

CABINET

4 NOVEMBER 2022

REPORT OF THE PORTFOLIO HOLDER FOR LEISURE AND TOURISM

A.4 TENDRING BEACH HUT STRATEGY REVISITED

(Report prepared by Mike Carran)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present a draft emerging Beach Hut Strategy Review for Cabinet approval for public consultation purposes and provide authority to invite stakeholder comment on the document.

EXECUTIVE SUMMARY

- The Council adopted its Beach Hut Strategy in 2013, to provide a consistent approach to the management of this service in subsequent years. This revision of the existing strategy (Appendix A) is to update a number of issues relating to beach huts, to ensure beach hut conditions are adhered to and appropriate resources are considered to monitor the service.
- Along the Tendring coast there are currently 3,057 beach huts directly under the operation and management of Tendring District Council. The objectives for the Beach Huts Service at Tendring District Council, as set out in the strategy, are to provide a customer focused, efficient, quality service, seeking income opportunities, which has potential, subject to further business case and decisions, to facilitate:
 - *Improved seafront assets and infrastructure*
 - *Increased awareness of local seafront issues*
 - *Support for tourism and inward investment strategies of the Council*
- Beach huts are a key part of the Tendring seafront landscape and are regularly captured in tourism images, as features of the District in Brightlingsea, Clacton-on-Sea and Holland on Sea, Frinton on Sea and Walton on the Naze and Harwich and Dovercourt.
- The Council contacted all beach hut licence holders in April 2022, to inform them of an intention to review the existing Beach Hut Strategy which was first adopted in 2013. In the summer of 2022, the Council consulted on 7 key issues, which would form the basis of a review of the existing Beach Hut Strategy, which was adopted by Cabinet in 2013. Those issues were as follows:
 - *Limiting the onward renting of beach huts by issuing a number of new commercial agreements through a transparent tender process;*
 - *Limiting the issue of future beach hut agreements to one per household;*
 - *Revising/updating the existing Beach Hut Specification;*

- *Where licence holders have adapted their huts to include extensions, such as patios and verandas which are not covered by the specification, look to work with those parties to ensure their removal;*
 - *Developing a future funded business plan to consider additional staffing resources to ensure beach hut conditions are adhered to and to take appropriate enforcement action where necessary;*
 - *Improving customer service through exploring the feasibility of an improved digital platform for those with beach huts;*
 - *Developing a business plan for developing new beach huts and utilising the additional income for increased resources and seafront investment.*
- A pre consultation questionnaire exercise was developed on these 7 points and 2,673 people completed it. A breakdown of the responses is summarised in part 2 of this report and the full consultation response is attached as Appendix B. Following the consultation, a number of proposals on how to address each of the points above were drafted. They are set out in the draft strategy (Appendix A).
 - Following the consultation, each of the points have been reviewed and amendments have been made where it is deemed appropriate to form the emerging document attached. This has included changes to how Commercial Agreements are proposed to be issued following final adoption and the types of agreements which are suggested to be issued in future for beach huts.
 - Once this draft strategy has been considered by Cabinet, the views of current licence holders, Beach Hut Associations and other stakeholders will be requested through a consultation process, which will last a minimum of six-weeks. The strategy will then return to Cabinet in February 2023 for consideration of any comments and final adoption. Some points covered in the strategy can be delivered on adoption by Cabinet and other points will be longer term, following a detailed business plan.
 - Short term changes to the beach hut agreements resulting from the adopted strategy will be implemented by April 2023 and licence holders will be informed directly, providing a minimum of 28 days' notice. Following consultation, it is also proposed to move from licences to leases, with an implementation date of 1 April 2024. The greater security afforded to those with huts, would result in an increase in annual charges. Any Commercial Agreements issued however, would be implemented in advance of the wider roll out, following Cabinet adoption of the strategy.

RECOMMENDATION(S)

That Cabinet approves the content of the revised draft Beach Hut Strategy for consultation purposes and authorises Officers to seek stakeholder comment on the document for a minimum six-week period.

