

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 13 May 2013

Portfolio:	Policy, Strategy and Finance
Subject:	Estates Efficiency Proposals 2013-2014
Report of:	Director of Finance and Resources
Strategy/Policy:	Asset Management Plan.
Corporate Objective:	A dynamic, prudent, progressive and best practice Council

Purpose:

To advise the Executive of opportunities to provide income from the provision of additional trading concessions/other proposals and beach huts on land within the Council's ownership.

Executive summary:

In April 2012, the Executive agreed a series of efficiency proposals. As a result, officers were tasked to undertake the following in order to identify scope for additional income, which would contribute to the £650k savings required.

- (a) Introduce additional concession sites into the Borough (e.g. for mobile catering), to achieve at least £10k;
- (b) Review the Council's coastal land holdings, and consider opportunities for income generation (e.g. through additional beach huts, concessions, etc.), to achieve at least £20k;

The report sets out the initial findings of the review and proposes a way forward with a view to achieving the above income targets.

Recommendation:

The Executive considers which of the suggested opportunities are progressed for additional trading concessions and beach huts.

Reason:

Requirement to deliver the increased income requirements as set out in the approved efficiency plan for the Council.

Cost of proposals:

Not yet known, but dependent upon the number of opportunities that are implemented. One off up-front costs for beach huts would be offset by the income from letting the huts to occupiers.

Appendices A: Suggestions for additional trading concessions/other proposals.

B: Suggestions for additional beach hut sites and concessions along the coastline.

C: [Site Plans](#)

Background papers:

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Executive Briefing Paper

Date: 13 May 2013

Subject: Estates Efficiency Proposals 2013-2014

Briefing by: Director of Finance and Resources

Portfolio: Policy, Strategy and Finance

INTRODUCTION

1. In April 2012, the Executive agreed a series of efficiency proposals. As a result, officers were tasked to undertake a review in order to identify scope for additional income, which would contribute to the £650k savings required to achieve the following;
 - (a) Introduce additional concession sites into the Borough (e.g. for mobile catering) to achieve an estimated £10k, and
 - (b) Review the Council's coastal land holdings, and consider opportunities for income generation (e.g. through additional beach huts, concessions, etc.) to achieve an estimated £20k.
2. The report sets out suggestions for achieving the above income targets in order for the Executive to decide which should be progressed.

PROPOSALS

Introduce additional concession sites into the Borough (e.g. for mobile catering) to achieve £10k

3. Attached as Appendix A is a summary of the sites which could be suitable, subject to planning permission & consultation with other officers & agencies for trading concessions & other income generating proposals. Consultation with Ward Councillors on the sites included in the summary has taken place and comments received are included therein to assist the Executive in deciding which should be progressed.

4. Once the Executive have identified which proposals from appendix A are to be progressed, officers will undertake further consultation where appropriate, seek planning permission where required and seek expressions of interest/tenders from the market for concessions etc. Whilst timescales will be dependent upon a number of factors it is envisaged that the proposals would be introduced in the spring of 2014 alongside the existing ice-cream concessions.

Review the Council's coastal land holdings, and consider opportunities for income generation (e.g. through additional beach huts, concessions, etc.) to achieve £20k

5. Attached as Appendix B is a summary of suggestions for additional beach hut sites and concessions along the coastline & some inland sites (subject to planning permission & consultation with other officers & agencies). Consultation with Ward Councillors on the sites included in the summary has taken place and comments received are included therein to assist the Executive in deciding which should be progressed.
6. Once the Executive have identified which of the concession-related opportunities are to be progressed, officers will undertake further consultation where appropriate, seek planning permission where required and seek expressions of interest/tenders from the market. The final decision to proceed with an award of tender will be brought to a future meeting of the Executive.
7. For The Shack at Monks Hill, the existing lessee will be consulted to establish the possibilities for the site during the existing lease term and beyond, and for the kite surfing, it will be necessary to explore the implications of issuing licenses to existing operators.
8. In order to maximize the opportunities from the various beach hut proposals, both in terms of ongoing plot rental and capital receipts, it is envisaged that once planning permission has been obtained officers will arrange for the installation of new huts on each of the plots. Offering a site and hut together will maximize the return to the Borough Council. Officers are currently progressing planning applications for the Cliff Road proposals and it is envisaged that huts will be on site this summer. For Meon Shore, Monks Hill and Salterns Open Space, it will be necessary to liaise with Natural England and other outside agencies and if comments are favorable would then seek planning permission. A public consultation exercise will also be undertaken for the proposals, and for the sites which remain viable, Executive approval will be sought later in this financial year to invest in the sites.

FINANCIAL IMPLICATIONS

9. At this stage it is difficult to estimate the market potential and hence income for the concession sites or other proposals but the existing summer ice cream concessions bring in rentals ranging from £1,500 to £12,000 (net).

10. Each additional beach hut plot would bring in an ongoing rental - currently £300.83 (net) for residents of the borough (double plot rental for non-residents). In addition the Council would achieve one off considerations when selling complete huts with appropriate tenancy agreements
11. If all concession sites, other proposals & the maximum number of beach huts sites were progressed and proved successful, officers estimate an additional revenue income of £40,000 per year plus a capital receipt in the region of £400,000. It should be recognized however that that a number of the proposals may not receive the consent of outside agencies and would not therefore progress to completion.

CONCLUSION

12. The report advises of opportunities to provide income from the provision of additional trading concessions/other income producing proposals and beach huts on land within the Council's ownership.

