

<b>Item No.</b> 15.	<b>Classification:</b> Open	<b>Date:</b> 9 December 2014	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Extending the Thames Riverside Footpath including Consequential Lands Transactions	
<b>Ward or groups affected:</b>		Surrey Docks	
<b>Cabinet Member:</b>		Councillor Mark Williams, Regeneration, Planning and Transport	

**FOREWORD – COUNCILLOR MARK WILLIAMS, CABINET MEMBER FOR REGENERATION, PLANNING AND TRANSPORT**

Regeneration is all about improving our borough for the good of our residents, improving quality of life and encouraging economic activity that supports local jobs. The proposal set out in this report will bring together an empty night club and a redundant youth club and subject to the planning process, will deliver a key link in the Thames Footpath, enhanced public realm, much needed housing and generate a capital receipt to be invested back into the borough. The river footpath has been a long standing initiative that is extremely successful enabling local residents and visitors to experience and benefit from the fantastic asset that is the River Thames. This proposal will result in the removal of a blockage in the path in this part of Rotherhithe. Not only that, it will provide a café where walkers will be able to enjoy unique views, and in turn encourage further use of the path.

There will be public consultation both as part of the statutory planning process and in designing the new public realm. This will enable the proposed regeneration to include the views of the local community. The former youth facility that is proposed to be included in the regeneration is being reprovided to a modern and better standard in the new Dockland Settlements facility on Salter Road, so local youth provision will be enhanced.

This proposal is good news not only for the people of Surrey Docks but for the people of Southwark and visitors from across the world - I commend this report to cabinet.

**RECOMMENDATIONS**

That cabinet agrees:

1. To the terms set out in the closed version of this report for the Greater London Authority to release the restrictive covenant affecting 1-3 Odessa Street.
2. Following release of the restrictive covenant and Hollybrook Homes securing planning consent for the regeneration of 1-4 Odessa Street the council will transfer to Hollybrook Homes 1-3 Odessa Street, the extent of which is shown hatched on the plan at Appendix C, on the principal terms set out in the closed version of this report.
3. The council subsequently acquires the freehold interest at nominal consideration under section 227 of the Town and Country Planning Act 1990 the land shown

cross-hatched on the plan at Appendix C from Hollybrook Homes to extend the Thames Path and provide public realm.

4. The head of property be delegated to agree detailed terms and to take the necessary action to effect recommendations 1-3 including the extent of riverfront land at 1-3 Odessa Street to be transferred back to the council.

## **BACKGROUND INFORMATION**

5. The River Thames is the historic artery of both Southwark and London and in the past, development has been focused on its banks. Over the years its use for bringing and taking goods to market has declined and this has produced an opportunity to open the riverbank up to pedestrians by way of the Thames Path. This is used by both local residents and visitors from all over the world. The Thames Path is designated a National Trail.
6. Forming the Thames Path has required sustained effort and partnership working by local planning authorities and land owners. The heritage of some of the buildings fronting the River means the Path must pass round them and there are some others that are more modern that were built prior to the aspiration to form the Path and they also require users to divert from the riverbank. For this reason, the Path is not unbroken but when opportunities arise promoters particularly the local planning authority will seek to alleviate such diversions and link Path sections.
7. In Southwark, the Path is more fragmented in the more historic areas to the west of Rotherhithe but nevertheless there are still many stretches open to the riverbank affording users the amenity provided by the river. This will be further enhanced following completion of the Chambers Wharf regeneration that will negate the current diversion at that point of the River.
8. To the south of the Hilton Hotel in Rotherhithe there is substantial stretch of Path that is only interrupted by 4 Odessa Street (the Downtown Night Club) and the residential building at New Caledonia Wharf. Provision for the Path exists at New Caledonia Wharf but this came to a dead end and walkers had to retrace their steps causing them to turn back which was unsatisfactory to both users and residents. As a result, a temporary agreement was reached with New Caledonia Wharf to close the Path at this point until such a time as it continues northwards from there. This can be seen in the aerial photograph at Appendix A.
10. Immediately to the north of the 4 Odessa Street is a council-owned former youth building known as 1-3 Odessa Street. That property is in poor repair and has been vacant and surplus to operational requirements for a number of years as a result of its condition and a realignment of youth services in the area in particular the provision of youth services in the shortly to be completed facility at Dockland Settlements just to the east off Rotherhithe Street.
11. Council officers have been working with the owner of 4 Odessa Street to bring about a regeneration of the respective properties to bring about an improvement of the visual amenity of the this stretch of river, to provide housing and to form a connection of the Thames Path at this point. Discussions have been complicated and have taken time but agreement has now been reached in principal resulting in the recommendations in this report.