REASON(S) FOR THE RECOMMENDATION(S)

The recommendation is made so that Cabinet approves the draft strategy in principle and authorises the consultation in order to ensure that the views of local people on the content of

the strategy are considered prior to adoption and implementation. The proposals set out in the draft strategy are aimed at an improved beach hut service going forward, in terms of governance, improvements to seafront aesthetics and ensuring a regulated service for rentals.

ALTERNATIVE OPTIONS CONSIDERED

The option to not review the existing strategy was considered, but this was not considered viable as it is good practice to review strategic documents with wide ranging impact.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

This Beach Hut Strategy review contributes to the following priorities set out in the Council's Corporate Plan:

This review would support the Council's commitment to a 'growing and inclusive economy' and in particular to:

- Promote Tendring's tourism, cultural and heritage offers
- Maximise our coastal and seafront opportunities
- Support the Corporate Plan Theme of Strong Finances and Governance priority to Use assets to support priorities

The strategy would also contribute towards:

- '24 hour a day digital services', through the potential to add a new digital platform for Beach Hut customers
- 'Public spaces to be proud of' seeking to improve the aesthetics of Beach Huts and their contribution to the District's seafront offer
- Becoming 'Carbon neutral by 2030', through considering new sustainable products through a review of the Beach Hut Specification;

OUTCOME OF CONSULTATION AND ENGAGEMENT

A consultation exercise was carried out in summer 2022 for a period of six weeks. This pre consultation questionnaire exercise was developed based on the key points likely to be addressed in the Strategy. 2,673 people completed it. A breakdown of the responses is summarised in the Draft Strategy and a full breakdown is attached as Appendix B. It would be fair to say that there were strong views on both sides in relation to renting beach huts and adaptations. Further consultation with the various Beach Hut Associations has also been carried out and an additional meeting will be scheduled following the November Cabinet Meeting. All the points raised have been considered in the completion of this review and has informed the decision making in the Strategy.

Overview of Consultees

- *A total of 2673 people completed the questionnaire;*
- *1551 of the consultees (58%) live outside of the District and 67% of those non Tendring residents do not hold a Beach Hut licence;*
- *The remaining 42% are Tendring residents and local businesses;*
- *Around 34% of consultees hold Beach Hut licences. That is just under a third of the total Beach Hut licence holders in the District;*

- *Around 66% of consultees do not hold Beach Hut licences.*

On each of the points consulted on, the majority of consultees agreed with the Council's position, with the exception of three questions, which are addressed below.

On the question of rentals, 64% (1737) of consultees either strongly disagreed or disagreed with the Council's position and 28% either strongly agreed or agreed. Of the 1737 above who strongly disagreed or disagreed however, 68% did not live in the Tendring District. Of the Tendring residents who completed the questionnaire, the response was relatively balanced, where 46% either strongly disagreed or disagreed and 44% strongly agreed or agreed. It is considered on balance, that the proposals put forward in the strategy would allow a successful rental market to flourish, but with the assurance that it is regulated and meets the needs of the local tourism economy. Through issuing commercial agreements to renters, the Council will be assured that this service will comply with insurance obligations and other statutory measures.

With regards to adaptations and the proposal to work towards a removal of extensions such as large verandas and balconies, 45% of consultees either strongly disagreed or disagreed and 34% strongly agreed or agreed with the Council's position. Of the Tendring residents who completed the questionnaire however, this position alters – as 44% of consultees either strongly agreed or agreed and 39% strong disagreed or disagreed. Having considered these responses, it is recommended to continue with the original suggestion in this emerging strategy. The need to ensure beach huts are not expanded outside of their allocated jurisdiction onto wider public spaces, is an important factor. The fact that this position is supported on balance by residents (if not the wider group of consultees), gives weight to this position.

