlines. • The technical design was done in-house by our Senior Highways Project Engineer. • The necessary surveys were commissioned through the Highways Team Framework. • The construction works were delivered by the City Highways Contractor.
7. Skills base	<p>The team had the relevant skills in house to take the project to completion.</p> <p>The project benefitted from having a senior construction manager on the City's Project Team with a lot of experience who was able to manage the phasing of the works effectively, identify issues early on and act swiftly.</p> <p>When the private land / highway land drainage issue arose, he was able to minimise the impact on the project delivery as best as possible despite the issue not yet being resolved between both parties. (This issue sits outside of the scope of the S278 works)</p>

8. Stakeholders	As this is a residential area, all residents were regularly updated on the project progress as part of the programme updates (including Globe View and Little Trinity Lane). Individual letters were delivered to all flats in the direct vicinity which included detailed information on the phasing of the works and works/noisy hours.
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Variation Review

9. Assessment of project against key milestones	<p>At Gateway 5 the key milestones were as follows:</p> <ul style="list-style-type: none"> • Detailed design/Construction Package (Summer/Autumn 2021) • Main works implementation (January to April 2022) <p>The detailed design/construction package took longer to finalise due to lack of access behind the development hoarding to undertake necessary surveys as well as drainage design issues on the developer's side. It was finalised early 2022. This impacted the start of the works on site, which started in July 2022 and completed in February 2023, 4 months after the completion of the hotel works. Coordination with the hotel was undertaken to minimise disruptions to the hotel activities whilst highways works were completed on site.</p>
10. Assessment of project against Scope	<p>At Gateway 5, the project scope was approved to include the following improvements subject to final agreement with the developer:</p> <ul style="list-style-type: none"> • Huggin Hill/Huggin Court: wayfinding, lighting and surfacing (adjusting levels/paving improvements) to enable the promotion of the new step-free route from Queen Victoria St to the riverside via the hotel. • Little Trinity Lane: enhancing the feeling of safety around 'back of house' areas of the hotel and the pedestrian bridge, highway road layout changes (kerb alignment and raising carriageway) to accommodate safe servicing vehicular movement, lighting improvements and introduction of greening where possible. • High Timber St: adjustments to road layout and levels to accommodate vehicular movement together with surfacing, public realm, lighting and greening enhancements to highlight the new hotel's porte-cochere. Any additional greening would contribute to pollution mitigation along Upper Thames St, one of the most polluted streets in the City. • Queenhithe: adjustment to the highway's layout and levels together with surfacing improvements to accommodate the hotel's operations and enhance a safe pedestrian environment.

	<ul style="list-style-type: none"> • Riverside walkway / Stew Lane: adjustments to levels and paving enhancements to best link up the hotel’s new riverside walkway to Globe View internal riverside walkway; lighting and wayfinding improvements to support the objective of a continuous Thames path. <p>Please refer to the location map included in appendix 2.</p> <p>During negotiations with the developer, officers tried to negotiate some additional greening enhancements in the area to further enhance the amenity of the hotel, but these were unsuccessful.</p> <p>With regards to lighting, it was agreed that the hotel lighting scheme was sufficient to create a feeling of safety in the vicinity of both the northern and southern entrance in addition to the existing highway lighting. No further enhancement of lighting was undertaken.</p> <p>Due to changes to the hotel, a new external riverside walkway including level changes and introducing both steps and a ramp to Stew Lane was delivered. There was no longer any need for further works in that area, and the hotel owner did not support lighting and wayfinding enhancements to join up both sections of the walkway as the new layout of their section of walkway lined up with Globe View internal walkway entrance.</p> <p>All the other highway and public realm enhancements were delivered, including new paving of Huggin Court, new table at the junction of Huggin Court and Little Trinity Lane, paving adjustments on Huggin Hill by the hotel entrance, new surfacing and kerb adjustments along Trinity Lane to enable safe servicing, raising up of the carriageway and resurfacing in the City palette of materials along High Timber Street. City bollards were also introduced to enhance road safety and minimise overrun on pedestrian footways.</p> <p>These improvements assist guests and visitors arriving at the hotel, and other people walking and wheeling in the area.</p>
<p>11. Risks and issues</p>	<p>The following risks were identified in the Risk Register at Gateway 5 (see Appendix 4) and some of these risks materialised into issues during the design finalisation and construction:</p> <ul style="list-style-type: none"> • R1 - Delay to S278 <i>This risk materialised. There were extensive negotiations with the developer on the scope, the design as well as the budget. The project team did its best to fit the cost of the works to meet the developer’s budget without compromising the design.</i>

