

## Rother District Council

**Report to:** Cabinet

**Date:** 1 November 2021

**Title:** Food and Drink Concessions

**Report of:** Graham Burgess, Property Investment & Regeneration Manager and Deborah Kenneally, Head of Neighbourhood Services

**Cabinet Member:** Councillor Dixon

**Ward(s):** All

**Purpose of Report:** To facilitate the letting of mobile and static food and drink concessions on Council-owned property.

**Decision Type:** Non-Key

### Officer

**Recommendation(s):** It be **RESOLVED**: That:

- 1) the locations for potential mobile and static food and drink concessions set out in Appendix A below be approved; and
- 2) officers be authorised to promote the locations to the market and to enter into concession agreements for a period of three years from April 2022, on such terms and conditions as deemed appropriate by the Chief Executive.

### Reasons for

**Recommendations:** To enable the hiring out of concessions to take place in a managed way and subject to the necessary due diligence.

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## Introduction

1. The Council regularly receives requests from food and drink businesses looking for opportunities to operate mobile and static units from land in the Council's ownership. These have increased significantly over the last year, most likely due to COVID-19 restrictions, which have resulted in the cancellation of many events and festivals which are normally a staple source of income for such businesses.
2. The Council has also received requests for more permanent trading pitches which would require a permanent or semi-permanent cabin or similar structure. Such requests tend to be 'ad hoc' for locations identified by the business and who are seeking a quick decision, but due to the level of due diligence required it is generally not possible to do so, nor desirable from a commercial, environmental or promoting a healthy lifestyle/eating aspect.
3. The due diligence would include:

- Ensuring that the operator is legitimate and operates in accordance with statutory requirements.
  - Assessing the proposed location to ensure that it is suitable and that a food and drink operation would not conflict with nearby residents and businesses.
  - Checking to ensure that the proposed location is permitted under the Council's own byelaws and Street Trading regulations.
  - Ensuring that there is an electrical supply (to avoid the need for diesel generators).
  - Agreeing a suitable value for the concession in order to generate an appropriate revenue stream for the Council.
4. In addition, in the interest of equal and fair opportunity, and given the numbers of enquiries, the Council should take steps to offer suitable pitches to market competition rather than adopt a 'first come first served' approach. Going out to the market would ensure that the Council would obtain best value for money.
  5. Therefore, there is benefit in taking a managed approach to pre-selecting suitable locations and offering these to the market place, thereby maximising the commercial potential of the Council's landholdings.

### **Details of the proposals**

6. Officers have considered locations where a mobile and static food and drink concession may be appropriate and a list of these is attached as Appendix A. These have been discussed with the Council's Environmental Health and Planning divisions to identify any concerns or constraints that might apply.
7. A 'mobile' concession applies to a vehicle or trailer that is not permanently placed in position but would be moved at the end of each day. A 'static' concession could be a semi-permanent kiosk, trailer or hut that remains in situ throughout the trading season but may be removed out of season.
8. In some locations it may be feasible to include rights to a small 'sitting out' area to permit tables and chairs to be set out; otherwise concessions will be for take-away service only.
9. It is proposed to invite concession operators to come forward with proposals for each location. Officers will select the most appropriate proposal for each location based on individual merit. This will be based not only on the financial offer but other considerations such as the quality of product, 'fit' with the location and with other services in the area. We will aim to attract businesses offering food and drink that promotes a healthy lifestyle.
10. It is proposed to offer three year concessions, with a view to reviewing and re-advertising in the third year. In order to allow flexibility for operators and for the Council, concessions will be on flexible terms, terminable by either party on a months' notice.
11. If not already available, all locations will be provided with an electricity supply. Based on recent experience this is likely to cost on average in the region of £2,000 per location, although this will vary from place to place. This would cover the cost of installing the supply itself, along with any ducting and

remedial work to restore paved surfaces, etc. These would be 'one off' costs that will be recouped through the licence fees received from the concessions.

12. Planning permissions will be required for each location, and if approved, officers will submit applications for the agreed locations as soon as practicable. Planning fees are expected to be in the region of £250 per location. Other 'up front' costs will include any advertising costs required to publicise the concessions to potential operators. The Council has existing contacts with a number of operators but we would seek to publicise the opportunity as widely as possible.

