

Item No.	Classification: Open	Date: 15 December 2011	Decision Taker: Cabinet Member for, Transport, Environment and Recycling
Report title:		Future ownership and maintenance of Greenland Pier	
Ward(s) or groups affected:		Surrey Docks	
From:		Strategic Director of Environment and Leisure	

RECOMMENDATIONS

1. The cabinet member is recommended to approve the disposal of Greenland Pier as shown edged black on the attached plan, for the best consideration that can reasonably be obtained, taking liabilities into account, together with the termination of associated rights of connection of the pier to council-owned land on the river bank adjacent and termination of the existing agreement with the Port of London Authority.
2. The cabinet member is recommended to approve the selection of a new owner for the pier and the agreement of terms for new rights to be granted by the Head of Property for connection of the pier to council-owned land for the best consideration reasonably obtainable.

BACKGROUND INFORMATION

3. The pier was built by the London Docklands Development Corporation and taken over by the council upon the closure of the LDDC. It is adjacent to South Dock Marina and Greenland Dock. Of metal construction, it is now in poor condition and needs maintenance and repair which will result in up to three months out of the water.
4. The pier attaches to council-owned land on the river bank at the end of Rope Street and to metal supports which rest on the river bed. The river bed arrangement is the subject of a licence from the Port of London Authority. The pier is used by Thames Clippers who provide passenger river transport. It is also occasionally used by vessels waiting for the right tidal conditions to enter South Dock Marina.

KEY ISSUES FOR CONSIDERATION

5. Repairs needed to the pier include a full inspection which will entail complete removal from the water for a period up to three months, although it is hoped to complete the work in less time. A recent survey suggests that the cost of surveys and essential repairs will be around £300,000 and this could increase depending on the result of the dry dock inspection.
6. Terms of the agreements with the Port of London Authority and Thames Clippers are included in a closed agenda report for reasons of commercial confidentiality, together with negotiations to date.

7. There is a requirement for ongoing inspection and maintenance of the pier which will need further expenditure on a regular basis. The pier is currently being inspected daily by the Harbourmaster and could potentially be closed down at no notice at any time should its condition deteriorate.
8. The pier is a hub enabling passenger transport on the river between the Rotherhithe peninsula and central London in one direction and Greenwich in the other. Thames Clippers estimate 600 to 700 journeys to or from the pier daily, most of them by season ticket holders commuting to work in central London.
9. Alternative means of travel include bus and rail but closure of the pier would inconvenience many local people.
10. It is proposed to advertise for expressions of interest in the pier, with proposals to be returned by a specified date. This will enable the council to ensure that the consideration obtained for the pier is the best that can reasonably be obtained.
11. The Head of Property has delegated powers to authorise disposals of leasehold and freehold interests in land up to £500,000, subject to authority in principle by way of this report. But in respect of the various issues it is considered that IDM is the appropriate authority in this particular instance.
12. It is recognised that the pier itself is not an interest in land and therefore falls outside the normal scope of Property activities but the proposed action is a practical solution to an identified problem and a drain on resources. Subject to the cabinet member's approval it is proposed to delegate the disposal of the pier to the Head of Property along with the required land interest needed to continue to attach the pier, or a replacement one, to the riverbank in council ownership.

Policy implications

13. Across London, the number of passengers carried on the river Thames doubled between 2000/01 and 2009/10. River services are a key transport mode in the Rotherhithe area, whilst alternative transport services exist (bus, underground) exist they do not replicate the current river service and therefore a discontinuation of river services will negatively impact on existing users (as noted in the report). However it is recognised that the existing poor condition and the ongoing maintenance costs makes it unviable for the council to continue to subsidise the running of Greenland Pier. The preference for the continued use of the pier for public river transport services would be supported.

Community impact statement

14. It is recognised that unfortunately the potential closure of the pier will have an impact upon local people. However, the council's financial position and statutory responsibilities mean that the future of the pier has to be resolved. Proposals to retain a pier and cause minimum disruption will be given preference over those that do not, however it is not certain that a viable option will be available.

Resource implications

15. Disposal of the pier will reduce revenue costs, as the council will no longer be required to pay for the Port of London Authority licence. The pier is also subject to daily inspections and maintenance which has resulted in overall additional revenue expenditure of around £35,000 over the last two years.

16. The pier was recently surveyed and additional surveys and repairs required are estimated at £300,000. The disposal of the pier is likely to avoid these capital costs and could generate a receipt for the council.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Communities, Law & Governance

17. There are no property law issues surrounding the disposal of the pier itself as it is a structure and not an interest in land. However land interests are involved as the pier is attached at one end to council-owned land and if the pier or a replacement pier is to be attached to council-owned land, rights to do this will need to be granted. The Head of Property has delegated authority under part 3D of the Southwark Constitution to agree to disposals of interests in land up to £500,000 and accordingly has authority to agree the terms of any licence or lease arrangement envisaged by this report and relating to the attaching of one end of the pier to council-owned land.

Finance Director

18. This report asks the cabinet member for Transport, Environment and Recycling to approval the disposal of Greenland Pier, and associated rights of connection to the river bank adjacent.
19. Paragraph 15 confirms that this disposal will reduce annual revenue costs by £17,000 and by the cost of daily inspections and maintenance. Paragraph 16 confirms that the disposal is likely to remove the need to incur £300,000 of capital expenditure and could also generate a capital receipt for the council.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Surveys of pier	160 Tooley Street London SE1 2QH	Nick Costin 020 7 525 2156.

APPENDICES

No.	Title
1	Plan

AUDIT TRAIL

Lead Officer	Gill Davies, Strategic Director of Environment and Leisure	
Report Author	Chris Rhodes, Principal Surveyor, Southwark Property	
Version	Final	
Dated	15 December 2011	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Communities, Law & Governance	Yes	Yes
Finance Director	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	15 December 2011	