Appendix A

Location	Proposal	Notes	Ward Councillor comments
Meon Shore Plan 1	A further concession offering hot food & drinks in the summer and weekends in winter	(Existing concession is summer only/cold food.) Subject to planning permission	Support for a further concession.
"Hove-To" Cliff Road Plan 2	Ice cream concession on land opposite new toilet block	Subject to planning permission	No objection to summer ice cream concession
Seafield Park Plan 3	Winter month concession	If permanent site may need Planning Permission, issues already with car parking during football season so only 2 pitches booked at the one time. Position of site with car park to be identified	Preference would be for winter weekends time limited & linked to football season. Possibly site within the western section of car park
Stubbington Recreation Ground Plan 4	Catering concession winter months day-time week-end use	Subject to planning permission	Both Councillors had concerns regarding the possible impact on the sheltered housing scheme at Crofton Court, possible loss of car parking, possible litter problems
Passage Lane/Shore Road Car Parks Plan 5	Extend existing Shore Road ice cream concession to cover hot food/drinks at weekends in the winter. Introduce a concession at Passage Lane along the same lines.	Planning permission would be required. If hot food pursued the proximity of dwellings would need to be considered. Position of site with car park to be identified	No problem with introducing an ice-cream concession at Passage Lane. Opposed to hot drinks and food in either car park because of the close proximity of housing & possible magnet for unsociable behaviour.
Portchester Castle Car Park Plan 6	Mobile catering summer exists already - could be extended for winter use or hot drinks and food &/or another concession	Planning permission may be required.	Two Councillors did not support a second concession in the summer due to pressures on car parking. Support for winter concession for hot food/drinks

<p>Holly Hill Car Park and Woodland</p> <p>Plan 7</p>	<p>Mobile catering in summer plus week-ends during the winter, cycle hire, bbq equipment hire</p>	<p>No planning issues re catering as there was a concession in the past. Consultation required with Planning & Leisure on cycle hire etc. Plan identifies proposed site for catering concession</p>	<p>No objections regarding the catering concession. One Councillor thought bbq equipment use would need to be restricted to certain areas and had safety & other concerns regarding cycles</p>
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Appendix B

Location	Proposal	Notes	Ward Councillor comments
Monks Hill - The Shack Plan 8	Look at the possibility of improving this facility and increasing income from this site.	Planning would be required - the scale and extent of changes would be important. Lease holder has a 15 year lease from 01.10.2006 (business tenancy)	Councillors felt that the existing facility was of a suitable size for the location and did not support a larger cafe. Would support additional outdoor seating
Salterns Road Car Park/Open Space, Hill Head Plan 9	Kite Surfing Licence New one storey building - catering concession Seafarers Sailing Club - possible lease of additional land	Kite Surfing - no Planning Requirements Planning permission would be required Officers to investigate ecological implications.	Worth further exploration One Councillor did not support a building in this location and one Councillor thought that if this was to replace the existing mobile concession it may be worthy of consideration Councillors were opposed to the eastward expansion of the Sailing Club into the open space & it was quite possible to expand upwards. They also thought that there may be SINC and ecological issues regarding the area adjacent to the club.
Hook Recreation Ground Plan 10	Possibilities may exist for leisure/recreation opportunities - beyond sport pitch use. (On a longer term basis Leisure Officers are looking at the possibility of a drainage scheme which would enable the sports pitches to be brought back into use)	Informal arrangement with model aircraft club for weekend use. The land was once used as a refuse site, so usage may be limited.	Given the sensitivity of the area and the limitations & problems with tipped sites both Councillors felt that this should be left as open space

Land adjoining Portchester Castle (Castle Street Rec) Plan 11	Possible recreational activities such as pitch & putt or possibly touring caravans/tents with restriction on use and times etc. Could also look at re-introducing houseboat moorings by the foreshore	Planning/Leisure would have to be consulted.	Land gets very boggy, vehicles may cause damage, caravan use may encourage traveller interest. Pitch & putt supported by one Councillor subject to tight controls. Houseboat moorings supported by 2 Councillors subject to tight controls
Proposals for Additional Beach Huts - Planning Permission would be required + comments from other agencies such as Natural England. In sensitive areas such as the SINC at Salterns Open Space it might prove possible to build huts but with restricted usage in the winter to minimise impact on wildlife.			
"Hove-To" Cliff Road Plan 12	1 beach hut to the west of hut 1	Subject to planning & consultations with other agencies	No Councillor objection
Cliff Road - site of former toilet block Plan 13	Planning permission is being progressed for 5 or 6 Beach huts on this site	Subject to planning & consultations with other agencies	These huts have been planned for some while and there is no objection
Meon Shore Plan 14	6 Beach Huts	Subject to planning & consultations with other agencies	No objection subject to planning etc
Monks Hill Car Park Plans 15(a) & (b)	4 Beach Huts	Car parking spaces relocated, access to beach is not prevented. Subject to planning & consultations with other agencies	Councillors strongly objected to this proposal believing it to be completely inappropriate with no real benefit to local residents or visitors and one that would be viewed as a deliberate attempt by the Council to restrict the popular use of this location by Monks Hill sail boarders/kite sailors. They felt it would draw a lot of objection from people who know,

			use or like the area as it would restrict views from that part of the car park & reduce access to the beach
Salterns Open Space, Hill Head Plan 9	Area A to B (numbers dependent upon planning etc)	Land is designated SINC. Subject to planning & consultations with other agencies	Councillors felt that this was not an appropriate location for additional beach huts