

Report to:	Cabinet	Date of Meeting:	1 September 2022
Subject:	Southport Pier		
Report of:	Executive Director (Place)	Wards Affected:	Dukes
Portfolio:	Cabinet Member - Regeneration and Skills		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To update Cabinet on the current condition of Southport Pier decking following completed technical survey work, and the recommended necessary remedial actions required including the replacement of the full pier timber decking.

Recommendation(s):

Cabinet Recommendations

It is recommended that:

- (1) the content of the report be noted, and that the full pier decking be replaced
- (2) the Executive Director (Place), in consultation with the Cabinet Member for Regeneration and Skills, be authorised to exercise delegated authority to appoint a suitable contractor for the capital works and to appoint a range of consultancy services via a compliant framework to support the successful delivery of the project; and to ensure that the employer's agent retains responsibility for both the contract and the contract specification. and:

Cabinet recommends to Council:

- (3) to approve a £3m supplementary capital estimate to enable the scheme to be included within the Council's Capital Programme. This will be financed by prudential borrowing.
- (4) that the annual cost of this borrowing of £0.178m be noted and it be agreed that this is added as a growth item to the council's medium term financial plan and as such will be funded as part of the 2023/24 budget plan

Reasons for the Recommendation(s):

Southport Pier is a critical visitor attraction that holds significant importance to Sefton's economy and brand. It is also Grade-II listed structure. As part of the routine maintenance, it became apparent the pier decking was starting to fail in isolated areas, therefore several detailed inspections from timber experts have taken place. The

recommendation is now to replace the entire decking after the 2022 summer season from October 2022 with most works taking place in the Winter. to ensure the Pier is fit for purpose, remains safe, and continues to be a critical historic asset for Sefton.

Alternative Options Considered and Rejected: (including any Risk Implications)

The other options have been considered and rejected:

1. Ongoing replacement – This would result in decking boards being replaced as part of the current yearly maintenance programme, as has been the case of the last 5 years. This has been rejected following the recent deck survey and the recommended requirement to replace the whole decking.
2. Full replacement over several years – This would result in the pier decking being replaced in phases over 10 to 15 years. This has been rejected due to the costs, the impact on the pier concession and wider economy and following the conclusions of the recent deck survey and the recommended requirement to replace the whole decking.
3. Do nothing – This has been rejected on Health and Safety grounds.

What will it cost and how will it be financed?

(A) Revenue Costs

As stated the cost of the borrowing for the scheme is estimated to be £0.178m per annum over 25 years . There is no existing budget provision for this at present, therefore this will have to be built in as a growth item within the councils medium term financial plan from 2023/24, with funding to be identified during the budget process. Due to the immediacy of the work this cannot wait until next March for decision

there will also be an impact on the Tourism revenue budget for the length of the works if the Pier is to be closed due to potential loss of rent from the pier concession. There is already an ongoing impact due to the pier road train (“the Train”) being suspended until the full timber deck is replaced.

(B) Capital Costs

On the 19 May 2022 Council approved a supplementary capital estimate of £206k for phase 1 of the pier deck replacement (bays 1-6, an area of 866 sqm, 9% of the total Pier).

As the Pier structure is largely a repetitive design with standard details, it was decided to apply an average m2 rate to the remaining structure therefore we used these rates to prepare a cost estimate for the remaining Pier bays 7-69, an area of 8,806 sqm. Given the timescale necessary to prepare contract documents, tender the work and complete this around the current period of high inflation, there is a risk that costs will increase. Therefore, the cost estimate includes an inflationary uplift to 2nd quarter 2023,

calculated using the most recent construction inflation indices in BCIS published in May 2022.