Finally, with regard to increasing resources to monitor beach hut agreements, 34% of consultees either strongly agreed or agreed with the Council's position and 42% either strongly disagreed or disagreed. The Council will consider this position when preparing any future business plan brought forward on this matter. Further analysis on residents and non-residents views can be considered at that time.

Following the consultation, Officers have considered how the revised specification can be embedded into Beach Hut Agreements. As such, it is now suggested that licences are phased out over the next year and are replaced by leases from 1 April 2024. This will include obligations for beach hut design, as set out in the revised specification. Leases will also provide those with beach huts on Council land with additional security, which they do not currently have with a licence agreement. As beach huts are changing hands for very significant sums of money, it is considered that leases would provide the fairness of additional security, which is not currently available through licence agreements. It should be noted however that the annual cost of a lease will be higher than that of a licence fee, to reflect that greater security. This will be made clear during the formal consultation exercise with stakeholders. This would not prevent those with agreements being able to sell their lease to a private buyer, as long as their beach hut was fully compliant. The lease would be assignable to a new owner and the originator would need to apply to the Council for consent to assure this was compliant.

Furthermore, it is recognised that a majority of stakeholders disagreed with the Council's position on issuing Commercial Licences through a competitive tender process. Although it is important and appropriate to regulate the market for rentals, it is now proposed that commercial licences are issued to those requesting them, but based on a criteria. This will cover key points such as accessibility and safety of huts, to ensure Commercial Licence holders are able to

provide a high quality service and any agreement will consider the key points set out in the Council's Tourism Strategy. With the suggestion of a move from licences to leases, it is proposed that any new commercial agreements being issued would be through a lease. This would be in advance of the wider roll out in April 2024 and could be rolled out following Cabinet's adoption of the final strategy.

A Task and Finish Group from the Resources and Services Overview and Scrutiny Committee has been initiated in relation to the Beach Hut Strategy, which so far has met with Officers, Beach Hut Associations and the Portfolio Holder for Leisure and Tourism. Further meetings are scheduled to take place and the process will continue through the consultation period, following the Cabinet meeting in November.

Once this draft strategy has been approved at Cabinet in November, the views of residents, current licence holders, Beach Hut Associations and other stakeholders will again be requested through a consultation process. This will include a set of Frequently Asked Questions FAQs on the proposals in the strategy, to ensure consultees are clear on the details. Officers and the Portfolio Holder will consider responses to the consultation and a final raft strategy will then be brought back to Cabinet in February 2023 for final adoption.

In addition to the changes proposed in the original consultation, the proposed updates to the methods for issuing Commercial Agreements and the move towards leases will be covered. This will include increased charges to reflect the additional security afforded by leases, as opposed to licences.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	YES	If Yes, indicate which by which criteria it is a Key Decision	X Significant effect on two or more wards Involves £100,000 expenditure/income Is otherwise significant for the service budget
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	14 September 2022

In coming to decisions in relation to management of assets, the Council must act in accordance with its statutory duties and responsibilities. Cases assessing principles of Section 120 of Local Government Act 1972 confirm that the Council is obliged to ensure that the management of its assets are for the benefit of the district.

X The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:

Consultation has already been undertaken on some specific areas in relation to the review of the Beach Hut Strategy and further consultation is being proposed on the principles of an emerging strategy and the outcome of such consultation will be considered and reported to Cabinet prior to final decisions being made for adoption. The Council proposals are within its

powers and the final report will detail any changes in legal documentation required and the processes to be followed, before implementation.

FINANCE AND OTHER RESOURCE IMPLICATIONS

It should be noted that this strategy does not commit the Council to any additional expenditure. Any option for building additional Beach Huts for sale or lease (to fund additional resources or improvements), will be brought forward as a standalone business plan in its own right to the Corporate Investment Panel.

There are currently no additional resources for enforcement, but this will be addressed and proposed through the Beach Hut development proposal.

A formal proposal and business plan for a Beach Hut development programme will be submitted through the Corporate Investment Plan process following adoption of the strategy.

