

# HAVANT BOROUGH COUNCIL

**Scrutiny Board**

**7 November 2017**

## ***Beach Huts Review***

**For Recommendation**

**Key Decision No**

**Report By: Operations, Environmental Services and Norse Scrutiny and Policy Development Panel**

### **1.0 EXECUTIVE SUMMARY**

- 1.1 The review was undertaken in two distinct phases. The initial phase (Phase 1) was undertaken from July 2016 to February 2017 with the primary purpose of identifying alternative beach hut sites and to examine the economic viability of the current service. The report for this phase was adopted by the Scrutiny Board on 4 April. The recommendations of the Board in relation to this phase of the review have not yet been considered by the Cabinet.
- 1.2 On 22 February, the Council agreed to increase the prices for services, which included changes to the fees and charges relating to Beach Huts charges. Complaints were received in response to the changes to the Beach Hut fees and Charges and the Cabinet Lead, under delegated powers, reduced the transfer fee and agreed that the fees, could in some circumstances, be paid by instalments.
- 1.3 In view of the level of the complaints and at the request of some of Hayling Island ward Councillors, the Scrutiny Board on 27 June 2017 requested that the Panel consider the issues raised in these complaints (Phase 2).
- 1.4 This report revises the recommendations made following Phase One of the review and makes new recommendations in relation to Phase Two of the review.

### **2.0 RECOMMENDATIONS**

- 2.1 It is recommended that Cabinet:
  - 2.1.1 consider ways of improving the appearance and site layout of the beach huts;
  - 2.1.2 consider providing new beach huts in the car park adjoining the Hayling Island Skatepark as shown in Appendix A. Such development to be

constructed under permitted development rights subject to public consultation and consultation with statutory consultees;

- 2.1.3 endorse the view that any additional beach huts should infill within existing beach hut sites on Hayling Island;
- 2.1.4 freeze the current Beach Hut Plot Licence fees for three years (including this financial year) and to review these fees at the end of this period (2020/21);
- 2.1.5 reduce the Beach Hut Plot Transfer of Licence fee to £100 and review the level of the fee for next year (2018/19);
- 2.1.6 endorse the principle that the Beach Hut Plot Transfer of Licence Fee include other elements in addition to administrative costs;
- 2.1.7 agree that the facility to pay by instalments over a six month period be offered to new and existing licensees with no administrative charge included or added;
- 2.1.8 agree that the instalment facility be made available for every year and not just this financial year;
- 2.1.9 agree that a seven year lease be offered to beach hut plot licensees
- 2.1.10 request the officers of the Council and Norse South East be requested to build a working relationship with the newly formed Beach Hut Association; and .
- 2.1.11 endorse a more robust management of non payment of fees.

### **3.0 STRATEGY**

- 3.1 The recommendations seek to make the Council's beach hut provision financially sustainable, while the review recognises that previous actions by the Council do not meet the standards for public service excellence and seeks to address concerns raised.

### **4.0 LEGAL**

- 4.1 The provision of a 7-year lease for beach hut owners has been approved by Legal Services.

### **5.0 RESOURCES**

- 5.1 The facility to enable instalment payment of the licence fee over a 6 month period represents additional administration and costs. The freezing of the beach hut plot licence fees for 2018/19 and 2019/2020 will restrict the amount of income that can be raised through beach hut fees. The Panel were assured by officers however that this would be manageable and not have a significant financial impact on the Council. The loss of income is justified in

view of the way the increase in fees has been communicated to the licensees this year and hopefully will repair some of the damage done to the Council's reputation.

## **6.0 STAKEHOLDERS**

- 6.1 In total, 78 complaints were received from beach hut owners in relation to the rise in charges, introduction of a transfer of licence fee, removal of instalment payments and the communications between Norse and residents.
- 6.2 Hayling Island Ward Councillors were invited to discuss these concerns with Panel members, while beach hut association representatives were also invited to present their views to the Panel and discuss options for the future provision of beach huts. All those invited to speak to the Panel were given the opportunity to comment on the final report and findings pack.

## **7.0 RISKS**

- 7.1 A failure to address the concerns of the licensees will lead to further damage to the Council's reputation. The recommendations seek to redress the concerns raised.

