



ADUR & WORTHING
COUNCILS

Executive Members for Regeneration
11 December 2018

Decision to be taken on or after
19 December 2018

Key Decision: No

Ward(s) Affected: Central

Supporting a vibrant seafront with regional appeal - Giant Observation Wheel (Worthing)

Report by Director for the Economy

Executive Summary

1. Purpose

- 1.1** To seek approval to award a lease agreement to provide a Giant Observation Wheel on Worthing seafront.
- 1.2** To allow structural works on Worthing foreshore to support a base-frame to enable the Observation Wheel to be constructed.
- 1.3** The proposal seeks to improve, and further activate, Worthing seafront to benefit local residents, businesses and visitors.

2. Recommendations

- 2.1** To approve a 3 year lease agreement for the operation of a Giant Observation Wheel to deKoning Leisure Ltd (the operator) on Worthing seafront.
- 2.2** To note the construction of semi-permanent base on the foreshore as necessary to support a base-frame for the Observation Wheel.

2.3 To note the proposals to improve, and further activate, Worthing seafront, supporting the recommendations in the Seafront Investment Plan.

3. Context

3.1 The Council's plan, Platform for our Places, identifies the need for a new seafront attraction (1.8.3), to support both the financial and social economies of Worthing. This direction highlighted the need to create a delivery framework around the seafront, hence the publication of the Seafront Investment Plan in 2017.

3.2 The Seafront Investment Plan (SIP), adopted in 2017, highlights the need to renew, upgrade and activate the seafront to support the overall economic well being of the town centre, including supporting the visitor economy to provide a 'focal point'. The Plan identifies the need for activities, including meanwhile uses and the improvement of fixed assets.

3.3 The SIP identifies the seafront as the key asset for the town, and as such suggests that greater focus needs to be placed on its development (as well as the town centre) to provide a greater variety of 'experiences' connecting the seafront with the town centre, and vica versa.

3.4 In March 2018 a Giant Wheel operator hired Steyne Gardens for the purpose of providing a Giant Observation Wheel as a public attraction. This was viewed as a pilot for this type of attraction, with feedback collated from residents and businesses.

3.5 The Observation Wheel proved very popular with residents and visitors, with over 10,000 people experiencing the attraction over a 23 day period. This was despite the weather being unseasonably poor (March 2018).

3.6 Following delivery, and after assessing all the feedback, the Council undertook feasibility and benchmarking work in the summer to identify possible options for the Observation Wheel returning in 2019. This included researching other authorities, places, locations and agreements. The result identified a deliverable market, the appetite for a longer term agreement and an optimal location identified as Worthing seafront.

3.7 Following the analysis it was agreed to explore whether an operator would be interested in running an Observation Wheel in Worthing. In August 2018, the Council undertook an open procurement exercise to identify an operator; deKoning Leisure Ltd, responded to the call. deKoning's documentation complied fully against the evaluation criteria.

3.8 The Council, with deKoning Leisure Ltd, have assessed a number of seafront options regarding the location of the Observation Wheel. The area between The Beacon and the Beach Office (at the bottom of Montague Place) has been identified as the most preferable location for all parties.

3.9 It is proposed to grant the operator a fully repairing and insuring lease, reflecting conventional market terms, for the duration of the agreement. This means the operator will be responsible for keeping the structure in good repair and condition, also making good any damage caused to the site, or associated works area, during the construction or removal of the observation wheel. The operator will also be required to maintain appropriate insurance at all times.

4. Issues for consideration

4.1 The Council has identified the location between The Beacon and the Beach Office. This has been chosen due to the physical draw along the A259 (Marine Parade), as well as the north south view associated with Montague Place, and links to the town centre.

4.2 The location identified means the majority of the Wheel, and its base, has to be sited on the beach/shingle. Therefore, the operator is required to construct a base into the beach to ensure stability for the main structure. It has been agreed that the operator would meet these costs, therefore zero cost to the Council. Appropriate structural engineers, including independent evaluation, will form part of the evaluation work.