## KEY ISSUES FOR CONSIDERATION

12. 1-3 Odessa Street was transferred to the council in 1997 by the London Docklands Development Corporation. The transfer was however subject to a covenant restricting the property to purposes set out in the Open Space Act 1906 notwithstanding the building on the site (formerly used for youth purposes) did not comply with the restriction. It has been established that the current beneficiary of the covenant is the Greater London Authority (GLA). The effect of the covenant is the site cannot be redeveloped without the GLA agreeing to remove it.
13. To the back of 1-3 Odessa Street there is a crane that appears to be a relic of the area's dockland past. As can be seen from the photographs of the crane at Appendix B, this is a substantial structure that is the responsibility of the council. It represents a health and safety risk as it is used from time to time as a climbing frame, it also provides nesting site for pigeons giving rise to complaint from passers-by. It is not listed by English Heritage.
14. 4 Odessa Street has been unused for a number of years and is falling into disrepair. When it was open it was a source of complaint by nearby residents. Although closed for some time the property has an established planning use and the proprietor has maintained his licence to sell alcohol from the premises. Therefore it could in the future reopen as a nightclub. The owner of the nightclub has agreed an option to sell the property to Hollybrook Homes.
15. Policy 22 of the Canada Water Area Action Plan identifies 1-3 Odessa Street for a residential-led mixed use development including the retention of some open space. However the restrictive covenant described at paragraph 12 prevents this from happening.
16. To unlock the site to provide the Thames Path connection, the Canada Water AAP policy and to remove the potential of the nightclub being re-established protracted discussions have taken place between officers of the council and the GLA and representatives of Hollybrook Homes to achieve respective aspirations.
17. To bring the site forward Hollybrook will redevelop the majority of the combined (1-3 Odessa Street and Nightclub) site with residential and ground floor commercial including a cafeteria facing the river and the Council will following public consultation, design and provide new public realm for the combined sites including the Thames Path connection between Barnard's Wharf and New Caledonia Wharf.
18. Principal Agreed Terms:
  - The GLA entered into an agreement with the council on 11 November 2014 for the release of its covenant over the land upon payment of consideration by the council
  - Hollybrook Homes will seek planning consent to regenerate combined sites
  - On grant of a satisfactory planning consent, the council will complete a deed of release of the covenant and complete the transfer of the site shown hatched on the plan at Appendix C to Hollybrook at market value

- Hollybrook will following demolition of structures and providing a barrier along the river frontage, transfer to the council at nominal consideration, the land shown cross hatched on the plan at Appendix C to provide replacement public realm and link the Thames Path between Barnard' Wharf and New Caledonia Wharf
- Following completion of the planning process Hollybrook will transfer back to the council part of the river frontage to 1 – 3 Odessa Street for the new public and Thames Path link.

Further details are contained in the closed version of this report.

19. The proposal will provide the following benefits to the area including:
  - Removal of an obstruction in the Thames Path
  - New river oriented public realm including a cafeteria
  - Removal of a nightclub that had in the past been the source of complaints
  - Removal of a health and safety hazard namely the crane
  - Provision of around 48 units of new housing of which 35% (16) will be affordable
  - New commercial space.
20. In order that the new public realm is delivered to the required standard and kept this way it is considered this is best achieved by it being provided and maintained by the council with the land coming into council ownership. Before the public realm is designed, the local community will be consulted to learn their aspirations in order that they can be met as much as reasonably possible. Until the planning process is completed it is not possible to know the full extent of the land at 1-3 Odessa Street that can be returned for public realm and it is recommended the Head of Property agree this at the appropriate time.
21. The removal of the crane may result in some members of the community being concerned about the loss of a heritage feature. However, the safety of the wider community including persons inclined to climb upon it and users of the Thames Path being subject to pigeon mess must over-ride this concern. Hollybrook has agreed to see if a historical organisation will take the crane but failing that it will be broken up and removed. Subject to public consultation, it may be appropriate to include within the new public realm a feature that recognises the dockland past of the site in a similar way to the artefacts that have been incorporated at Durands Wharf.
22. The Thames Path at New Caledonia Wharf has been closed for a number of years and some residents, particularly those that moved there following the Path's temporary closure, may be resistant to its re-opening once the new link is completed. To mitigate this there will be the need for communication and consultation.

## **Policy implications**

23. As discussed at paragraph 15 this proposal will deliver Policy CW AAP 22 of the Canada Water Area Action Plan.
24. The proposed new affordable housing will contribute to the Fairer Future promise (no3) of Quality Affordable homes. The proposed new public realm is in keeping with Fairer Future promise (no6) A Greener Borough.