If Cabinet choose to move towards replacing licence agreements with leases, this will include an increase in annual charges, to reflect the greater security of tenure for those with huts on Council land. The process for setting fees and charges for commercial agreements will be through establishing a market rental following an evaluation by an external property consultant.

The proposals are within the Council's powers.

X	The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:
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There are no further comments over and above those set out elsewhere within this report.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

<p>A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;</p>	<p>The Beach Hut service is self-funding and this strategy does not increase costs to the Council.</p> <p>A standalone proposal and business plan will be brought forward for consideration following the adoption of the strategy. This will demonstrate the financial resources required for any additional resources required to improve administration of the strategy. The implementation of the strategy will not be dependent on this proposal.</p>
<p>B) Governance: how the body ensures that it makes informed decisions and properly manages its risks,; and</p>	<p>The Council has consulted on this strategy prior to consideration by Cabinet. A further consultation process will be carried out following its adoption.</p> <p>Any future decisions required in relation to its implementation or support of the strategy delivery, will be subject to an appropriate decision.</p>

<p>C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.</p>	<p>The consideration of a new digital platform will improve efficiency and management of Council resources.</p> <p>Any future procurement exercises in relation to this strategy may benefit the local economy.</p>
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MILESTONES AND DELIVERY

If Cabinet accept the recommendations in the report,

- Once this Draft Strategy has been approved by Cabinet, the views of residents, licence holders, Beach Hut Associations and other stakeholders will again be requested through a six-week consultation process.
- The strategy review will then be brought back to Cabinet in February 2023 for final adoption, with consideration to any points raised through the consultation process.
- Any short term changes to the Beach Hut Licences resulting from the adopted strategy will be implemented by April 2023 and licence holders will be informed directly, providing a minimum of 28 days’ notice. This will include a specific reference to beach huts not being rented for more than 10 days per year (for those who do not wish to apply for a commercial agreement).
- Those beach hut customers who wish to apply to change to a commercial agreement will be asked to provide an expression of interest. This will be assessed against a criteria, which will ensure their huts are accessible, safe and meet the objectives set out in the Council’s Tourism Strategy.
- A formal proposal and business plan for a Beach Hut development programme, as set out in Appendix A will be brought forward for consideration following adoption of the strategy.
- A review of the Beach Hut specification will also be undertaken following adoption of the strategy in February 2023. This will be carried out in consultation with Beach Hut Associations and other key stakeholders.
- It is proposed that licences are replaced by leases for the remaining beach hut customers on 1 April 2024 and this will incorporate any changes to the specification.

ASSOCIATED RISKS AND MITIGATION

At this stage, Cabinet is just being asked to approve the content of the draft strategy and agree for a consultation exercise to be undertaken.

Key Risks	Action Proposed to Manage the risk	Link to Corporate Risk Register
A lack of resources to implement the strategy in full	<i>A proposal and accompanying business plan will be submitted for</i>	Reputational

	<i>consideration, following the adoption of this strategy</i>	
EQUALITY IMPLICATIONS		
<p>The Council will need to consider accessibility and those Beach Hut Licence Holders with disabilities when considering changes to the Beach Hut Specification.</p> <p>If it is chosen to issue Commercial Agreements to those wishing to rent out beach huts, the Council will need to ensure issues of accessibility are addressed. It is intended to achieve this through a set of criteria, which those requesting commercial agreements will be required to comply with.</p> <p>The consultation process was open to all stakeholders to participate and although it was administered online, paper copies were made available.</p>		
SOCIAL VALUE CONSIDERATIONS		
<p>Any future procurement linked to this revised strategy will consider social value and the impact it can have on the local economy.</p>		
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030		
<p>Under the proposal to revise the Beach Hut specification document, new sustainable products will be a key consideration for improvements. The implementation of an improved digital platform to improve service and communication with Beach Hut Licence Holders, has the potential to reduce Officer travel around the District.</p>		
OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS		
<p>Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.</p>		
Crime and Disorder	<p>The issue of Beach Hut crime and anti-social behaviour has been considered with this strategy. The Council has utilised deployable CCTV cameras on seafront locations over the last 12 months in bid to impact on criminal damage and theft on Dovercourt Seafront.</p> <p>Incidents of seafront crime may require deployable CCTV cameras to be utilised in the future.</p>	
Health Inequalities	<p>Although this strategy does not impact directly on Health Inequalities, aesthetic improvements to Beach Huts and wider seafront locations across the District will improve public open space and contribute towards enhanced quality of life for local residents and visitors.</p>	
Area or Ward affected	<p>The Beach Hut Strategy and the implications of this review impacts on the entire District.</p>	

