

# **CULTURE, RECREATION & TOURISM CABINET MEMBER MEETING**

## **Agenda Item 69**

Brighton & Hove City Council

|                         |  |                     |  |
|-------------------------|--|---------------------|--|
| <b>Subject:</b>         | <b>Fees and Charges: Beach Chalets, Beach Huts, Fishing Lockers and Boat Licences, Outdoor Events and Volk's Railway</b> |                     |  |
| <b>Date of Meeting:</b> | <b>20 January 2008</b>   |                     |  |
| <b>Report of:</b>       | <b>Director of Environment</b>   |                     |  |
| <b>Contact Officer:</b> | <b>Name: Jayne Babb</b>  | <b>Tel: 29-2730</b> |  |
|                         | <b>E-mail: Jayne.babb@brighton-hove.gov.uk</b>   |                     |  |
| <b>Key Decision:</b>    | <b>No</b>  |                     |  |
| <b>Wards Affected:</b>  | <b>All</b>   |                     |  |

### **FOR GENERAL RELEASE**

#### **1. SUMMARY AND POLICY CONTEXT:**

- 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 2009.
- 1.4 To set out the charges made to the organisers of outdoor events.

#### **2. RECOMMENDATIONS:**

- 2.1 That the Culture Recreation & Tourism Cabinet Member agrees the fees and charges as set out in this report and detailed in Appendix 1.

#### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

##### **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 and there is a current waiting list in place of between 5-10 years,

3.3 The yearly rents for each of the locations are shown in the table below:

|                      | <b>No.:</b> | <b>Current Rent:<br/>£</b>                | <b>Proposed rent:<br/>£</b>   | <b>Notes:<br/>Last increase<br/>was agreed in<br/>2007/8</b> |
|----------------------|-------------|---|-------------------------------|--|
| <b>Hove</b>          | 22          | 585.20 plus<br>VAT<br>(687.61 inc<br>VAT) | 596.75<br>(689.80 inc<br>VAT) | <b>2.5%</b>  |
| <b>Madeira Drive</b> | 23          | 401.50 plus<br>VAT<br>(471.76 inc<br>VAT) | 411.50<br>(473.21 inc<br>VAT) | <b>2.5%.</b>   |
| <b>Saltdean</b>      | 20          | 341.00 plus<br>VAT<br>(400.67 inc<br>VAT) | 349.52<br>(401.95 inv<br>VAT) |  |
| <b>Rottingdean</b>   | 30          | 341.00 plus<br>VAT<br>(400.68 inc<br>VAT) | 349.52<br>(401.95 inv<br>VAT) |  |
| <b>Ovingdean</b>     | 10          | 372.00 plus<br>VAT<br>(437.10 inc<br>VAT) | 381.30<br>(438.50inc<br>VAT)  | <b>2.5%</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.

3.5 Chalets on Madeira Drive, Saltdean, Ovingdean and Rottingdean promenade do not have any utility connections. However there is water available from a standpipe nearby.

3.6 Saltdean and Rottingdean chalets both require urgent repairs and improvements works A bid has been made to the Planned Maintenance Budget 2009/10 to continue the programme of repairs to these units.

## Beach Huts

- 3.7 Beach huts are wooden, and owned by members of the public who pay an annual fee 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.
- 3.8 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 £270.25 inc VAT per annum. It is proposed that the rental is increased to £318.55 inc VAT at the new rate of 15% per annum, Rents were increased last year by 6% to bring them back in line with annual inflationary increases. This year the increase will be at 2.5% in line with inflation.
- 3.9 Proposed charges for Beach Huts:

|                                 | <b>Existing Charge:</b><br>£        | <b>Proposed Charge:</b><br>£ | <b>Percentage Change:</b> |
|---------------------------------|-------------------------------------|------------------------------|---------------------------|
| <b>Beach Huts<br/>Hove Prom</b> | 230.00 plus VAT<br>(270.25 inc VAT) | 277.00<br>(318.55 inc VAT)   | 2.5 %                     |

## Fishing Lockers/Boat Licences

- 3.10 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.