	<ul style="list-style-type: none"> • R2 - Programme Delay <i>This risk materialised as an issue. The design development was impacted due to lack of access behind hoarding for City of London surveys for months.</i> • R3 - Cost Increase as a result of unknown utilities and drainage <i>This risk materialised as an issue. Drainage surveys were undertaken at the start of the design development, but this was not possible behind the hoarding. The highways drainage design was developed with the developer's design team. However during construction it became apparent that the new hotel drainage system was not fit for purpose and connected to the highways drainage without consent. This issue is still being resolved between the City's Environmental Health and Highways Teams and the Hotel owner.</i> <i>This led to works being paused several times and the increased programme required a renewal of all permits (increased cost of circ. £8,000). The additional cost was absorbed within the approved budget underspent.</i> • R7 - Impact of Covid Pandemic on developer's programme <i>This risk did materialise. The construction programme was already delayed by nearly a year. The pandemic further impacted the hotel construction programme but they quickly manage to resume works on site nearly at full capacity and caught up some of the delay.</i>
<p>12. Transition to BAU</p>	<p>Transition to Business as Usual was on one hand seamless as the enhanced environment makes it easier for highways and cleansing departments to maintain the area.</p> <p>On the other hand, it is worth noting that there are still ongoing coordination between the City and the hotel owner on drainage matters that are yet to be resolved. This falls outside of the scope of the S278 project.</p>

Value Review

<p>13. Budget</p>	<table border="1"> <tr> <td data-bbox="517 1816 780 1928"> <p><i>Estimated Outturn Cost (G2)</i></p> </td> <td data-bbox="780 1816 1366 1928"> <p>Estimated cost (including risk): N/A Estimated cost (excluding risk): £500k-£800k</p> </td> </tr> </table>	<p><i>Estimated Outturn Cost (G2)</i></p>	<p>Estimated cost (including risk): N/A Estimated cost (excluding risk): £500k-£800k</p>
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14. Investment	<i>Not Applicable</i>																		
15. Assessment of project against SMART objectives	<p data-bbox="491 846 1249 884">The below SMART objectives were set at Gateway 2:</p> <ul data-bbox="539 902 1445 1312" style="list-style-type: none"> <li data-bbox="539 902 1398 976">• Improved legibility to the riverside (measured through pre and post-implementation pedestrian surveys) <li data-bbox="539 976 1398 1088">• Improved accessibility (measured through pre and post-implementation pedestrian surveys and engagement with disability groups); <li data-bbox="539 1088 1445 1234">• Pollution mitigation (should additional greening be introduced subject to site constraints) to be monitored by the City’s environmental health team pre-and-post implementation; <li data-bbox="539 1234 1433 1312">• Programme and cost savings through effective coordination with the developer’s contractors. <p data-bbox="491 1350 1422 1496">The project objectives were finalised at Gateway 5 following negotiations with the developer. These became more focused solely on the integration of the hotel development into the existing highway.</p> <p data-bbox="491 1534 1414 1641">There was no budget for monitoring approved through the S278 negotiation and no other source of funding was identified to carry out pre and post monitoring.</p> <p data-bbox="491 1680 1430 1825">Officers however regularly visited the site since the works were completed and observed that footfall has visibly increased along the new footway of Upper Thames Street, visitors seem to find the northern entrance well and use the new table.</p> <p data-bbox="491 1863 1426 1928">Servicing operations and movement in and out of the bay seem to work well with minimum vehicular overrun.</p>																		

