

## Agenda Item 42

Brighton & Hove City Council

### For general release

**Meeting:** Special Culture, Recreation & Tourism Committee

**Date:** 16<sup>th</sup> January 2008

**Report of:** Director of Environment

**Subject:** Fees & Charges: Beach Chalets, Beach Huts, Fishing Lockers & Boat Licences, Volks Railway, Outdoor Events

**Ward(s) affected:** All

### 1. Purpose of the report

- 1.1 To set out the proposed increase of the annual rent levied by the council for beach chalets at Ovingdean, Rottingdean, Saltdean, Madeira Drive and Hove Seafront.
- 1.2 To set out the proposed rent increase in relation to the annual ground rent for beach huts along Hove seafront and for fishing lockers and boat licenses on both Brighton and Hove beaches.
- 1.3 To set out fees and charges to passengers using Volks railway in 2008.
- 1.4 To set out the factors in determining the level of support or charge made to the organisers of outdoor events.

### 2. Recommendations

- 2.1 That the Culture, Recreation & Tourism committee is requested to agree the fees and charges as set out in this report and detailed in Appendix 1.

### Information/background

### 3. Beach Chalets

- 3.1 There are in total 5 sets of beach chalets. All of these are of solid construction and owned freehold by the Council. In turn they are leased to individuals on a tenancy agreement for an annual sum. Tenants are also responsible for the payment of National Non Domestic rates.
- 3.2 The locations are Hove, Madeira Drive, Saltdean, Rottingdean and Ovingdean. The demand for beach chalets is still high, there is a current waiting list in place of 5-10 years, even though this is a long time people are still happy to go on the waiting list until a chalet becomes available.
- 3.3 The yearly rents for each of the locations are shown in the table below:

	<b>No.:</b>	<b>Current Rent: £</b>	<b>Proposed rent: £</b>	<b>Notes: Last increase was agreed in 2004/5</b>
<b>Hove</b>	22	532.00 plus VAT (625.10 inc VAT)	585.20 plus VAT (687.61 inc VAT)	<b>This represents a 10% increase</b>
<b>Madeira Drive</b>	23	365.00 plus VAT (428.87 inc VAT)	401.50 plus VAT (471.76 inc VAT)	<b>This represents a 10% increase.</b>
<b>Saltdean</b>	20	310.00 plus VAT (364.25 inc VAT)	341.00 plus VAT (400.67 inc VAT)	
<b>Rottingdean</b>	30	310.00 plus VAT (364.25 inc VAT)	341.00 plus VAT (400.68 inc VAT)	
<b>Ovingdean</b>	10	310.00 plus VAT (364.25 inc VAT)	372.00 plus VAT (437.10 inc VAT)	<b>New chalets rebuilt following completion of sea defence works. Proposed 20% increase to reflect new build</b>

- 3.4 Hove rents remain higher to reflect the level of services available in the chalet including water and electricity. The slightly higher rent charged for Madeira Drive takes into account the prime central location and the refurbishment of the chalets in 2005.

- 3.5 Chalets on Madeira Drive, Saltdean, Ovingdean and Rottingdean promenade do not have any utility connections.
- 3.6 Saltdean and Rottingdean chalets both require urgent repair and improvements works and are the subject of a number of complaints from tenants and residents. A bid has been made to PMB 2008/9 to fund these repairs.
- 3.7 Chalets on Madeira Drive, Saltdean, Ovingdean and Rottingdean do not have any utility connections.
- 3.8 The proposed increases in beach chalet rents will generate an additional £4,000 in revenue.

