

| Committee(s): | Date(s): | Item no. |
|--|---------------------|-----------------|
| Open Spaces and City Gardens Committee | 07 October 2013 | |
| Subject: Aldgate Highway Changes and Public Realm Improvement Gateway 4 Report – Summary for Open Spaces Committee | Public | |
| Report of: Director of the Department of the Built Environment | For Decision | |
| <p style="text-align: center;"><u>Summary</u></p> <p>The Aldgate Highway Changes and Public Realm Improvement project is a major project consisting of extensive highway and environmental enhancements in the Aldgate area. Appended is the Gateway 4 options appraisal report that will go to Streets and Walkways Sub-Committee on 14 October 2013.</p> <p>For reasons that are explained in the main body of this report, it is critical that this project receives its Gateway 4 approval without delay. To that end, it has become necessary for this report to be presented to the relevant Committees out of sequence. Thus, whilst the spending Committee for the project is the Streets and Walkways Sub-Committee, the first Committee which will receive this report is the Open Spaces and City Gardens Committee.</p> <p>The proposed scheme will involve a significant upgrade to the soft landscaping in the area. Whilst the capital costs of this soft landscaping will be met by the project, there will be an increase in revenue costs associated with its upkeep and maintenance. This report presents a summary of those revenue impacts, and discusses work that will be undertaken to determine how these additional costs can be met.</p> <p>Recommendation</p> <p>It is recommended that Members:</p> <ol style="list-style-type: none"> i) Note that the project may lead to increased revenue costs and that these additional costs and funding proposals will be determined as part of the detailed design, and fully reported in the Gateway 5 report. ii) Approve that the project proceeds to Gateway 5, subject to the Open Spaces and City Gardens Committee receiving the Gateway 5 report for | | |

decision.

Main Report

Background

1. Aldgate is one of the five Key City Places listed in the City's Core Strategy and draft Local Plan. The aim of this project is to achieve transformational change in Aldgate by removing barriers to movement, providing public realm amenity and reducing road danger. This will be achieved by converting Aldgate gyratory to two-way working on Aldgate High Street, St Botolph Street and a section of Middlesex Street, creating a new public square between the Sir John Cass's Foundation Primary School and the St Botolph Without Aldgate Church.

Current Position

2. Since the Gateway 3 report was submitted, significant work has been undertaken to advance the project. This includes extensive public consultation, design, and technical investigations. As a result of this work, it has been concluded that there is a solution which can deliver the transformational change that Aldgate needs. Drawings of the scheme are given in Appendix A.
3. It should be noted that all of the green spaces indicated on the drawing will remain as public highway. No new City Gardens/Open Spaces will be created as part of this project.
4. The capital cost for this scheme is expected to fall in the region of £16.3-£17.1m. Roughly half of this will be funded by Transport for London (TfL), with the remainder being met by a number of S106 funds. There may also be a possibility that some Community Infrastructure Levy (CIL) funds will be utilised.
5. In conjunction with the creation of the new public space, there will be significant upgrades in the quantity and quality of planting and lighting in the area. There will also be higher expectations in terms of cleansing, as the public spaces are expected to be used on a seven days per week basis. The capital and revenue costs associated with these are set out in Appendix B. A total annual revenue cost increase of £154k is forecast across all services.
6. The capital costs of these are expected to be met from the TfL/S106 funding streams set out above. The increase in revenue costs may also be

able to be met for a future period through a commuted sum utilising s106 or CIL monies, or by raising new revenue. If this is not possible, the final landscaping scheme will need to be modified to bring the scheme within budget and this matter will be presented for decision at Gateway 5.

Way Forward

7. There are considerable risks to this project if the project is delayed at this stage. These include:
 - Loss of stakeholder support;
 - Key team members and decision-makers likely to be assigned to other projects, leading to a loss of project-specific capability and knowledge;
 - Staff from key outside bodies (such as TfL) being reassigned to other projects, requiring replacement staff to be given time to come up to speed with the project following any delay;
 - The momentum of public support achieved by the recent communications effort will dissipate; and
 - Our major funding partner expects that we will begin construction in Summer '14. This will not be possible if the project is delayed.
8. For the above reasons, it is considered critical that the project should not be delayed. Provided that the scheme receives approval by the relevant Committees, it is anticipated that we will receive all Gateway 4 approvals by the end of October 2013. We will then begin working towards achieving Gateway 5 approval in April 2014.

Issues to be Resolved by Gateway 5

9. One of the key elements of the public realm design will be the provision of a kiosk. It is envisaged that the kiosk will sell refreshments, and will provide accessible public toilets. The kiosk is an important element of the project, as it is key to enlivening the public space. There are a number of options for how the kiosk will be managed, each with different capital and revenue cost implications. For example it might be run as a social enterprise or as a purely commercial enterprise or somewhere in between. One possibility is that profit raised through the kiosk could be used to offset revenue costs of the future maintenance of the square and this option will be reported upon further at Gateway 5.

10. A working group has been created to manage the development of the kiosk and its operation and design. It includes representatives of Community and Children's Services, the City Surveyors and key project team members. The group will be chaired by the Project Director. Funding options for the Kiosk will be reported at Gateway 5.

Conclusion

11. The Aldgate project provides a vehicle for transformational change of a Key City Place. It is considered essential that the project proceeds to Gateway 5 without delay.
12. The changes proposed as part of the project will result in revenue implications for different departments. These may also be able to be met for a future period through a commuted sum utilising s106 or CIL monies, or by raising new revenue. If none of these are possible, the final landscaping scheme will need to be modified to bring the scheme within budget. The precise funding strategy for both the capital and revenue costs will be presented to the Open Spaces and City Gardens Committee for approval as part of the Gateway 5 report.

Appendices:

Appendix A: Scheme Drawings

Appendix B: Summary of Identified Revenue Costs

Appendix C: Main Gateway 4 Report

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