<p>16. Key benefits realised</p>	<p>The project realised the benefits set out at Gateway 2 as below:</p> <ul style="list-style-type: none"> • Improved pedestrian movement from Mansion House Station / Queen Victoria St / Queen St to the riverside; • Improved pedestrian safety along Upper Thames St due to a clearer designated pedestrian footway • Enhanced pedestrian environment in the vicinity of the hotel north and south of Upper Thames St; • An increased feeling of safety when walking at night along High Timber St, Stew Lane and Little Trinity Lane due to improved lighting and use of high-quality materials.
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Lessons Learned and Recommendations

<p>17. Positive reflections</p>	<ul style="list-style-type: none"> • Coordination of the works with the hotel construction manager went well; • Negotiations on the design and scope with developer were lead well. Despite the developer setting a tight works budget, officers secured a design that achieved the most important City aspirations of integrating the new development well into the existing highway and creating a more welcoming environment for people walking and wheeling.
<p>18. Improvement reflections</p>	<ul style="list-style-type: none"> • City Surveyor’s acting as freeholder were keen for the S278 works to start on site as early as possible. The developer did not want to pay for the Costed Risk Provision up front as part of the main S278 payment, as is standard. On this occasion, Officers accepted this condition even though it was not standard, in order not to further delay the completion of the agreement and start on site in line with the City’s aspirations as freeholder. In future, such a condition should not be accepted. The Costed Risk is an integral part of efficient and effective project management. Agreeing to this condition put unnecessary pressure on the project team and meant that we were not as agile as we should have been to deal with issues as they arose. • Both the project manager and construction manager spent more time on the project than anticipated and were unable to effectively cover this cost because the flexibility of the costed risk provision was not immediately available. It also meant that only the minimum work on wayfinding could be achieved. In future, officers will not agree to not receiving CRP as

	part of the upfront payment from the developer to deliver the S278 works.
19. Sharing best practice	Lessons learned from this project will be shared across the Transport and Public Realm Projects Team and the Highways Team through presentations at Team Meetings.
20. AOB	<p>Remaining funds will be used for updating existing Legible London signs.</p> <p>Further signage improvements to the riverside walkway will be undertaken strategically through the development of the Riverside Healthy Streets Plan.</p>

