

Appendix B – Summary of response from Fareham Beach Hut Association

FBHA Response	Officer Comments
<p>The proposed increase is totally out of line with current and forecast inflation rates. The Fareham Beach Hut Association has attached information on inflation. The current forecast up to 2023 do not exceed 2.1%</p>	<p>Executive has regard to the Council budget guidelines which include, ‘...to be increased to achieve a realistic increase in income wherever possible and every effort to be made to identify new sources of income. The proposed charges should be considered alongside those for similar services in neighbouring authorities and, where appropriate, the charges levied by private sector providers’. Whilst an inflationary increase is suggested by the Association over a period of time the beach hut site rent would fall out of line with neighbouring authorities, the last comparable review based on neighbouring authorities was carried out in 2014.</p>
<p>The Association feels Fareham beach hut rent is currently set fair for the facilities available using the same research.</p>	<p>The review and proposal reflect the rent increase clause as set out in the beach hut Agreements ‘the Council to increase the ground rent to such sum as the Council in their absolute discretion shall decide’ and also the Council Fees and Charges guidelines. By carrying out research of comparable local authorities it has been suggested that the proposed increase is reasonable.</p>
<p>It is expected that a Civic Office Property department would review its rent income to keep up with inflation. It is not expected that to do so it would copycat a neighbouring authority to access what rents should be</p>	<p>Justification for the proposal is based on the Council fees and charges guidelines which includes the wording “The proposed charges should be considered alongside those for similar services in neighbouring authorities and, where appropriate, the charges levied by private sector providers”.</p>
<p>There should be no comparison with Havant, the sites are larger and Havant Borough Council maintenance is superior.</p>	<p>The site rent paid for beach huts does not take into account the size of the beach hut. Havant Council also does not take account of the size of the beach hut to determine the site rent paid. The location of a beach hut at Hill Head overlooking the Solent is considered to be comparable than Hayling Island. It is accepted that Hill Head does not have the tourist type attractions that Hayling Island enjoys but the rural non-commercialised location of Hill Head could be argued to make Hill Head as desirable.</p>
<p>In 2014 a phased increase was agreed which brought the site rents to the present amount including inflation.</p>	<p>The proposal could be phased in over 3 years if decided by the executive.</p>
<p>The Property Department could have discussed this with the Association and agreed an amicable agreement before sending out notices of the proposed increase to members.</p>	<p>No decision on the proposal has been made. Officers were asked to carry out research of comparable rents at other neighbouring local authorities and report findings, to be decided by the Executive.</p>