

Report to: Charity Committee

Date of Meeting: 18th March 2019

Report Title: Seafront Cycle Hire and Deckchairs – Service Review

Report By: Victoria Conheady
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Purpose of Report

To review the 2018 cycle hire and deck chair provision based at Pelham beach and to present options for 2019 and 2020, on behalf of the Foreshore Trust for the benefit and enjoyment of her majesty's citizens.

Recommendation(s)

1. That the Charity Committee considers allocating Foreshore Trust funding for 2019 service provision as outlined in the appended proposed business model document provided through HBC's Active Hastings service up to a projected cost of £12,005 for 2019/20 and £9,255 for 2020/21.
2. That a further report is brought to Charity Committee after the 2020 season to review services provision to date and outline future operational options for 2021

Reasons for Recommendations

There is continuing demand for both cycle and deckchair hire during peak season (school summer holidays) as well as a reduced weekend service between April and October. There is little demand for this service outside of those times other than adhoc group bookings.

Experience gained from previous year's operation has shown that in order to continue to provide cycle hire benefiting users of the foreshore, a level of subsidy will be required as minimum staffing costs and maintenance exceed income.

The proposal presented includes

- An extension of the season through 15 pre-advertised opening days during weekends in April-June and September-October. Dates to coincide with events in the area and periods of forecasted good weather.

- A reduction to 5 days per week (Friday-Tuesday) throughout the school summer holidays.
- An extension of the opening hours (opening at 10am), due to feedback from hirers that they would have preferred an earlier opening time.
- It is likely that the subsidy for the provision in 2019 will be approximately £7,000, and in 2020 approximately £5,000, due to projected income.
- However it is recommended for prudence to include the full service costs within the Trust budget.

Background

1. The service was set up in 2014 as part of the FLAG funded Ecostade project aimed to indirectly support the local fishing community through encouraging green tourism in the area. The cost to provide the building, bikes and equipment were met through FLAG funding and the subsequent purchase of electric bikes was funded through a Coastal Communities Fund 3 grant in 2016.
2. In 2018:
 - a. There were 117 separate hires within the operating period
 - b. The total number of bike hires was 249.
 - c. Bikes were hired out on approx. 91% of the available days, with 9% of days completely lost and 25% significantly reduced due to poor weather.
 - d. 40% of hirers were Hastings residents. 60% were visitors to the town.
 - e. 50% of hirers from Hastings live within the 20% most deprived areas nationally.
 - f. 107 deck chairs were hired out, giving an income of £208.
 - g. The total income produced was £2,895.
3. The table below shows a breakdown of operating dates, usage, income and staffing costs for the five year operating period to date. The table also includes 2019 projections.

Year	Dates	Number of hires	Number of users	Income	Staffing Cost
2014	24.7.14-27.9.14	125	274	£1,521	£3,250
2015	2.5.15-27.9.15	274	596	£3,536	£7,150
2016	2.5.16-2.10.16	239	471	£2,890	£7,150
2017	15.7.17-3.9.17	111	235	£1,878	£4,500
2018	21.7.18-3.9.18	117	249	£2,895	£7,920
2019	20.7.19-1.9.19 Plus additional 15 days	148	296	£4,400	£7,705
2020	18.7.19-30.8.19 Plus additional 15 days	148	296	£4,400	£7,705

4. 2018 staffing costs did not include officer time for managing the project or promoting the cycle hire hut. These costs have been factored in to the 2019 proposal.

5. In the past five years various models of operation have been trialled, however none have proven profitable and a level of subsidy will be required to continue service provision.
6. Options for alternative provision including outsourcing to other operators were explored in 2017; however no viable options to operate a service were found.
7. Other than the Cycle Hire Hut, there is no convenient and accessible deckchair hire available within Hastings. Deckchairs are currently only available when requested in advance for formal events, or at Hastings Pier. During 2018 uptake of the offer was fairly low, with significant hire only taking place on event days. By opening at 10am rather than 12pm, it is thought that deckchair hires will be increased.
8. In order to increase interest in the hut from passers-by and to generate additional income, we would like to purchase a bike-powered Scaletrix. This was trialled at the 1066 Cycling Festival in 2018 and proved very popular. This will be available for people to use at £1 per person for 5 minutes, during hut opening hours. It will also be used at Active Hastings events throughout the year including the 1066 Cycling Festival on Hastings Seafront in July 2019. It is estimated that this will generate around £900 of additional income during the cycle hut season. Ideas for further income generation during the off season will be explored.
9. Two year concession has been recommended so that a full seasons marketing can be delivered for the 2020 season. A report will be produced at the end of the 2020 season outlining the service, and the impact of a longer marketing period and will identifying if the service can be sustained without subsidy.

Summary

10. Active Hastings staff will operate the service for the peak summer period and 15 days either side of the summer holiday period, including deckchair provision. In addition we will continue to development the service in line with our objectives, geared around engagement with our key target audience and enhancing the existing Leisure and Play offer of the seafront.
11. The forecasted income is £4,400 per year. Therefore a projected £7,605 (2019) and £4,855 (2020) subsidy is proposed from Foreshore Trust should expected income be achieved. However, it is proposed that the full cost of the provision is allocated in case income is below the expected amount due to factors such as the weather (£12,005 in 2019 and £9,255 in 2020). Costs are detailed in the attached business plan document.
12. Alternatively, the Foreshore Trust agrees to proceed without cycle hire and deckchair provision for 2019 and 2020 as a zero cost option.
13. Coastal Users' Group will be consulted on the two proposals presented and their views will be reported back to Charity Committee.

Timetable of Next Steps

Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Recruitment and induction of staff	Staff recruited	March 2019	HBC Active Hastings
Service operation	Operating April - September	April 2019	HBC Active Hastings

Wards Affected

Castle Ward

Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness - Yes
Crime and Fear of Crime (Section 17) - No
Risk Management - No
Environmental Issues - Yes
Economic/Financial Implications - Yes
Human Rights Act - No
Organisational Consequences - No
Local People's Views - Yes
Anti-Poverty - No

Additional Information

Appendix 1: Seafront Cycle Hire Business Model

Officer to Contact

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