#### 4. Beach Huts

- 4.1 As opposed to beach chalets, which are brick built and owned by the Council, beach huts are wooden, and owned by members of the public who pay an annual rent to keep their hut on Hove Promenade. This is done using a licence agreement, which is renewable on 1<sup>st</sup> April each year.
- 4.2 The beach huts are an extremely popular and sought after leisure facility which commands prices well in excess of their construction value when placed on the open market by their owners. There are approximately 400 beach huts for which the current rent is £220 per annum, plus VAT. It is proposed that the rental is increased to £230 per annum, plus VAT. Rents have not been increase for the past two years therefore an increase of 6% has been proposed in order to bring this back in line with annual inflationary increases. This will produce additional income of approximately £6,000 in the 2008/2009 revenue budget.
- 4.3 Proposed charges for Beach Huts:

	<b>Existing Charge:</b> £	<b>Proposed Charge:</b> £	<b>Percentage Change:</b>
<b>Beach Huts Hove Prom</b>	220.00 plus VAT	230.00 plus VAT	6%

#### 5. Fishing Lockers/Boat Licences

- 5.1 There are a number of fishing lockers and boats located on the beach at both Madeira Drive and Hove seafront. Lockers and boat licences are issued each year to registered keepers, the various fees and charges are detailed in appendix 1 of this report.

#### 6. Volks Railway

- 6.1 The proposal is for the Volks railway passenger fees to remain the same for the coming season 2008/9. The distance of one mile, which takes approx 12 minutes, represents good value at £2.50 return per adult. This charge is also in line with charges made for funfair type rides that are found on Palace Pier and similar to charges made by the local bus company for return journeys. There is concern that if charges were to be increased that this would deter those visitors who are borderline in their decision to take a trip on the historic Volks railway. This year is the 125<sup>th</sup>

Anniversary of the Volks Railway and this will give the opportunity for special marketing of this event.

- 6.2 It is also proposed that in the quieter months during the season in April, May, & June that members give consideration to a flat £1.00 fare for one weekend per month to encourage local residents who would not normally consider taking a ride on the railway to do so. The last time that this was tried it was found to be very successful in getting local residents to take the train. Officers would also be able to report back to members whether this helps to generate additional income by comparing income in 2007/8 with the same month and day in 2008/9.
- 6.3 Details of the Volks railway charges are detailed in appendix 1.

## **7. Fees & Charges Outdoor Events**

- 7.1 Outdoor events are seen as a way of stimulating tourism and attracting visitors, enhancing the local economy and contributing positively to the City's profile through press and media coverage. In addition to the economic benefits, at a local level they foster a sense of community and bring local people together. Outdoor events are those which take place in parks, on the highway and on public open spaces within the City. They can be broadly categorized by their size, objectives of the organiser [commercial, charitable or community development] and duration [one day event, a themed weekend or a marquee entertainment with a run of several weeks].

## **8. Madeira Drive Hire Charges**

- 8.1 The current hire charges exclusive of VAT for Madeira Drive are shown below:

<b>Category of event:</b>	<b>Charge for the hire of Madeira Drive for the financial year 2005/06: £</b>	<b>Proposed Hire Charges 2008/9: £</b>	<b>Percentage Increase:  Last increase was agreed in 2004/5</b>
Commercial	5750	6325	10%
Charitable	2100	2310	10%
Enthusiasts	1300	1430	10%

- 8.2 The events office is a member of the National Outdoor Events Association and attends meetings at both a national and local

level. Work has been undertaken at a regional level to compare the fees charged in the south of England. There is no national industry standard and our charges compare favourably with our counterparts in the southeast.

- 8.3 Associated fees and charges need to be taken into account in relation to the publicity and marketing of events that are held in the city, charges are made for poster and banner sites in various locations across the city. These fees are detailed in appendix 1.
- 8.4 Large scale events that are held in parks and open spaces are considered on an individual basis. The rationale on what fees and charges are to applied was set in the Outdoor Events – Charging Policy presented to the Environment committee on 20<sup>th</sup> October 2005.

## **9. Consultation**

- 9.1 The ability to revise rents is prescribed within the tenancy and licence agreements for each property. Notice of the revised rent is given prior to registered owners being billed by Exchequer Services.