

EXEMPT INFORMATION – NOT FOR PUBLICATION

The content of the appendices of this report qualifies as exempt information under section 100(A) (4) and paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as it is “information relating to the financial or business affairs of any particular person (including the authority holding that information)”

In relation to the “exempt” information, it has been determined that the public interest in maintaining the exemption outweighs the public interest in disclosing the information because disclosure would adversely affect the authority’s ability to manage its commercial financial and business affairs.

Accordingly, it is proposed that appendix A should remain exempt.

URN 24-087

Subject: Beach House Café at the Winter Gardens

Report to: Cabinet 11th June 2024

Report by: Iain Robertson, Executive Director Major Projects

Responsible Cabinet Member: Cllr Carl Smith

Key Decision: Yes

**SUBJECT MATTER**

Great Yarmouth Borough Council (GYBC) secured grant funding from the National Lottery Heritage Fund to re-imagine the People’s Palace, the Grade II* listed Winter Gardens. Design and costing work have been completed up to RIBA Stage 3 and the Listed Building consent was granted in November 2023. The Grant Agreement was signed in March 2024 and Permission to Start was issued by the National Lottery Heritage Fund on 16th April 2024. RIBA 4 detailed design has commenced. Project is scheduled for opening to the public Easter 2027.

In September 2023, ELT approved the surrender of the protected lease of Beach House Café and approved funds for a RIBA Stage 2 feasibility study into the future use of the Beach house Café and integration with the Winter Gardens. By redeveloping the café, GYBC can take significant design and commercial advantage of expanding the food & beverage offering and enhance the public realm opportunities by improving access to the seafront from the Golden Mile, a key heritage objective. There is no NLHF funding for integrating the café into the Winter Gardens. This is a ‘windfall’ opportunity to add value to the wider Winter Gardens experience, better chances to secure a quality operator to manage both facilities, underpin the business case for the Winter Gardens and provide additional revenue and investment value for GYBC.

Cabinet are requested to:

- 1) Approve proposals to redevelop the Beach House Café subject to securing external funding programme. Refer to Confidential Appendix A.**
- 2) Approve the appointment of the professional team to commence RIBA Work Stage 3 design and secure a planning permission to include innovation infrastructure connected to the environmental and sustainability Winter Gardens objectives at an estimated cost of £94,670. Funding will be sourced from the Special Projects Reserve Fund.**
- 3) Approve the relocation of the Winter Gardens takeaway into the Beach House Café. See Business Case Feasibility.**

1. Executive Summary

Great Yarmouth Borough Council (GYBC) secured grant funding from the National Lottery Heritage Fund to re-imagine the People's Palace, the Grade II* listed Winter Gardens. Design and costing work has been completed up to RIBA Stage 3 and the Listed Building consent was granted planning in November 2023. The Grant Agreement was signed in March 2024 and Permission to Start issued by the National Lottery Heritage Fund (NLHF) on 16th April 2024. RIBA 4 detailed design has commenced, and critical decisions need to be taken around the Winter Gardens and Beach House Café so as not to delay programme. Winter Gardens is scheduled for opening Easter 2027.

ELT in September 2023 approved the surrender of the protected lease of Beach House Café and approved funds for a feasibility study into the future use of the Beach house Café and integration with the Winter Gardens. By redeveloping the café, GYBC can take significant design and commercial advantage of expanding the food & beverage offering and enhance the public realm opportunities by improving access to the seafront from the Golden Mile, a key heritage objective. There is no Heritage Fund grant approval for integrating the café into the Winter Gardens project but this is a 'windfall' opportunity to add value to the wider Winter Gardens experience and better chances to secure a high quality operator to manage both facilities.

Critical early RIBA 4 design decisions need to be taken around the Winter Gardens and Beach House Café, in particular the proposed takeaway in the north-west corner of the Winter Gardens, rainwater harvesting underneath the public realm, external public realm, and PV's to improve the innovation credits for BREEAM and reaching low energy consumption and carbon embodiment targets.