Allowances have been included for preliminary items based on the current contract, however, assumptions have been made around being able to complete the work in a single contract

It has been estimated that the full works will cost circa £3m, this is the sum that the Council would need to support. Based on a 25-year annuity loan from the Public Works Loan Board at 3.3% this would result in an annual repayment sum of £0.178m. Any borrowing/ funding solution will be in accordance with the Council's Treasury Management Strategy and associated policies and the advice of the Council's Treasury Management advisors.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):		
Internal resources from the Tourism service will be required to oversee the project along with colleagues from other areas such as legal, procurement and asset management.		
External resources will be procured to undertake project management, cost consultancy, Employers Agent, and Principal Designer.		
Legal Implications:		
Details of any legal implications are contained within the report.		
Equality Implications:		
Protected Characteristic	Evidence/Adverse Impact	Actions
Age	Dukes Ward and Sefton have a larger number of over 60's than the UK average. The new works will allow continued access to the Pier once complete and will have no adverse impact	N/A
Disability	Approximately 9% residents aged 65 and over received some form of long-term care from Sefton's Adult Social Care during the 2020/21 financial year. It is not expected that the works will have any adverse impact	If sections of the Pier do remain open level access will be always provided.
Faith/religion	No adverse impact	N/A
Gender (pregnancy/maternity)	No adverse impact	N/A

Gender reassignment	No adverse impact	N/A
Race	No adverse impact	N/A
Sexual Orientation	No adverse impact	N/A

Climate Emergency Implications:

The recommendations within this report will

Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	N

The replacement of the Pier decking will require large amounts of Ekki timber, and this will be sustainability sourced. A social value element will also be attached to the main contract award with a focus on the climate emergency.

Contribution to the Council's Core Purpose:

Protect the most vulnerable: The replacement decking will ensure safe access and use for all residents and visitors.
Facilitate confident and resilient communities: Southport Pier is a critical attraction for both visitors and residents who use the asset regularly for enjoyment and exercise.
Commission, broker and provide core services: N/A
Place – leadership and influencer: The Pier is a critical visitor economy asset that attracts tens of thousands of visitors to Southport every year. Replacing the pier decking will ensure the Pier continues to help the economy recover from Covid-19 while the investment will give further confidence to potential developers/investors.
Drivers of change and reform: Providing a long-term sustainable future for a Grade II listed structure.
Facilitate sustainable economic prosperity: The Pier is a major visitor economy asset that attracts tens of thousands of visitors and forms part of the critical mass of attractions that generates substantial spend in the economy
Greater income for social investment: N/A
Cleaner Greener: N/A

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6897/22) and the Chief Legal and Democratic Officer (LD.5097/22) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Several meetings have taken place with the Pier concession to ensure that any disruption is kept to a minimum and the impact on the business understood. Engagement will continue throughout the project development and delivery process.

Meetings have also taken place with the Chair of The Pier Trust, followed up by further correspondence with a focus on the existing plaques on the pier decking. An offer to attend a full Pier Trust meeting has also been made.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1. Background

- 1.1 Southport Pier is a Grade-II listed structure, the oldest cast iron pier in England and the second longest. The asset is a critical element to Southport’s visitor economy, along with the wider economy of the Borough.
- 1.2 The Pier underwent a major refurbishment / rebuild in 2000, at a cost of £2m. This job was overseen wholly by private consultants (Harbour & General / Datrys). The works consisted of the Cast iron columns being removed above the pile caps, stripped & blasted off-site and put back to receive brand new and timber steel deck.
- 1.3 Soon after completion, defects appeared including widespread paint failures & corrosion, reasons for defects stemmed from a basic lack of quality control during the contract, poor detailing of steelwork connections (unpainted packers, slotted holes, water traps, on-site mistakes caused by column sections getting mixed up)
- 1.4 The Council won an adjudication receiving compensation for the works, although the contractors subsequently went into liquidation.

- 1.5 As part of the regular monitoring of the Pier, various condition and structural surveys were commissioned. In 2015 one of the surveys identified the need to undertake priority steelworks involving a paint system and corrosion repair. These works totalled £1.1m and were completed in 2018, these costs were met from the Coastal Communities Fund. The repairs and re-painting have addressed the failure of the original paint system.
- 1.6 In 2017 a timber deck survey was commissioned and undertaken by Exova (TRADA). The report identified that about 1% of the deck boards may have needed replacement, but reasonable to assume remaining life was 5-10 years with ongoing regular maintenance.