4.3 The Council have assessed the credentials of the operator, especially relating to the structural works. The operator does have a track record of working with other local authorities, some of those in restricted environments. Dekoning Leisure Ltd also have experience of building bespoke bases and structures.

4.4 The location and the structure when sited, although predominantly based on the beach, will still require some promenade space. However, the Council have stipulated a minimum space requirement to be retained to ensure the promenade is still available for public use, emergencies and event use. This is crucial and is a stipulation from the Council with the operator.

4.5 The Council have worked with the operator to establish the best operational period for both parties. It's been agreed the Wheel will operate for a 6 - 9 month period for a term of 3 years, via a lease arrangement. The initial agreement looks at a delivery period of between April - October. Delivery dates are still to be agreed with the operator.

4.6 The Council have agreed with the operator that the Wheel will be deconstructed during the 'off season', between November - March. The structural base will remain, however due to the engineering this will be sunk into the beach. This will be safe, whilst aesthetically, it will appear to be a normal beach profile for the time of year. Following this period the Wheel will return the following year (in April); this cycle will continue during the 3 year lease term.

4.7 As the operator is seeking a longer term agreement (e.g. 6 - 9 months), this will be over the 28 day threshold, therefore the Observation Wheel will require planning permission. The costs of planning will be met by the operator, with no cost to the Council.

4.8 The Council undertakes coastal defence and beach reprofiling during the year. When the Wheel is in situ, and if there are stormy conditions, this may mean movement to the shingle (not the main beach, base or structure). If this is the case, the Council will retain the right to remediate any loss of shingle in this area and move the shingle back to realign the beach profile.

4.9 As part of the agreement with the operator, the Council has agreed ticket prices suitable to the attraction, and balanced against other like-for-like activities. The experience is reasonably priced, based on benchmarking and market analysis for similar types of attraction.

4.10 The delivery of an Observation Wheel will impact other activities on the promenade. The Council will closely monitor activities on the seafront to ensure all parties can continue to deliver a varied programme.

4.11 The Wheel will require a works compound, in addition to the main attraction demise. This means certain parts of the beach won't be able to be accessed during the construction period; this will also include the requirement of vehicle access to the promenade. During the operation period the attraction will also include a safety zone, therefore restricting public access to the beach (for safety reasons). The promenade will remain publicly accessible.

4.12 Following the 3 year term, the operator will be expected to remove the Wheel and the base, reinstating the beach and promenade to its original condition.

5. Financial implications

5.1 The agreement for the Observation Wheel will see the operator bearing the costs for the engineering works for the base, the construction of the Wheel, planning permission and all associated insurances.

5.2 The Council have contributed officer time, over the period of the summer, to bring this proposition forward. The only cost to the Council, in the setup of the Wheel, includes the necessary indemnity insurance and independent structural engineer advice (to provide expert analysis on the base and structural works). This combined expenditure is anticipated to be £7,500 which has been funded from existing budgets

5.3 During the delivery phase, the Council may have to undertake coastal defence or beach reprofiling activity, especially in the event of adverse weather conditions. These costs will be recovered from the income provided to the Council from the operator.

5.4 The Council have agreed an in principle financial return with the operator over the 3 year term. Therefore, the initiative will generate an additional net income for the Council, whilst also having no adverse effects to the existing budget. The confidential appendix 1 gives full details of the proposed financial arrangements.

5.5 The project will make a positive contribution to the Council's budget in future financial years if planning permission is granted.

6. Engagement and Communication

6.1 The return of the Wheel has been assessed against previous feedback received from the March event from customers, partners, immediate residents, businesses and stakeholders. The feedback, using both quantitative and qualitative data, was overwhelmingly positive, however the Council is aware of a number of aspects that can be improved.

6.2 A communications strategy is being developed with the operator, with a particular attention to ensuring the civil works are clearly explained, and the opportunities taken to convey the anticipated positive economic impact of the scheme.

6.3 Communications on the Wheel to residents, businesses and visitors will be carefully timed, with the operator, to ensure all parties are fully aware of the timeframes and opportunities.