The current configuration of the takeaway facility inside the Winter Gardens has been compromised by the introduction of other essential facilities such as the Changing Places Facility. The scale of the takeaway has been reduced thus reduced revenue generating potential. Moving this takeaway to the Beach House Café enables good revenue generating opportunities for the whole project, plus reduces the energy costs for the Winter Gardens. Achieving low energy benchmarking is essential for a BREEAM accreditation and the Beach House Café can accommodate other sustainable innovations that the Winter Gardens cannot, e.g. more efficient rainwater harvesting system, PV's.

Key Design Justifications for Surrender of Beach House Café

The key points below indicate why the Winter Gardens design team believe that redeveloping the Beach House Café would be beneficial for the project:

- Better control over the access to the Promenade.
- Greater control over car parking along the service road.
- Improved visibility of redevelopment of the area on the seafront. The 'no man's land' area between the two buildings could be carefully landscaped.
- Better access to the WG for maintenance.
- Mitigating possible conflict between the two competing F&B commercial offers.
- Offers opportunity to increase revenue for the two facilities.
- Offers a more attractive commercial opportunity for the operator procurement.
- Potential for relocating some of the ancillary spaces congesting interior layout e.g. the takeaway on NW corner and the south side of the WG (i.e. expensive excavation for water tanks)
- Potential for complementary food offer (takeaway), and wider area for creating high quality realm.



Feasibility Design Team appointed to the Beach House Café Project

Architect / Lead Consultant
Burrell Foley Fischer (BFF)

Business Consultant
David Clarke Associates (DCA)

Catering Consultant
Kendrick Hobbs (KH)

Structural Engineer
The Morton Partnership (TMP)

MEP Engineers
Buro Happold (BH)

Cost Consultant
Daniel Connal Partnership (DCP)

Key Scope of Commission

- To provide a small food & beverage offer to complement the catering offer at the Winter Gardens
- To enhance the public realm along the promenade, adjacent to the Winter Gardens and attract visitors to the Winter Gardens
- To provide a better control of the vehicle and pedestrian access to the beach
- To provide a highly sustainable construction, complementing the Winter Gardens sustainability strategy
- To demonstrate a viable commercial development opportunity

The key Reports have been received and summarised in this report:

1. BFF Beach House Café Stage 2 Report (Re-purposing or re-development)

2. DCA & KH Feasibility Review
3. DCP Initial Cost Plan (Proposed Demolition and Construction)

The current capacity of the Beach House Café is:

82.5 sqm floor area (no WC)

24 inside covers

200 external covers

Future capacity of the Beach House Café, has potential of:

87 sqm (incl. WC)

40 inside covers

272 external covers

Beach House Café



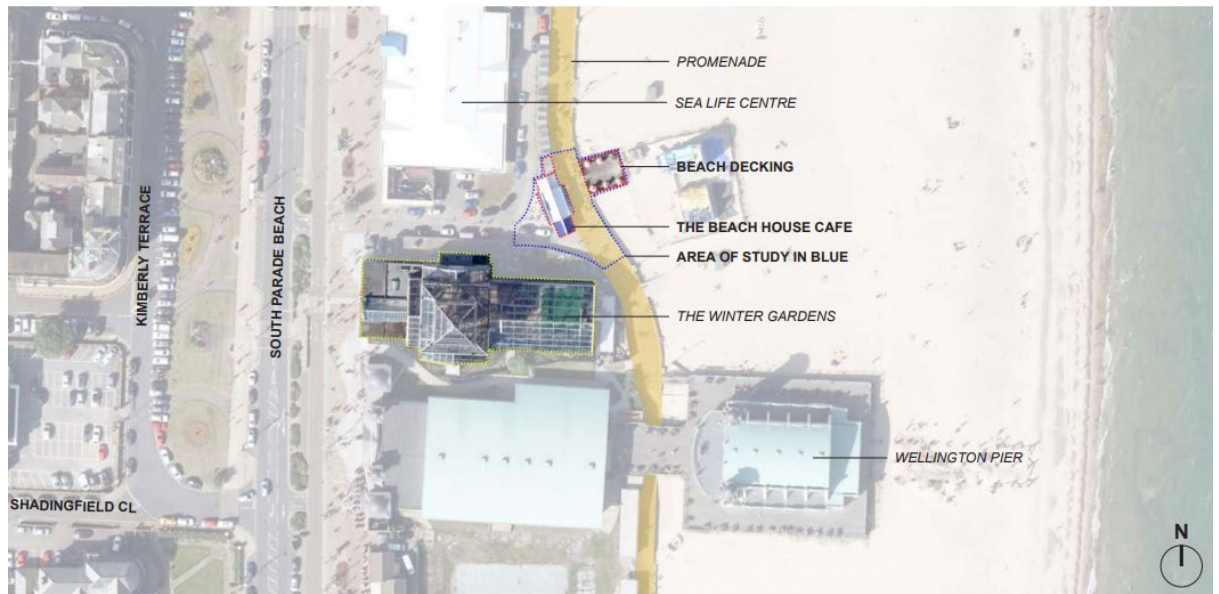
Located immediately adjacent to the Winter Gardens. The Winter Gardens has a limited curtilage and constrained on all elevations reducing opportunities for enhanced public realm improvements. The café trades between February and November with 30 indoor covers and externally some 60 covers.