## **Community impact statement**

25. The recommendations in this report, subject to the planning process will give rise to a longer and improved Thames Path and encourage the Path's use by the community. A nightclub (albeit one that has been closed for a number of years) and a long standing vacant building will be removed as will a crane and be replaced with new housing and commercial facilities together with a new river focused public realm.

## **Resource implications**

26. The transfer of 1-3 Odessa Street will realise a capital receipt (see closed version of this report). It will also save revenue expenditure insuring the property and empty business rates, these savings are in the order of £2,500 per annum. The loss of responsibility for the crane will also realise savings in management and cleaning terms.
27. To provide the new public realm including the Thames Path connection will incur a significant capital cost, until appropriate consultation takes place it is not possible to accurately estimate what this cost will be but budgetary provision in the order of £500,000 is recommended for this. In designing the new public realm, a criterion should be to minimise ongoing maintenance costs whilst preserving quality and if this is achieved no significant additional revenue costs should arise.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **The Director of Legal Services**

28. Section 1 of the Localism Act 2011 grants councils a general power of competence whereby a local authority has power to do anything that individuals generally may do. However, that power does not enable a local authority to do anything which it is unable to do by virtue of a pre-commencement limitation. Section 120 and 123 of the Local Government Act 1972 and Sections 226 and 227 of the Town and Country Planning Act 1990 are both pre-commencement Statutes which impose limitations on the council's powers of disposal and acquisition.
29. Section 123 of the Local Government Act 1972 states that except with the consent of the Secretary of State, a council shall not dispose of land under that section, otherwise than by way of a short tenancy, for a consideration less than the best that can reasonably be obtained. Paragraph 9 of the closed version of this report confirms the consideration to be paid by Hollybrook is the best that can reasonably be obtained.

30. Section 123(2A) of the Local Government Act 1972 states that a council may not dispose of any land consisting or forming part of an open space unless before disposing of the land it causes notice of its intention to do so, specifying the land in question to be advertised in two consecutive weeks in a newspaper circulating in the area in which the land is situated and consider any objections to the proposed disposal.
31. Section 227 of the Town and Country Planning Act 1990 enables the council to acquire by agreement any land which it requires for any purpose for which a local authority may be authorised to acquire land under section 226 of the Act. Section 226 enables a local authority to acquire compulsorily any land in their area
  - (a) if the authority think that the acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land
  - (b) which is required for a purpose which it is necessary to achieve in the interests of the proper planning of an area in which the land is situated.

This report indicates at paragraph 20 that the acquisition proposed in Recommendation 3 of this report will facilitate the improvement of public realm in the area.

32. A local authority must not exercise the power under paragraph (a) of Section 226(1) unless it thinks that the development, redevelopment or improvement is likely to contribute to the achievement of any or more of the following objects –
  - (a) the promotion or improvement of the economic well-being of the area;
  - (b) the promotion or improvement of the social well-being of the area;
  - (c) the promotion or improvement of the environmental well-being of the area
33. Paragraph 20 confirms the proposed recommendations will result in an improved public realm for the area thereby satisfying (c) above.

**Strategic Director, Environment & Leisure**

34. The strategic director of environment and leisure supports and welcomes the site and notes that subject to the future design of the public realm any future maintenance costs will be capable of being contained within existing resources.

**Strategic Director of Finance and Corporate Services (FC14/035)**

35. This is set out in the closed version of this report.

## BACKGROUND DOCUMENTS

Background Papers	Available At	Contact
The Thames Path		
<b>Link:</b> <a href="http://www.nationaltrail.co.uk/thames-path">http://www.nationaltrail.co.uk/thames-path</a>		
Canada Water Area Action Plan		
<b>Link:</b> <a href="http://www.southwark.gov.uk/downloads/download/3015/canada_water_aap_adoption">http://www.southwark.gov.uk/downloads/download/3015/canada_water_aap_adoption</a>		

## APPENDICES

No.	Title
Appendix A	Aerial photograph showing Thames Path at Odessa Street
Appendix B	Photographs of crane at 1-3 Odessa Street
Appendix C	Proposed land transfers

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Mark Williams, Regeneration, Planning & Transport	
<b>Lead Officer</b>	Eleanor Kelly, Chief Executive	
<b>Report Author</b>	Patrick McGreal, Property Services	
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<b>Dated</b>	27 November 2014	
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<b>CONSULTATION WITH OTHER OFFICERS/DIRECTORATES/CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Director of Legal Services	Yes	Yes
Strategic Director, Environment & Leisure	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	In closed report
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	27 November 2014	