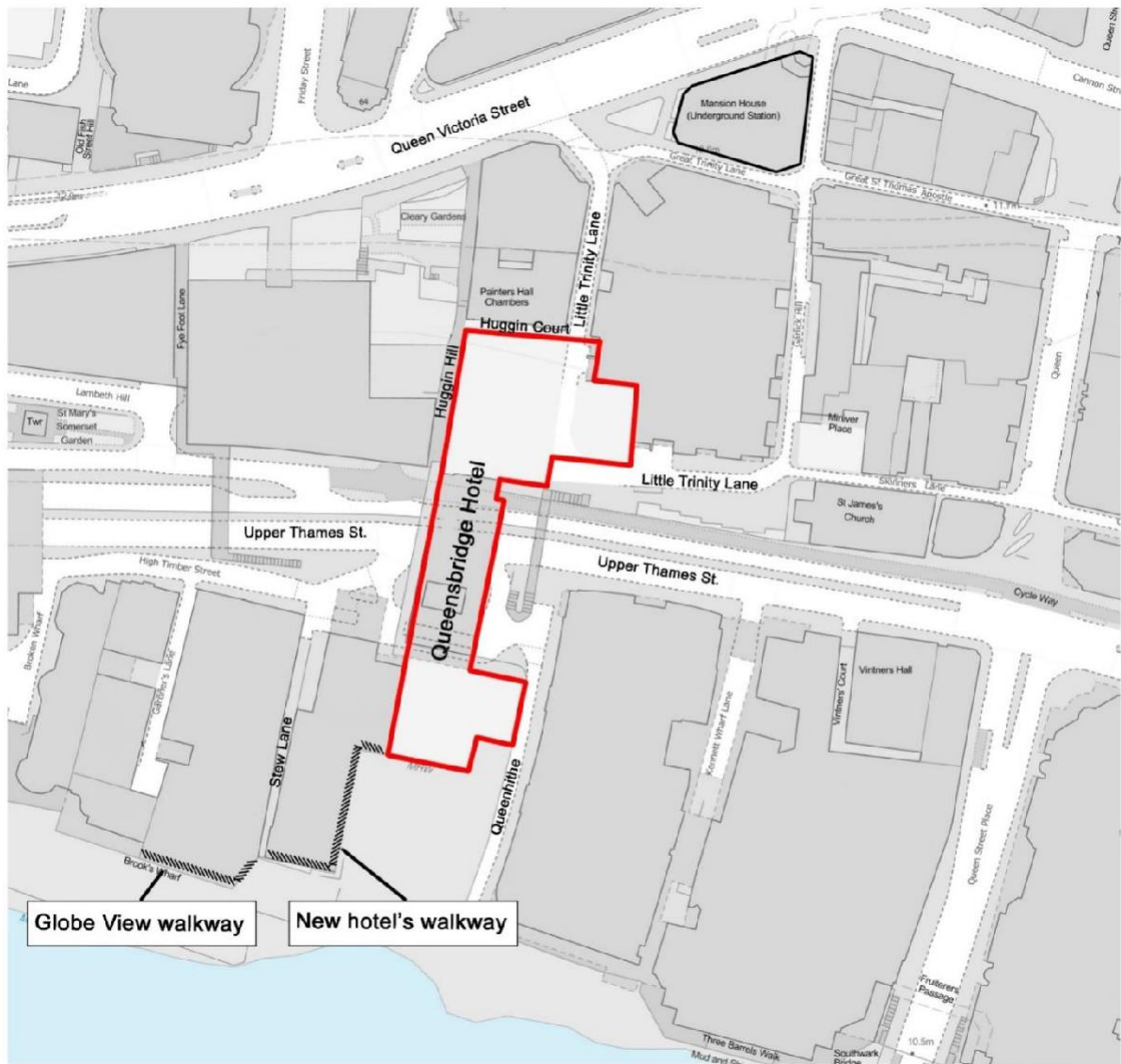
Appendices

Appendix 1	Location Map
Appendix 2	Project Coversheet
Appendix 3	Finance Tables
Appendix 4	Risk Register
Appendix 5	Before and after pictures

Contact

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Telephone Number	0207 332 1569

Appendix 1 – Location Map



Appendix 2 – Project Cover Sheet

Project identifier			
[1a] Unique Project Identifier	12034	[1b] Departmental Reference Number	NA
[2] Core Project Name	Queensbridge House Hotel S278 Works		
[3] Programme Affiliation	Queenhithe and Vintry Public Realm Improvements		

Ownership	
[4] Chief Officer has signed off on this document	Jon Averbs
[5] Senior Responsible Officer	Melanie Charalambous
[6] Project Manager	Leila Ben-Hassel

Description and purpose					
[7] Project Mission statement / Elevator pitch					
To deliver highway and public realm enhancements to the area affected by Queensbridge House development. Impact of the development will be mitigated by highways adjustments, incl. levels, kerb alignments, surface treatments, as well as accessibility, pedestrian safety, lighting and wayfinding improvements.					
[8] Definition of Need: What is the problem we are trying to solve or opportunity we are trying to realise (i.e. the reasons why we should make a change)?					
<p>Queensbridge House Hotel is a large development currently under construction in the Queenhithe and Vintry wards either side of Upper Thames St (see location plan in appendix 1). This project offers the opportunity for the developer to contribute to mitigating the impact of the development on the wider vicinity as well as accommodating safely its operational activities. In the Queenhithe and Vitry programme area, there are two other live projects: Mansion House Station Environs and Globe View Walkway. This project presents an opportunity to deliver an improved urban realm in line with the City's look and feel aspirations of for the wider area. Garlick Hill, Huggin Hill, Huggin Court and Little Trinity Lane are key routes from the City to the riverside and this project offers the opportunity to deliver comfortable walking routes (identified in the City's draft Transportation Strategy), incl. a step-free down Huggin Hill via the hotel over Upper Thames St.</p>					
[9] What is the link to the City of London Corporate plan outcomes?					
<p>[2] People enjoy good health and wellbeing. [11] Our spaces are digitally and physically well-connected and responsive. [12] Our spaces are secure, resilient and well-maintained.</p>					
[10] What is the link to the departmental business plan objectives?					
<p>[1] Advancing a flexible infrastructure that adapts to increasing capacity and changing demands. [5] Creating an accessible city which is stimulating, safe and easy to move around in [8] Improving quality of life for workers, residents and visitors.</p>					
[11] Note all which apply:					
Officer: Project developed from Officer initiation	Y	Member: Project developed from Member initiation	N	Corporate: Project developed as a large scale Corporate initiative	N
Mandatory:	Y	Sustainability:	N	Improvement:	Y