The café was rebuilt c.2000 and remains in good condition. The building envelope and architectural features do not meet current standards especially in terms of energy performances, comfort and accessibility.

It is a lightweight building made of timber frames spanning 1.7m on a concrete base. There is no evidence of any insulation to the walls.

In 2008 a conservatory was added to the north, providing a seating area. In 2021, the building was extended by 2 no. bays to the south.

Plan showing location of Winter Gardens and Beach House Café





Town Planning

The site forms part of the Great Yarmouth Seafront Area (Policy GY6) and aims to promote year round sustainable tourism. Buildings that encourage the Borough's tourism offer such as cafes, are encouraged. The close proximity of the café to the Winter Gardens and sea front decking area creates a unique opportunity to enhance the seafront's public realm. A full planning permission will be required.

Development Options

KEY

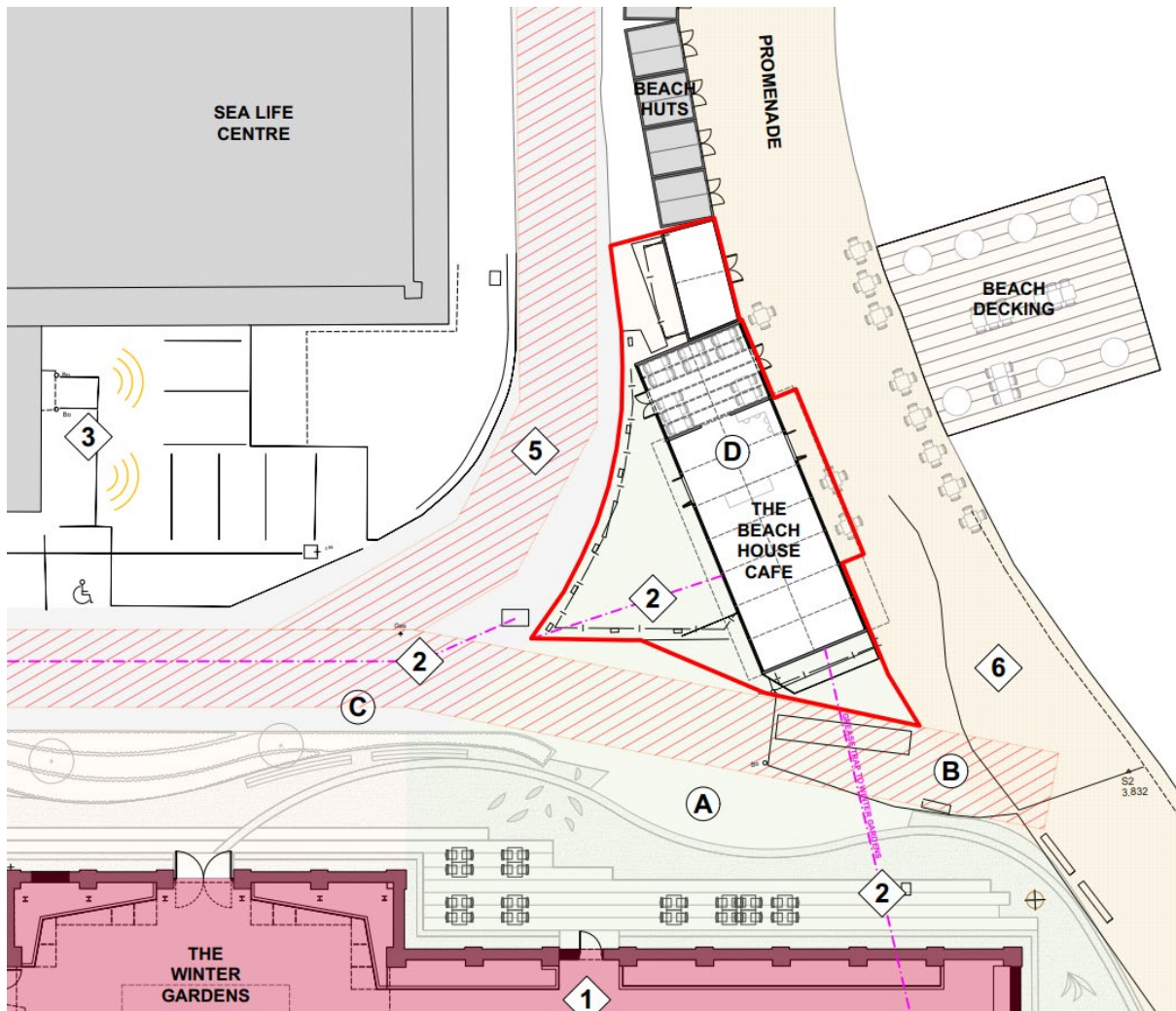
-  Beach House Cafe lease boundary
-  Area of study