6.4 The Council is keen to engage with local stakeholders in the town centre to maximise the potential of the Wheel, possibly through co-promotion. This will be explored during the next 6 months, prior to launch.

6.5 The Wheel is subject to planning permission, and as such will be determined through a full consultation process.

6.6 An internal working group has been established to manage and monitor the progress of the project, both in preparation and for the duration of the term. The working group will continue to meet regularly, which includes representation from Place & Economy, Finance, Legal, Technical Services, Foreshore and Property.

6.7 The Council have also engaged, and will work with, external civil consultants to ensure an independent view is provided, supporting the in-house technical team.

6.8 The Wheel launch will be planned for April 2019 on Worthing seafront, subject to planning permission and construction timelines.

7. Legal Implications

7.1 Section 111 Local Government Act 1972 provides that the Council shall have the power to do anything (which includes the grant of a lease) which is calculated to facilitate, or is conducive or incidental to the discharge of any of their functions.

7.2 Under Section 123 Local Government Act 1972, local authorities have a power to dispose of land held by them in any manner they wish, including by way of a lease (subject to various constraints, detailed in the relevant legislation). Section 123(2A) provides that before disposing of land the Council should cause notice of their intention to do so, specifying the land in question, to be advertised in two consecutive weeks in a newspaper circulating in the area in which the land is situated, and consider any objections to the proposed disposal which may be made to them.

7.3 Section 19 Local Government (Miscellaneous Provisions) Act 1976 empowers the Council to provide recreational facilities. This allows a local authority to provide either indoor or outdoor recreational facilities as it thinks fit and that includes the power to provide buildings, facilities, equipment, supplies and assistance of any kind, either without charge or on such payment as the authority thinks fit.

7.4 The Council will obtain a defective title indemnity insurance policy in respect of the land to be leased as the land belonging to the Council only has a possessory title.

7.5 There will need to be method statements prepared by deKoning Leisure Ltd to protect the safety of the general public whilst construction of the wheel takes place.

Background Papers

- [Seafront Investment Plan](#), Joint Strategic Committee, 10th December 2017
- [Giant observation wheel coming to Worthing](#), Press release, 28th February 2018

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Sustainability & Risk Assessment

- The delivery of an Observation Wheel in Worthing will help drive regional appeal, whilst supporting a more experiential town centre. The extended length of the agreement will provide a greater time for the economic benefits to be realised.

1. Economic

- The Wheel has the ability to positively contribute to the local economy through increasing town centre footfall, through a local and regional appeal. The seafront attraction will also enhance the visitor experience, evening and night-time economies and with it bring additional spend to Worthing town centre.

2. Social

2.1 Social Value

- The Wheel demonstrates investment into the seafront which, in turn,

2.2 Equality Issues

- Disabled access will be included in the Wheel design, ensuring a good cross-section of the population have the ability to experience the attraction.
- The ticket prices for the Wheel are competitive, and in some instances cheaper, than those of similar standing. The pricing has been carefully considered to ensure a vast majority of residents and visitors have access to participate.

2.3 Community Safety Issues (Section 17)

- The Wheel, through the operator, will have specific health and safety conditions in place. Not only for compliance purposes but for the safety of the public at all times.
- The Wheel will provide additional activity in and around the seafront, thus reducing the risk of anti-social behaviour in these areas. In addition, subject to planning, the Wheel will provide extra illumination, creating more lit areas in this location.

2.4 Human Rights Issues

- Matter considered and none identified

3. Environmental

- The construction work will have an impact on the environment, however the operator (and contractors) will be responsible for ensuring adherence to the contract terms in relation to materials and processes used.
- The delivery of a Wheel requires a structural base to be deployed, which will include piling into the beach. These works, and subsequent remedial beach re-profiling and final reinstatement, will be carefully monitored to minimise any impact on the environment.

4. Governance

- The delivering of this project will require a project team to continuously monitor activity and performance. This will be an additional responsibility, of which will be consumed into normal officer time.
- This project aligns with the direction provided by the Seafront Investment Plan (2017), ensuring that the key asset is developed without losing it's unique appeal.