## **8.0 METHODOLOGY**

- 8.1 Full details of the methodology of the project is set out in a separate Findings Pack

## **9.0 CONCLUSIONS**

### **9.1 Phase One**

- 9.1.1 Phase one of the beach huts review was started in June 2016 at the request of the Deputy Leader and Cabinet Lead for Operations and Environmental Services, NORSE. It was then decided that the review would examine the suitability of the current beach huts, the current beach hut sites and terms and conditions for letting beach huts; benchmark the Council's service in comparison to other local authorities; assess the demand for new beach huts and the use of the current beach huts; and identify any potential new site for beach huts.
- 9.1.2 This phase included the receipt of advice from Planning and Estates teams in the Council, a site visit to the Hayling Island beach huts, interviews with Norse officers and consultation with Hayling Island Ward Councillors.
- 9.1.3 The recommendations of this phase were agreed by the Scrutiny Board on 4 April 2017 and need to be considered by the Cabinet. A copy of the original report is attached as Appendix A

## 9.2 Phase Two

- 9.2.1 Phase two was instigated at the request of the Scrutiny Lead following complaints received from residents. The complaints concerned the rise in the licence fee and the introduction of the beach hut plot transfer of licence fee that were agreed as part of the budget at Full Council on 22 February 2017. The issues raised also included the removal of the option to pay via instalments and the tone of communications from Norse to residents.
- 9.2.2 In response to the complaints, the Acting Leader and Cabinet Lead for Operations, Environmental Services and Norse reduced the beach hut plot transfer of licence fee from £1200 to £500 and provided the option for payment via instalments in certain cases, through a delegated decision.
- 9.2.3 The Panel invited Hayling Island Ward Councillors to consult on the issues raised by residents. The Panel also invited representatives from beach hut owner associations to present their views to the Panel and discuss options moving forward.
- 9.2.4 The Panel accept that the way in which the increases were communicated to residents was unacceptable and fell way short of the Council's standards. It was pleased to note that this was recognised by officers and would be addressed moving forward.
- 9.2.5 The Panel considered the current licence fee, and options for future fees. It was felt that freezing the current fee for three years (including the current financial year) would be the best option for all parties moving forward. This option would enable beach hut owners to budget for future years and achieve a saving when compared to the average year-on-year rise of fees, while a review would be undertaken at the end of this period to ensure the licence fee was properly investigated and justifiable beyond this time. The option also ensured the Council did not incur any further costs and this did not have a large detrimental effect on the Council's financial position.
- 9.2.6 As part of phase one, the Panel recognised the need for a transfer of licence fee to be introduced to cover the Council's costs and retain a small profit, as is the case in most other local authorities. It was clear however that the introduction of the fee at £1200 was too large an increase from the original £59 administration fee. The Panel agree with the Cabinet Lead who reduced this to £500 and endorse the view that this be furthered reduced to £100 in the current format. The Panel was also of the opinion however that it would not be unreasonable for the Council to include elements in this fee, which did not relate to administrative costs.
- 9.2.7 The removal of the ability to pay by instalments had led to many beach hut owners struggling to pay for their hut. It is therefore recommended that the ability to pay over a 6 month timescale be reinstated. This facility should be made available in the current year and beyond, and the Council should not charge an additional fee for this method of payment.

9.2.8 It was also recognised that the renewal of a lease each year is a resource intensive activity for both Norse and beach hut owners. It is proposed that a 7-year lease be offered to negate these concerns, as this offers long-term stability and the clear period for owners to budget for their hut.

9.2.9 Throughout phase two of the review, it was clear to Panel members that the communication to beach hut owners had been poorly handled, confused and at times aggressive. In recognising these wrongs, the Panel were keen to ensure past mistakes were not repeated. During the course of discussions, the Panel noted that beach hut owners were in the process of forming an overarching 'Beach Hut Owners Association' and would welcome discussion with the Council on matters going forward. The Panel believe building a working relationship with this association would benefit both the Council and beach hut owners going forward.

9.2.10 Full findings, including detailed conclusions from both phases of the review, can be found in the separate findings pack.

## **10.0 Background Papers**

[Findings Pack](#)

## **Appendices**

Appendix A – Comments Received

**Contact:** Councillor Jackie Branson  
**Title:** Scrutiny Lead for the Operations, Environmental Services and Norse Scrutiny and Policy Development Panel  
**E-Mail:** [jackie.branson@havant.gov.uk](mailto:jackie.branson@havant.gov.uk)