CONSTRAINTS

1. Grade II* Listed Winter Gardens in close proximity to the Beach House Cafe.
2. Exact location of below ground services unknown.
3. Restrictions on noise and vibrations due to open air sea life enclosure.
4. Private service road and fire vehicle access to be maintained.
5. Service road to SeaLife Centre to be retained; still in use.
6. Integrity of the promenade to be retained.

OPPORTUNITIES

- A. Opportunity to improve the public realm surrounding the Winter Gardens.
- B. Opportunity to provide a new attractive seafront and reactivate the south area of the Golden Mile.
- C. Opportunity to provide a wider and safer access to the beach along the Winter Gardens and control wild parking along the service road.
- D. Opportunity to provide an attractive commercial offer along the promenade.



Current Building

Retaining the existing building is a low-cost option but the building does not meet current standards.

PRO's

- Minimal capital cost investment.
- Maintain site's familiarity.
- Possibility to generate revenues, ahead of capital project?

CON's / RISKS

- Doesn't meet current standard for accessibility, comfort, energy efficiency.
- No flood strategy in place.
- F&B offer restrained by the current configuration of the space.
- Solid gable to the Winter Gardens and later extensions restrict the view and access to the beach from the South Parade.
- No internal storage, minimal external storage in poor condition.
- No toilet provision for staff or customers.

BRIEF / AREA SCHEDULE

Kitchen	44.5 m2
Servery Area	17.5 m2
Internal storage	0 m2
Internal Seating Area	19.5 m2
Accessible WC	0 m2
TOTAL INTERNAL AREAS	82.5 m2

External storage (shed).....12 m2

New Construction

The demolition and reconstruction of the café is an opportunity to build a highly sustainable small building, complimenting the Winter Gardens. This will maximise the site more efficiently in line with the business plan.