## **Options**

13. Do Nothing – if no concessions were to be offered this would represent a missed opportunity to facilitate better provision to visitors and residents and improve the range and choice of food and drink in these locations. It would also represent a missed opportunity to generate additional revenue for the Council
14. Respond to ad hoc enquiries from operators on a 'first come, first served' basis. As set out above this is not ideal as the operator may not be the best fit for the location, it results in duplication of effort and is not the most efficient use of officer time. It may also not result in the best financial deal for the Council, nor the most support for promoting healthy eating

## **Conclusion**

15. The recommended approach will establish the suitable locations for concessions, in consultation with the Council's Environmental and Planning colleagues, and enable a managed approach to offering these to the market. Concessions will be reviewed every three years, alongside a review of the locations to ensure that they remain appropriate and viable.
16. Cabinet is recommended:
  - a) To approve the locations set out in Appendix A.
  - b) To authorise officers to promote the locations to food and drink concessions and enter into concession agreements for a period of three years commencing in April 2022 and otherwise on such terms and conditions as deemed necessary by the Chief Executive.

## **Financial Implications**

17. The value of the concessions will vary depending on the location, however these are expected to be at least cost neutral in the first year and thereafter will be a net revenue generator to the Council. For comparison, the existing seasonal ice cream concession at De La Warr Parade Bexhill is currently let for £9,000 per season; the concession at Galley Hill is let for £3,500 and the concession at Western Car Park, Camber is let for £18,000.
18. Based on the nine locations identified there is likely to be an up-front cost in the region of £20,000 - £22,000 to ensure that all of the proposed locations have an electricity supply, to secure the necessary planning consents, and to

cover marketing costs. However, once in place the infrastructure and planning costs will not need to be repeated.

19. We will make use of existing contacts and social media to promote the concessions, however, it may be necessary to incur some cost in advertising / marketing. Again, this would be offset against the first years' income.

### Legal Implications

20. Planning permissions will be required and these will be subject to due process through the Planning system. Officers will also check to ensure that the concessions are not in breach of any legal covenants or byelaws that may apply to a given location.
21. Officers will liaise with the Council's Environmental Health team to ensure that operators are compliant with all requirements relating to food hygiene and health and safety.

### Environmental Impact

22. Potential for increased littering - each concession is to be responsible for litter and waste management and costs; businesses will need to demonstrate they have considered the environmental impact of their packaging and food waste.
23. Businesses will also be asked to demonstrate their ability to keep carbon footprint to a minimum, including use of fuel type and sustainable source of electricity.
24. There is a potential for increased noise pollution due to increased footfall in the vicinity. Whilst the proposed locations and the types of concession have been considered with this in mind, this will also be considered during the planning application process.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Environmental	Yes	Access to Information	No
Risk Management	No	Exempt from publication	No

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Appendices:	A - Identified locations for potential food and drink concessions
Relevant Previous Minutes:	None
Background Papers:	None
Reference Documents:	None

## Identified locations for potential food and drink concessions

Location	Type	Sitting out area?	Mobile or static*
<b>Bexhill</b>			
East Parade, gravelled area to the east of Bexhill Sea Angling Club	Hot drinks and/or pre-prepared food	Yes	Either
Splash Deck below Pages Gap	Ice Cream / hot drinks / pre-prepared food	No	Mobile only
Bexhill Leisure Centre car park	Hot drinks and/or pre-prepared food	No	Either
<b>Rye</b>			
Rye Town Salts	Ice Cream / hot drinks / pre-prepared food	No	Mobile only
Gibbets Marsh Car Park	Ice Cream / hot drinks / pre-prepared food	Yes	Either
<b>Camber</b>			
Western Car Park	Ice Cream / hot drinks / pre-prepared food / hot food	Yes	Either
<b>Pett Level</b>			
Pett Level Car Park	Ice Cream / hot drinks / pre-prepared food / hot food	No	Mobile only
<b>Winchelsea Beach</b>			
Dogs Hill Road	Ice Cream / hot drinks / pre-prepared food	No	Mobile only
<b>Rye Harbour</b>			
Bus Turning Circle	Ice Cream / hot drinks / pre-prepared food	No	Mobile only

\* subject to planning permission