

Meeting of:	Cabinet
Date of Meeting:	Thursday, 18 July 2024
Relevant Scrutiny Committee:	Environment and Regeneration
Report Title:	Italian Gardens Shelter – To grant a supplemental lease, to the existing lease, between the Council and Coffi Co.
Purpose of Report:	To seek approval to grant a supplemental lease to add the use and management of the Italian Gardens Shelter, public conveniences located on Penarth Esplanade to the existing agreement
Report Owner:	Cabinet Member for Neighbourhood and Building Services
Responsible Officer:	Miles Punter – Director of Environment and Housing
Elected Member and Officer Consultation:	Local Ward Members – Plymouth Ward Legal Services (Committee Reports) Operational Manager - Property
Policy Framework:	This Report is a matter for Executive decision by Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> • The Report seeks approval to grant a supplemental lease to the existing lease between the Council and Coffi Co to add the use and management of the public conveniences located within the Shelter. There is an existing 125-year lease in place that commenced 18th November, 2009. • The Report highlights Coffi Co’s proposal to develop the female toilet into a new unisex facility for male and female use, as well as retaining the disabled facility. It also proposes that the male toilet be converted into a new restaurant kitchen. • The toilets will remain available for public use, and as part of this proposal they have committed to refurbishing the facilities and cleaning them a minimum of 3 times daily. • There are other public conveniences in the area located on the Pier, and these will be unaffected and open as normal to coincide with the Pier opening times and continue to be cleaned by the Neighbourhood Services team. 	

Recommendations

1. That Cabinet approve the proposed supplemental lease to the existing lease with Coffi Co, incorporating the use of the male toilets for kitchen space and retaining the remaining areas as conveniences, for customer and public use.
2. That Cabinet agrees in principle to the disposal of these facilities from Council control.
3. That delegated authority be granted to the Director of Environment and Housing and the Monitoring Officer/Head of Legal and Democratic Services, in consultation with the Cabinet Member for Neighbourhood and Building Services, to finalise the remaining details of the terms and arrange for the lease to be executed.

Reasons for Recommendations

1. So that Coffi Co can undertake the necessary building works, increase their restaurant space as well as enhancing the facilities available for public use.
2. So the benefits of revenue savings associated with this proposal, can be captured at the earliest opportunity.
3. So the supplemental lease can be arranged as soon as the relevant asset disposal procedures have been agreed and finalised.

1. Background

- 1.1 There is an existing lease in place between the Council and Coffi Co for the commercial use of the Italian Gardens Shelter on Penarth Esplanade that commenced 18th November, 2009, for a duration of 125 years.
- 1.2 The permitted use includes a café/restaurant and ancillary hot-food and drinks takeaways. The demise includes the use of the shelter, but it excludes the existing public conveniences and public access routes.
- 1.3 At present the Neighbourhood Services [Operations] team, open the facilities 7-days a week and undertakes the associated cleaning tasks, as well as any necessary maintenance.

2. Key Issues for Consideration

- 2.1 It is proposed that a supplemental lease to the existing lease be completed to allow the existing leaseholder to use and manage the public conveniences namely, the disabled facility on the ground floor and the male and female public conveniences on the first floor.
- 2.2 The proposal sets out a refurbishment of the female toilet converting it into a unisex facility for male and female use and changing the existing male toilet into a kitchen, with the existing kitchen space being used as additional restaurant space. The disabled toilet will be retained and refurbished.

- 2.3 This proposed capital investment and refurbishment will be solely funded by Coffi Co and subsequently available for customer use, as well as members of the public.
- 2.4 The new facilities will be open during the trading hours of Coffi Co and they will be responsible for cleaning and maintaining them.
- 2.5 There are obvious aesthetic advantages and revenue savings associated with the transfer of these toilets as there are no likely plans to upgrade these facilities any time in the future.
- 2.6 Additionally, as there remains unprecedented financial pressures, it is unlikely that the in-house Neighbourhood Services team could maintain the levels of service proposed within the “Heads of Terms” with Coffi Co. to clean the facilities 3 times daily. Therefore, their proposal is likely to enhance the existing public convenience provision of service, in the area.
- 2.7 The investment necessary to upgrade these facilities has been recognised within the lease, and it is proposed that no additional rent is required and therefore the rent will be one peppercorn.
- 2.8 There are other public conveniences in the area located on the Pier, and these will be unaffected. They will remain open as normal to coincide with the Pier opening times and cleaned by the Neighbourhood Services team.
- 2.9 On approval in principle, the process of disposing of these facilities will be undertaken in accordance with procedure and a report subsequently presented to the Insight Board, before the details of the supplemental lease are finalised.
- 2.10 The Supplemental Lease will be co-terminous with the Existing Lease and will expire on 17th November, 2124.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1 The Well-being of Future Generations (Wales) Act 2015 is about sustainable development. The Act sets out a ‘sustainable development principle’ which specifies that the public bodies listed in the Act must act in a manner which seeks to ensure the needs of the present are met without compromising the ability of future generations to meet their own needs. In meeting their sustainability duty, each body must set objectives that highlight the work the body will undertake to contribute to meeting the seven Well-being Goals for Wales.
- 3.2 **Long term** – The agreement with Coffi Co will safeguard the Council’s long-term strategic outlook regarding tourism and ensure it has robust measures to provide clean and safe facilities for our citizens and visitors.
- 3.3 **Integration** – Working with the current leaseholder and finding solutions for investment, and the introduction of newly refurbished conveniences

demonstrates a sustainable approach to managing our Resorts and reducing our operational costs.

- 3.4 Involvement** - By improving these facilities and advising our stakeholders, it will ensure that citizens and visitors are engaged regarding the management of our Resorts.
- 3.5 Collaboration** - This proposal provides a sustainable approach to managing and investing in our Resorts that benefit our citizens and visitors.
- 3.6 Prevention** – This proposal secures the future of the facilities and prevents any consideration to closing them, as facilities and the deterioration of assets.

4. Climate Change and Nature Implications

- 4.1** The draft Heads of Terms state that the tenant must use solvent-free and hydrocarbon free products for cleaning purposes, and the existing terms state the tenant must not use or sell single use plastics and they are prevented from launching Chinese style lanterns or balloons.

5. Resources and Legal Considerations

Financial

- 5.1** There will be an approximate revenue saving of £6,100 (£3,600 cleaning costs and up to £2,500 per annum building maintenance costs) by transferring the conveniences to Coffi Co but there is also the advantage that the service provision will be enhanced.

Employment

- 5.2** There are no employment implications associated with this Report.

Legal (Including Equalities)

- 5.3** There will be a requirement to amend the existing lease and there will be associated Legal costs and Surveyors fees of £350.76. The Heads of Terms state that the tenant will be required to pay the Landlord's reasonable Legal costs and the Surveyors fee.
- 5.4** There are no equality issues associated with this report as the disabled facilities will be retained and enhanced, and the refurbished toilets will be a unisex provision. The public walkways will not be affected by this proposal.

6. Background Papers

None.