Compliance with legislation, policy and audit		Essential for business continuity		New opportunity/ idea that leads to improvement	
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Project Benchmarking:

[12] What are the top 3 measures of success which will indicate that the project has achieved its aims?

- 1) A new step-free pedestrian link will be created, which is expected to enable improved pedestrian movement in the City.
- 2) Improved lighting and high-quality materials are expected to increase public perception of safety when using the new step free route.
- 3) The surrounding highways work is completed within 6 months upon occupation of the development.

[13] Will this project have any measurable legacy benefits/outcome that we will need to track after the end of the 'delivery' phase? If so, what are they and how will you track them? (E.g. cost savings, quality etc.)

N/A

[14] What is the expected delivery cost of this project (range values)[£]?

£450,000

[15] Total anticipated on-going revenue commitment post-delivery (lifecycle costs)[£]:

Revenue regarding maintenance implications for highways have been assessed and are of minimum impact as all areas will be replaced with new paving thereby reducing the maintenance requirements.
A minor section of carriageway on the south side is to be changed to granite setts which will have minimum impact on the maintenance budget.
This has been assessed in conjunction with the City's Highways Manager.

[16] What are the expected sources of funding for this project?

The project will be fully funded by a S.278 agreement with the owner of Queensbridge House Hotel, currently in its finalisation stage.

[17] What is the expected delivery timeframe for this project (range values)? Are there any deadlines which must be met (e.g. statutory obligations)?

Overall project: Jan. 2019 to March 2022
Other works dates to coordinate: The implementation timescales are dependent on the development's programme. Close coordination with the development's main contractor will enable mitigating programme risks. A construction programme will be coordinated and agreed with developer once the main contractor is formally appointed.

Project Impact:

[18] Will this project generate public or media impact and response which the City of London will need to manage? Will this be a high-profile activity with public and media momentum?

The project will not be a high-profile activity, it is not expected to generate public or media impact. However it should be noted that ward members of Queenhithe are scrutinising works closely on behalf of residents they represent as the delivery plans for the riverside walkway have been delayed for years due to legal dispute over air rights as well as delays to the development. Close communication, consultation and engagement of residents and ward members will be key areas of the project process.

[19] Who has been actively consulted to develop this project to this stage?

Chamberlains: Finance	Officer Name: Olu Obisesan / Darshika Patel
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Chamberlains: Procurement	Officer Name: not applicable
IT	Officer Name: not applicable
HR	Officer Name: not applicable
Legal	Laura Goddard
Communications	Officer Name: Not applicable
Corporate Property	Officer Name: Not applicable
Highways	Christian O'Keefe and Paul Jones
External	Owner of Queensbridge House Hotel

Appendix 3 – Finance Tables and Budget Adjustment

Table 1: Expenditure to Date			
Description	Approved Budget (£)	Expenditure (£)	Balance (£)
16800407: Queensbridge House Hotel S278			
Env Servs Staff Costs	14,217	14,216	1
P&T Staff Costs	27,500	27,500	-
P&T Fees	7,261	5,050	2,211
Total 16800407	48,978	46,766	2,212
16100407: Queensbridge House Hotel S278			
Env Servs Staff Costs	63,583	63,583	-
P&T Staff Costs	38,450	38,450	-
P&T Fees	26,539	26,520	19
Env Servs Works	325,728	325,000	728
Utilities	4,522	4,372	151
Total 16100407	458,822	457,925	898
GRAND TOTAL	507,800	504,691	3,109*

*Underspend to be moved to works to fund updates to Legible London signs – please see section 20 for further information.

Appendix 4 – Risk Register

Appended separately.

Appendix 5 – before and after pictures



Before (South Side)



After (South Side)