

## **The Vale of Glamorgan Council**

### **Cabinet Meeting: 6 February 2017**

### **Report of the Cabinet Member for Visible, Leisure and Regulatory Services**

#### **Barry Island Beach Huts**

##### **Purpose of the Report**

1. To provide Cabinet with an update on the use of the beach huts at Barry Island during Summer 2016 and to agree the operation and management of the beach huts for 2017/18.

##### **Recommendations**

1. That the details of the operation of the beach hut service for the 2016/2017 period are noted.
2. That the beach hut rental policy for 2017/2018 as attached at [Appendix 5](#) to this report is endorsed.
3. That this report be referred to Scrutiny Committee (Environment and Regeneration) for consideration.
4. That this report is brought back to Cabinet for determination following the outcome of the Scrutiny Committee meeting.

##### **Reasons for the Recommendations**

1. For the information of Cabinet.
2. To seek 'in principle' acceptance by Cabinet of the draft beach hut rental policy for the 2017/2018 period.
3. To allow full consideration of the details of this report by the appropriate Committee.
4. To enable Cabinet to take a decision on the beach hut policy for 2017/2018 with the benefit of the views of the relevant Scrutiny Committee.

##### **Background**

2. Cabinet at its meeting on 25th April 2016 (Minute number C3149 refers) resolved:
  - (1) THAT the comments of the Scrutiny Committee (Economy and Environment) of 12 April, 2016 be noted.

- (2) THAT the beach hut rental policy attached at Appendix B to the report to cabinet 11 April 2016 be approved.
  - (3) THAT beach hut key holding and daily booking administration be undertaken for the 2016/17 period in partnership with "Bay 5" restaurant, the Promenade, Barry Island.
  - (4) THAT delegated authority be granted to the Director of Environment and Housing Services, in consultation with the Cabinet Member for Visible and Leisure Services to make minor amendments to the beach hut rental policy, should these be required in operation.
  - (5) THAT delegated authority be granted to the Head of Regeneration and Planning to let vacant beach huts, at no charge, to persons, organisations or businesses for the purposes of regeneration and tourism activity, as appropriate.
  - (6) THAT a further report on the beach hut rental policy be presented to Cabinet on conclusion of the summer season.
3. The resolutions of Cabinet on 25th April 2016 followed detailed consideration at Cabinet on 22nd February 2016 (Minute number C3092 refers) and 11th April 2016 (Minute C3144 refers). Further the Council's Economy and Environment Scrutiny Committee considered all matters relating to the rental of the beach huts at their meetings on 8th March 2016 and 12th April 2016.
  4. The Council has an established Policy for beach hut rentals for 2016/2017 which was approved by Cabinet on 25th April 2016 and for ease of reference this is attached at [Appendix 1](#) to this Report.

### **Relevant Issues and Options**

5. The 24 beach huts at Barry Island (12 large and 12 small) have been available for rental since Easter 2015. Bookings for the huts are taken online (see: <http://www.valeofglamorgan.gov.uk/en/enjoying/Barry-Island-Beach-Huts.aspx> ) or over the telephone via the Council's Contact Centre (C1V).
6. This year the beach huts have been further marketed by the Tourism and Events Team and also a specific brand has been successfully developed for them. The beach hut branding can be found at [Appendix 2](#). Marketing the Beach Huts has been integral to the marketing activity undertaken by the Tourism and Events Team in 2016. The huts are fast becoming an iconic symbol featured in not only our marketing work but also that of Visit Wales. The branding was developed to reflect their fun, artistic nature and has proven very positive with visitors.
7. The Tourism and Event Team also had the flexibility to use the huts for regeneration and tourism activities. The huts have been used for these purposes throughout the year incorporating them where possible into the annual tourism events programme. For example: The huts were utilised at the 'Gwyl Fach Y Fro', 'Eats, Beats and Treats', Isle of Fire, Ty Hafan Fun Run and Youthtime events, providing a complimentary addition to each of the events.
8. In addition to this the tourism beach hut was used extensively to promote the Vale to visitors, which proved a huge success. Vale Ambassadors made regular use of the hut as a base to encourage visitors to explore the Vale, as well as the team using it as a base during busy periods and event weekends. Organised groups were able to make use of the hut and viewed the offer as an incentive to visit. We were also able

to offer complimentary use of the hut within competitions which again proved very popular.