Preferred Configuration

PRO's	GROUND FLOOR PLAN
<ul style="list-style-type: none"> • Opportunity to provide a high quality of construction and design, using sustainable materials • Provision for larger kitchen and seating area • Unlocking views to the beach from the South Parade and open servery looking at the WG. • May provide the opportunity to install and provide further below ground rainwater harvesting tanks (from WG roof) • Opportunity for PV panels / renewable energy sources. 	
CON's / RISKS	
<ul style="list-style-type: none"> • Higher capital cost investment. • Full planning required. • Below ground condition unknown. 	
BRIEF / AREA SCHEDULE	
Kitchen & Servery 42 m2 Internal storage 0 m2 (within kitchen area) Circulation / Servery 11.5 m2 Internal Seating Area 30 m2 Accessible WC 3.5 m2 TOTAL INTERNAL AREAS 87 m2 External storage 0 m2	





Stage 2 cost assessment

- Cost report required for to compare the cost implications of both the preferred option and the retention and repair of the existing Beach House Cafe. Including capital and operational/maintenance cost.

Design development:

- Stage 3 design and coordination.
- Refining the layout/brief, develop the kitchen design with catering consultant.
- Sustainability assessment, including the energy generation assessment of the BHC roof, and sustainable benefits of removing the takeaway from the Winter Gardens scheme/carbon calculations.
- The introduction of any new equipment, through construction or future operation would need to be assessed due to the proximity of the SeaLife Centre.

Surveys:

- Full measured survey may be required if the decision is to retained the existing Beach House Cafe.
- Complete below ground survey required, noting that the current survey does not accurately located below ground drainage/ services.
- Asbestos survey

Authorities

- Planning Application.

Impact on the Winter Gardens scheme

- New planning & LBC application for the redesign and changes to the front block.
- Revised sustainability and carbon assessment following the omission of the takeaway.
- Integration of the land between the Winter Gardens and the Beach House Cafe into the landscape strategy.

The estimated cost for the RIBA Work Stage 3 design and securing a planning application is detailed in the Confidential Appendix A.

Business Case Feasibility

The striking location and beach fronted presence presents a solid commercial opportunity.

In a refurbished and re-organised form, the unit will be useful and attractive to prospective operating partners for the overall Winter Gardens project.

It is recommended that given the siting of the café, this is a better option for the 'takeaway' elements of the overall proposed provision than the constrained north-west side of the main Winter Gardens building. A re-imagined Beach House Café is recommended to replace the currently proposed

takeaway. The use of this space will be released to other non-catering uses and reduce the carbon footprint and energy use for the Winter Gardens.

There will be a need for the catering offer within the Winter Gardens to 'scale up' and 'scale down' to accommodate demand and seasonality. The Winter Gardens will be open all year round and the Beach House Café in a kiosk style takeaway offer format will be a useful addition to the overall proposition and scalability.

There is space around the buildings to house other temporary 'pop up/ kiosks from time to time.

It is worth noting the considerable number of alternative kiosk type catering outlets along the seafront and we should be keen to express to prospective operating partners the need for a complementary offer.

Most of these competitive outlets are closed during the winter months.

With both the Winter Gardens and Beach house Café under one control, the flexibility is likely to be much more readily managed and overall to be competitive and manageable.

The additional space will allow for greater outdoor capacity.

The café could trade longer hours enabling an operator to run reduced operations at the Winter Gardens, thereby reducing costs while maintaining service.

The café increases the business case potential, attract potential operators and in turn will support the wider Winter Gardens business plan.

Type of Outlet

We envisage a modern beach café providing contemporary, informal snack and light meals, a bakery and deli with fast paced eat in or take away service.

Open all day and early evening, the Beach house should offer great coffee preferably from a local ethical roaster, bakery, pastries, croissants, tray bakes, donuts, etc alongside hot savoury products ideally with bakery or finishing on site.

From lunchtime onwards, we envisage a gourmet street food type operation and super salads along with grab and go offer and spontaneous picnic hampers. We would hope to see local ingredients feature strongly and the operator working with artisan suppliers.

The Beach House offers an exciting addition to the Winter Gardens offering and one that could be very popular between the Spring & early Autumn months.

The Beach House is intended to be a self-contained outlet containing its own storage and production capability. This is because the outlet is located away from the Winter Gardens kitchen but also to allow for an independent operator.

