

East Pier Building Improvements

| | |
|---------------------------------|--|
| Cabinet | 26 September 2024 |
| By | Tony Marmo, Head of Coastal and Public Realm |
| Cabinet Portfolio Member | Cllr Rick Everitt, Leader of the Council |
| Key Decision | Yes |
| Decision classification | Unrestricted |
| Call in status | Yes |
| Ward: | Central Harbour |

Purpose of the Report

The purpose of this report is to ensure officers have permission to undertake the procurement and award of a contract to undertake essential improvements to the concrete structure and replacement of the windows at the East Pier Building, located at Ramsgate Royal Harbour East Pier. The estimated value of the contract will be £468k.

The report also confirms that £178k of unallocated funding from the Property Enhancement Programme will be used, in addition to the uncommitted budget remaining on the East Pier Building capital project, to ensure the Council can complete the project.

Recommendation(s):

It is recommended that Cabinet:

1. Approve the key decision to award a contract with a value in excess of £250k to undertake essential improvements to the concrete structure and replacement of the windows at the East Pier Building, Ramsgate Royal Harbour East Pier, following a procurement exercise.
2. Agree that the Director of Environment, having sought advice from legal services, agree the final terms of any contract award and sign the contract with the successful bidder.

1. Summary of Reasons

- 1.1 The building construction is generally very robust with large cross section members and large diameter steel reinforcement. However the cover to the reinforcement in the supporting columns is insufficient and has caused the mild steel reinforcement to oxidise and burst through the concrete cover. This has increased the building's exposure to the harsh environment in its location.
- 1.2 The metal window condition is very poor with considerable areas of degradation causing their function not to be maintained. The expansion of the metal frames has

resulted in delamination of the steel and associated cracking of the panes. Planning permission for replacement of the metal windows has been approved.

- 1.3 The condition of the building in its current state presents a low risk of falling debris due to the regularly performed makesafe surveys that remove potentially loose dislodged concrete sections. Equally low risk of imminent catastrophic structural failure, however oxidisation of the steel reinforcement will continue to spread leading to a much greater risk in the near future.

2. Background

- 2.1 The East Pier Building at the Ramsgate Royal Harbour East Pier is home to the Brasserie restaurant (a private concession with a lease), port control, fishing storage facilities, Royal Temple Yacht Club and Kelvin Hughes RADAR manufacturers. In addition to this there is outside seating and a storage unit at the end of the main building.
- 2.2 The lease with the Brasserie restaurant only requires the tenant to keep the interior of the property clean and tidy and in good repair and condition throughout the lease term, and to decorate the inside of the property.
- 2.3 Similarly the fishermen occupy the stores below the restaurant and towards the end of the pier on yearly licences which only require them to keep the interior of the units tidy and in good condition.
- 2.4 The Council is therefore responsible for all external and structural repairs, and the maintenance to the East Pier Building.

3. Relevant Issues

- 3.1 A detailed inspection was carried out to the external areas by a qualified contractor. All defects were recorded on CAD drawings. Their report shows 596 defects in total. The worsening condition of the building structure is increasing the cost of carrying out maintenance year on year. At some point soon the building could become un-lettable leading to a loss of income for the Council.
- 3.2 The existing capital budget was for concrete improvements only. However, it has become clear that the windows also need to be replaced because of their current condition and the obligations the authority has within the current lease. Further to this a further 22 improvements required have been identified at the last inspection. This has increased the cost of the project by £178k.
- 3.3 The Property Enhancement Programme has sufficient unallocated funds to cover the shortfall in the budget for this project of £178k and Cabinet agreed the reallocation of resources to meet this requirement at their meeting of 22 August 2024.

4. Recommendation from the Overview and Scrutiny Panel

- 4.1 The Overview and Scrutiny Panel noted the report and made no recommendations to Cabinet.

5. Alternative Options

- 5.1 The Council could decide not to undertake remedial work to stop the deterioration of the building. This was discounted because the East Pier building is within the Ramsgate Royal Harbour and so has Grade 2* Listed status within the Planning (Listed Buildings and Conservation Areas) Act 1990 as amended. As the owner the Council could face enforcement action under the Planning (Listed Buildings and Conservation Areas) Act 1990 as amended if it did not maintain the building. In addition, the authority also has obligations under the current lease as the landlord to maintain the building. If the Council did not do so it would be in breach of the lease conditions.