9. The Tourism and Events Team also sought customer feedback on the beach huts via its annual tourism survey. The results of the survey are attached at [Appendix 3](#) Though the survey was of overall satisfaction to Barry Island as a destination as opposed to the huts specifically, the findings are very positive with 15 of the 60 people surveyed saying that the beach huts motivated them to come to Barry Island. There are also further positive comments made about the beach huts, including:  
"we hired a beach hut for a family birthday and had a very enjoyable time".  
".....we enjoyed the colourful beach huts....."  
"we hired a beach hut on one occasion it was a fantastic day"
10. The Bay 5 Coffee Shop has assisted the Council in providing a facility for people to pick up and return keys, although unfortunately due to certain security issues connected with the on-line technology it proved difficult for them to assist further. It is intended to keep this arrangement under review to see if any further booking improvements can be made, and investigations continue with regards to options for onsite payments for the beach huts.
11. The demand for beach hut rentals has increased significantly since the introduction of the new revised Policy for 2016/2017. Not including those huts let via annual rentals, from 1st April 2016 to 31st December 2016, 846 bookings were made for the beach huts. When compared to the previous year over the same timeframe there has been an increase in bookings for the huts of over 200%, (846 /273 in 2015) [Appendix 4](#) gives a detailed breakdown month by month of rentals for both the large and small huts.
12. From May 2016 the daily hire figures for 2016 are for only 11 huts. Cabinet will recall that 6 large huts and 6 small huts were made available for annual rental, with one hut used for promotional purposes. For 2016 / 2017, the annual rental tickets went on sale for the period 1st June 2016 to 31st March 2017. Demand was much higher than expected for these annual rentals and the 6 large huts were let within 30 minutes of being put on sale and the smaller huts within 3 hours. As agreed previously, the people who were successful in securing an annual ticket for 2016/2017 will be offered the opportunity to renew their ticket for the 2017/2018 season from 1st February 2017 to 28th February 2017. This option was adopted for the first year, as a maximum rental period of only 10 months was available. Should this offer not be taken up by the current ticket holders then any remaining annual tickets will be made available to the public.
13. The daily hire and annual season ticket prices for 2015 / 2016 were deliberately set on the low side to help stimulate demand. It is however clear from the short time it took to let all the annual season tickets and the significant increase in daily hires that there is opportunity to now raise these prices to a level more fitting with the market. The beach huts are still a reasonably new addition to the facilities at Barry Island and it is likely to take a number of years to find the most appropriate price / demand balance for them. From the cost and income table detailed in the resources section later in this report it is evident that the beach hut service made a small surplus this year. It should however be noted that energy costs are not included. Whilst this is likely to be a relatively minor cost in terms of the overall expenditure a greater provision does need to be made for reactive and planned repairs for the buildings going forward.

14. For the 2017 / 2018 period it is proposed to increase the rental fees as follows:

Daily Hire Spring / Summer	Current	Proposed 2017 / 2018
Small Hut	£10	£15
Large Hut	£20	£25

(If available, huts may be hired by the half day at 50% of the prices shown).

Daily Hire Autumn / Winter	Current	Proposed 2017 / 2018
Small Hut	£5	£5
Large Hut	£10	£10

(There is no half day rate for 'out of season' hires, the full daily rate is payable).