Revenues & Returns (Refer to the Confidential Appendix A)

The forthcoming procurement will determine levels of interest and how operators deal with each of the principal spaces including the Beach house Café. Different operators will have different visions for each of the spaces and how they will complement each other.

Feasibility Summary (for Financial Feasibility Summary refer to Confidential Appendix A)

- The Beach House Café offers a strong opportunity to derisk and strengthen the overall commercial opportunity and return at the Winter Gardens
- Its location and relationship to the main building is unique and compelling, not only providing a visible catering outlet in a prominent beach front location but also defining the full operation of the outdoor seating area between the buildings.
- This proposal will not replace the need for the main restaurant, upstairs bar/café and facilities inside the Winter Gardens for daily catering and event catering, which together are still anticipated to make up the balance of the overall proposition. As more commercial events requiring the Winter Gardens to be closed may be enabled, there may also be a knock-on increase in hire fee incomes.
- It is likely that the response and interest from the operator market to the forthcoming market testing and tender exercises will be strengthened by the addition of the Beach House Café. Ideally, we would see both operations in one control to maximise flexibility. A split model may also work if appropriate specialist operators came forward for each proposition.
- The previously identified space in the north-west corner of the Winter Gardens will be released for other purposes and reduce the energy consumption.

2 Financial Implications

- 2.1 Funding for the £94,670 development phase of works (up to end RIBA 3 and planning approval) will be sourced from the Special Projects Reserve Fund.
- 2.2 External programme capital funding needs to be identified and allocated for delivering this project. Funding is not available from the NLHF and did not form part of the Grant Application. The redevelopment of Beach House Café demonstrates a viable commercial proposition at the end of a RIBA 2 feasibility but RIBA 3 will provide more design and cost certainty, particularly around groundworks and utilities & services costs.
- 2.3 Loss of revenue from Beach House Café at the end of summer 2024 will be replaced by savings from use as a contractor's site office and possible compound and a more significant revenue stream after redevelopment.

3 Risks

- 3.1 Loss of revenue at Beach House Café after Summer 2024. Mitigated by securing a strategy for the redevelopment of the site and linking to the long-term sustainable future of the Winter Gardens.
- 3.2 Inability to secure an operator for the Winter Gardens and Beach House Café. Mitigated by procuring an operator just for the Beach House Café, a more straightforward commercial proposition.
- 3.3 Food & beverage operator for Winter Gardens not interested in operating outlet at Beach House Café. Mitigated by demand for F&B facilities along the seafront. A separate procurement can be initiated.
- 3.4 Increasing construction costs due to innovation elements for Winter Gardens. Mitigated by effective contract administration and careful separation of cost elements between the grant funded Winter Gardens and GYBC funded Beach House Café.

4 Legal Implications

Procurement will be undertaken in compliance with GYBC Constitution and Public Procurement Regulations.

Vacant Possession will be required at the end of the Summer 2024 Season.

Extent of Highways and GYBC land ownerships needs to be finalised and confirmed.

Access needs to be maintained for Sealife Centre.

5 Conclusion

The clear benefits to the Winter Gardens project and operator procurement are set out within this report. Key decisions during early RIBA Stage 4 detailed design need to be taken impacting on design, environmental and sustainability objectives for the Winter Gardens e.g. relocating the smaller takeaway into the larger Beach House Café. Re-development of the Beach House Café provides the opportunity for GYBC to develop a viable commercial asset intrinsically linked to the Winter Gardens long term sustainable future.

6 Background Papers

6.1 CONFIDENTIAL ANNEX A

Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?

Area for consideration	Comment
Monitoring Officer Consultation:	Consulted
Section 151 Officer Consultation:	Consulted
Existing Council Policies:	Acquisitions & Disposal Policy
Financial Implications (including VAT and tax):	See above
Legal Implications (including human rights):	As reported
Risk Implications:	As reported
Equality Issues/EQIA assessment:	Will be considered as part of design delivery
Crime & Disorder:	Will be a design consideration – Safer by design
Every Child Matters:	Not applicable