## Volks Railway

- 3.11 Last year the Volks railway passenger fees were not increased. This year it is proposed to increase the fees for the coming season 2009/10 in line with inflation, which is 2.5%
- 3.12 Last year there was the introduction of a £1.00 flat fare for residents during the quieter months of April, May and June, available for one weekend each month. Unfortunately although this was advertised in the Argus and at various poster sites along Madeira Drive the take up of the offer was very low. Therefore it is proposed that this year the Volks railway holds a number of 'Special Days' throughout the season specifically aimed at local residents. Anyone wanting to come along would just have to show proof of residency in Brighton & Hove to benefit from the reduced travel. The aim would be to link these days with other events taking place on Madeira

Drive to add to the day's experience. The Cabinet Member is asked to give consideration to a flat £1.00 fare for these special days for local residents to encourage them to ride on the Volks historic electric railway.

- 3.13 Details of the Volks railway charges are detailed in appendix 1.

### **Fees & Charges Outdoor Events**

- 3.14 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].

### **Madeira Drive Hire Charges**

- 3.15 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:<br/>£</b> | <b>Proposed Hire Charges 2008/9:<br/>£</b> | <b>Percentage Increase:<br/><br/>Last increase was agreed in 2007/8</b> |
|---------------------------|---|--|---|
| Commercial                | 6325  | 6550                                       | 3.5%  |
| Charitable/Community      | 2310  | 2400                                       | 4%  |
| Enthusiasts               | 1300  | 1350                                       | 4%  |

- 3.16 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.
- 3.17 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.
- 3.18 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

#### 4. CONSULTATION

- 4.1 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.

#### 5. FINANCIAL & OTHER IMPLICATIONS:

##### Financial Implications:

- 5.1 Wherever possible increases have been maintained at the inflation factor of 2.5%. In the case of the Volks Railway, no increases have been made for the previous four years and the increases indicated are required to enable the service to cover the forecast operating shortfall in the current year.
- The level of support given to community events and free public entertainments are financed from income from commercially organized events to produce an overall zero budget. The only contribution from the Authority's revenue budget is for the Event Office salaries.
  - All major event organizers are required to provide a deposit. This is in order to cover the cost of reinstatement of the park or open space, including the removal of litter, should it prove necessary for the Council to undertake the work itself and use its own contractors

*Finance Officer consulted:* Derek Mansfield

*Date:* 15/12/08

##### Legal Implications:

- 5.2 There are no direct legal implications that arise from the reviewed fees and charges of the report. Until the introduction of The Licensing Act 2003, only those events, which enclosed an area of public open space and charged an admission fee, required a Public Entertainment License. Terms and conditions for the use of the land in all other cases (the majority of outdoor events) were made as part of landowners consent. From November 2005, with the introduction of the Licensing Act 2003, the majority of outdoor events will now not need to obtain landowner's consent but an entertainment license, for which they will have to pay a fee.

The Council must take the Human Rights Act 1998 into account in respect of its actions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations or contents of this report.

*Lawyer Consulted:*

*Name* Bob Bruce

*Date:* 16/12/08

Equalities Implications:

- 5.3 The events and services that that this reports covers cater for people from all sections of the community.

Sustainability Implications:

- 5.4 None in relation to the setting of fees and charges

Crime & Disorder Implications:

- 5.5 None specifically relating to the content of this report in relation to fees and chares for the coming year

Risk and Opportunity Management Implications:

- 5.6 Although it is proposed the fees are being increased there is still a high demand from residents for beach chalets, fishing lockers and beach huts. There have been 22 changes of beach hut ownership in 2008/9 and there is a waiting list fro beach chalets.

Corporate / Citywide Implications:

- 5.7 The services detailed in this report provide a significant number of leisure opportunities for a catchment area that includes the whole city.

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 6.1 None

**7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 Fees and charges for fishing locker, boats, beach hut and chalets are reviewed each year, there is a requirement within the terms of the agreement that is issued to the occupier that two clear months notice is given of proposed increases before they can be passed on and implemented. Therefore the timing is such that the recommendations should be approved.

**SUPPORTING DOCUMENTATION**

**Appendices:**

1. None

### **Documents In Members' Rooms**

1. None
- 2.

### **Background Documents**

1. Previous Fees & Charges Report 16 January 2008
- 2.