BACKGROUND

Along the Tendring coast there are currently 3,057 beach huts directly under the operation and management of Tendring District Council. This has increased from 3,039, as reported in the original strategy. Other beach hut provision exists in parts of the District, on private land or land under the control of Town Councils.

Beach huts are an important and significant feature of Tendring life. Beach huts are prominent in the advertising and promotion of Tendring as a visitor / tourist destination. Beach huts not only offer a popular recreational activity including encouraging use of the seaside for local people. They also bring in families and visitors from outside the District. The current occupation of beach Huts in Tendring is divided 60% locally owned and 40% owned by non-residents. This figure varies from location to location with Walton-on-the-Naze attracting the greatest proportion of outside ownership.

Demand for beach huts remains high despite the current national economic challenges. In 2013 huts were listed in the strategy as changing hands for between £5,000 and £30,000. In 2022 however, the higher end has increased to up to £60,000 and beyond in some cases.

The introduction of further beach huts and the potential to sell or lease to meet the demand remains a key part of this revised strategy.

Beach huts are present in all coastal areas of the District and licence holders are represented by well organised local Beach Hut Associations in the following locations:

Brightlingsea Beach Hut Association
Clacton and Holland Beach Hut Association
Frinton Beach Hut Association
Harwich and Dovercourt Beach Hut Association
Walton Beach Hut Association

Historically the Council has provided an Officer to attend Association Annual Meetings and over recent years, has met regularly with representatives of all Associations in a District Wide Group. Many of the changes proposed for the Strategy emerge from these discussions.

Key Issues from the Strategy Review

Renting of Beach Huts

Some associations are supportive but others less so. Whilst sharing the use of a beach hut amongst family and friends is an entirely reasonable way of maximising the pleasure and enjoyment of beach hut ownership, commercial letting is not what was ever intended. Commercial activities are potentially making beach huts unaffordable for ordinary users as well as risking the over-crowding of some areas.

Whether any new beach huts licences should be restricted to one per household in order to maximise local opportunities. We are considering honouring multiple existing licences to one household. However, if a household already has a beach hut, then they would not be able to apply for a second licence.

Accessibility

By their very nature the bulk of huts are challenging in terms of accessibility for any disabled user. While wholesale improvement is likely to be impractical and unviable improvement and addition schemes should fully consider accessibility.

Conditions

Correspondents have raised concerns about some specific areas and the generality of property conditions around the seafronts and beach hut areas. In the absence of a financially sustainable approach, it is unlikely that the Council will be able to make significant progress in addressing these issues.

It is also clear that a number of huts themselves are in poor condition and it may well be beneficial for any enforcement approach to also address this.

Alterations

Over the years, it has also become apparent that some huts breach the current specifications due to adaptations that have taken place, and that some extend beyond the stated plot dimensions, i.e. the addition of patios / balconies / decking areas, etc. It is proposed through this strategy, to review the current specification following adoption by Cabinet and work with those who have adapted their huts with large verandas, decking areas and balconies which fall outside of the specification and agreement, to have them removed.

PREVIOUS RELEVANT DECISIONS

Adoption of the 2013 Beach Hut Strategy – October 2013

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

None

APPENDICES

Appendix A – Beach Hut Strategy Revisited & Consultation Response
Appendix B – Consultation Questions

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