Annual Season Tickets	Current	Proposed 2017 / 2018
Small Hut	£350	£450
Large Hut	£500	£600

Note: The increase proposed for the smaller huts is proportionately greater than the large as these huts now feature electricity supplies

15. It is further proposed that from April this year all annual tickets not required by the existing ticket holders will be sold to applicants via a random selection process.
16. In future licences will last for a maximum of 1 year and therefore every year from 2018 all the annual season ticket huts (6 small and 6 large) will be available to anybody over the age of 18 who has suitably registered. The arrangement for the random selection has yet to be determined, though this could be an electronic process or a public draw. In any event, governance of the registration and draw arrangements will be suitably robust to ensure probity and fairness.

### **Resource Implications (Financial and Employment)**

17. As detailed in the previous report to Cabinet of 11th April 2016 the aims of the beach hut policy was to obtain the maximum number of bookings throughout the year in order to add to the vitality and vibrancy of Barry Island, whilst realising income that at least matches the costs of their provision.
18. The cost of the beach huts from 1st April 2016 to 31st December 2016 was £13,338 and the income received from all rentals was £13,420. This leaves a small surplus for the period. A breakdown of costs is shown in the table below. As highlighted earlier in the report extensive marketing has been undertaken this year at a total cost of £6,728. It is envisaged that this, level of marketing will not be required in future years, which should increase the surplus that can be reinvested into the beach huts.

<b>2016/17 financial year</b>	<b>Costs as at 6th Jan 2017 £</b>
Employee Costs	£1,500
Rates	£4,957
Purchased Material	£153
Publicity Expenses General	£6,728
Beach Hut income – Large – Peak	-£7,229
Beach Hut Income – Large – Off Peak	-£208
Beach Hut income – Small – Peak	-£2,369
Beach Hut income – Small – Off Peak	-£79
Beach Hut income - Large - Season tickets	-£2,080
Beach Hut income - Small - Season tickets	-£1,455
<b>Total Surplus</b>	<b>-£82</b>

19. The proposed new policy still aims to maximise occupancy but to also raise a greater proportion of income to assist in maintaining the huts both now and in the future. It is envisaged that the policy is something that will need to be considered annually and adjusted as necessary as the demand and price balance is developed over time.

### **Sustainability and Climate Change Implications**

20. The beach huts continue to enhance the visitor experience at Barry Island therefore its sustainability as a resort destination.

### **Legal Implications (to Include Human Rights Implications)**

21. The terms and conditions for the annual ticket beach huts are contained at [Appendix 5](#) to this Report. These terms and conditions ensure that the Council's interests are safeguarded whilst also protecting local residents and other visitors from nuisance including any potential for anti-social behaviour.

### **Crime and Disorder Implications**

22. The beach huts have had additional security locks installed to minimise any potential crime and disorder implications. Some vandalism did unfortunately occur in the first operating season.

### **Equal Opportunities Implications (to include Welsh Language issues)**

23. There are no equal opportunities implications. Suitable access ramps to the beach huts are incorporated within the design of the beach huts. All beach hut advertisements and signage will comply with the latest Welsh Language requirements.

### **Corporate/Service Objectives**

24. The provision of beach huts at Barry Island link with the Corporate Plan wellbeing Objective an Environmentally Responsible and Prosperous Wales. The Visible Services and Transport Service Plan for 2016-2020 ER13 requires the implementation of a revised beach huts policy at Barry Island.

## **Policy Framework and Budget**

25. This is a matter for Executive decision by Cabinet.

## **Consultation (including Ward Member Consultation)**

26. Local members have not been consulted on the contents of this report as this matter is of importance to Barry and the Vale as a whole.

## **Relevant Scrutiny Committee**

27. Environment and Regeneration.

## **Background Papers**

None.

## **Contact Officer**

Emma Reed - Head of Visible Services and Transport

## **Officers Consulted**

Committee Reports  
Head of Regeneration and Planning  
Operational Manager Property  
Visible Services and Transport Accountant  
Principal Tourism and Marketing Officer

## **Responsible Officer:**

Miles Punter - Director of Environment and Housing Services