2. Pier Decking

- 2.1 It is proposed that the Pier decking now needs to be replaced in its entirety due to its current condition. Some decking is rotting from within, meaning it is only detected when a timber piece snap. This causes a health and safety risk. As previously, a specialist timber expert was commissioned to devise a programme of works and the specification of timber for bays 1-6.
- 2.2 In May 2022 it was agreed to undertake phase 1 of the deck replacement at a cost of £206k, met from the Pier contingency fund. Phase 1 will see the replacement of bays 1-6 (Phase 1) - the Pier consists of 68 bays with works on site and due for completion in October 2022, and the Pier will remain open while these works take place.
- 2.3 However, since approval to commence phase 1 works there has been a slight increase in defective decking boards, therefore Exova (TRADA) were commissioned to undertake a further detailed deck condition survey.
- 2.5 The 2022 Exova (TRADA) report has identified that about 6% of the deck boards need to be replaced. Much of the decay is hidden within the cross section of the boards; therefore, it is not possible to identify which boards are decayed from a visual assessment alone. Variation in the durability of ekki and the 22 years' of service life as of June 2022 is consistent with some boards reaching the end of their service life before the 30 years. Overall, it is recommended that comprehensive decking replacement programme is undertaken.
- 2.6 For illustrative purposes, the image below demonstrates the different specification of the new timber to the current timber (single plank on top). It can be seen that the new boards are considerably thicker and better quality.



- 2.7 The current pier concession (which included the Train was instructed by the Council on 1st July to cease the Train with immediate effect due its impact on the current decking.
- 2.8 Further mitigation measures have been put in place for the summer season that include a daily inspection regime, ongoing reactive works with 2 contractors on site undertaking repairs, and additional signage. Initial focus has been on the stretch of Pier utilised for Southport Air Show.
- 2.9 The mitigation measures have also been supported by weekly governance meetings involving several Sefton officers, including officers from Health and Safety to ensure ongoing visibility and certainty, with a focus on health and safety for all Pier users as well as on the impacts on the concessionaire. With regards to the Air Show circa 1,000 people were present on a stretch of the Pier each day with seats, with a much larger number then using the Pier to exit the event. At the time of writing, we have had no reports of injuries or deck boards breaking during the event.

3. Cost

- 3.1 It has been estimated that the full works will cost circa £2m. In November 2021, the Council received bids from four contractors who were invited to tender to replace the decking on Pier bays 1-6, an area of 866 sqm (9% of the total Pier). The contract was awarded in June 2022 and included an addendum to the successful bidder's price to reflect price inflation as the tender validity period had expired.
- 3.2 As the Pier structure is largely a repetitive design with standard details, it was decided to apply an average m2 rate to the remaining structure therefore we used these rates to prepare a cost estimate for the remaining Pier bays 7-69, an area of

8,806 sqm. Given the timescale necessary to prepare contract documents, tender the work and complete this together with the current period of high inflation, there is a risk that costs will increase. Therefore, the cost estimate includes an inflationary uplift to 2nd quarter 2023, calculated using the most recent construction inflation indices in BCIS published in May 2022.

- 3.3 Allowances have been included for fees and preliminary items based on the current contract, however, assumptions have been made around being able to complete the work in a single contract of circa 12 months and with restricted public access.
- 3.4 Including the fee and preliminary items and given inflation risks, a sum of £3m is required to undertake the comprehensive replacement of the decking. A competitive process will be progressed to ensure best value in delivery of the project. The council has no existing budget for this , therefore this will be added to the medium term financial plan as a growth item , showing the annual repayment cost being £0.178m per year

4. Resource

- 4.1 Due to the nature of the Grade-II listed structure and specialist advice required in relation to the timber, it is recommended that external resource is procured via a fully compliant framework to undertake several services including project management, cost consultancy, employer's agent, and principal designer.
- 4.2 The Tourism service area will be responsible for managing the necessary contracts and have oversight of the work supported by colleagues from asset management, legal and building services.
- 4.3 This approach, using proven external service providers with strong capacity and capability, has been adopted for The Marine Lake Events Centre and other projects in Sefton's capital programme, and to date has delivered positive results regarding project management, quality and cost control.