6. Consultation

- 6.1 There is no statutory or public law duty to consult in relation to this decision.

7. Corporate Implications

7.1 Finance and Resources

- 7.1.1 A capital budget of £260k was approved by Council as part of the 23/24 Budget on the 9 February 2023, this budget was subsequently increased over the course of 2023 to £307k. It has now been necessary to further increase this budget by £178k to meet the revised cost of the scheme and this was agreed by Cabinet August 24.
- 7.1.2 As a result of the above, the new budget available was therefore £485k, after commitments are taken into consideration £477k remains available to deliver this scheme.

7.2 Legal and Constitutional

- 7.2.1 This decision sought in this report seeks Cabinet's authority for the award of a contract with a value, estimated to be approximately £468 000 undertake essential improvements to the concrete structure and replacement of the windows at the East Pier Building, located at Ramsgate Royal Harbour East Pier. It is proposed that the contract be awarded following a procurement exercise in accordance with the provisions of the Public Contract Regulations and the Council's contract standing orders. The procurement will support the Council to satisfy its best value duty.
- 7.2.2 The Local Government Act 1999 (LGA) imposes a requirement on all local authorities to deliver 'best value' which requires the Council to demonstrate that it is making arrangements that are economic, efficient, and effective and the Council has had regard to the need to secure continuous improvement in how it carries out its work. Where the Secretary of State is satisfied that an authority is failing to comply with its Best Value Duty they have powers to intervene.

7.2.3 Legal and procurement advice should be sought in relation to both this procurement and the contract award. Depending on when the procurement is commenced, it is possible that it will be caught by the provisions of the new Procurement Act.

7.2.4 Further legal advice may also need to be sought in respect of terms of the lease. Whilst the Council have reserved rights in the lease for the benefit of the building including the erection of scaffolding etc., the Council must ensure that when carrying out any works should they result in a reduction in the flow of light or air to the leased property or loss of amenity for the leased property that they do not materially adversely affect the use and enjoyment of the leased property for its permitted use as a restaurant.

7.2.5 In accordance with the provisions of Part 3 of the Council's constitution, as with all key decisions, this is a decision that must be taken by Cabinet.

7.3 Council Policies and Priorities

7.3.1 This report relates to the following corporate priorities:

- To create a thriving place
- To work efficiently for you

7.4 Risk

7.4.1 The East Pier building is within the Ramsgate Royal Harbour which denotes it as having Grade 2* Listed status under the Planning (Listed Buildings and Conservation Areas) Act 1990 as amended. An owner has an obligation to not to allow their building to deteriorate to the extent that its preservation may be at risk. If the Council does not maintain the building it could face enforcement action. In addition the structure will continue to deteriorate to a level that will become uneconomic to repair or be determined as a dangerous structure requiring immediate action to limit risk to the public and occupants.

7.4.2 The estimated cost has been established through a cost plan created by appointed consultants and the property department. The Council may receive tenders that are higher or lower than the estimated cost. If the cost is higher than the budget set, this will be reported to the Cabinet at the next available opportunity.

7.4.3 The work to repair the East Pier building will be undertaken by a competent contractor following approved risk assessments, method statements and other health and safety practices relevant to the work required. Documentation related to this will be evaluated as part of the tender exercise and will be inspected/approved prior to mobilisation.

7.5 Climate Change and Biodiversity

7.5.1 Environmental and climate change implications have been reviewed and mitigated as far as practicably possible. The tender for the contract will include a need for the contractor to provide information on how it will meet its climate change obligations.

8. Equality, Equity and Diversity Implications

- 8.1 There are no particular equalities implications arising from the decision sought in this report. To note however the Council will be undertaking an open procurement exercise to ensure equality of opportunity is provided to companies to provide a cost effective option for the repairs required to the East Pier Building at the Ramsgate Royal Harbour East Pier.

9. Crime and Disorder Implications and Community impact

- 9.1 Crime and disorder implications have been reviewed and no implications have been identified.

10. Subject History

- 10.1 Information regarding the history of this issue including decisions on funding has been set out in the body of the report.

Appendices

None

Background Papers

None

Report Author(s) Contact: Tony Marmo, Head of Coastal and Public Realm
Telephone: 01843 577 107
Email: tony.marmo@thanet.gov.uk

Report Sign Off

Legal Ingrid Brown (Head of Legal and Democracy & Monitoring Officer)

Finance Matthew Sanham (Head of Finance and Procurement)