

## North Somerset Council Decision



**DECISION OF:** COUNCILLOR MIKE SOLOMON. EXECUTIVE MEMBER FOR CULTURE AND LEISURE.

**WITH ADVICE FROM:** DIRECTOR OF PLACE, SECTION 151 OFFICER

**DECISION NO:** 23/24 DP 542

**SUBJECT:** AWARD FOR THE RENEWAL OF VICTORIAN CAFE LEASE, WESTON-SUPER-MARE

**Key Decision:** Yes

**Reason:** The value of the lease is over £500,000

This is a key decision which has not been included on the forward plan. Access to information rules have been followed.

### **Background:**

The premise is located on Weston super Mare Seafront, BS23 4AW and approximately 200m from the Beach Lawns. The café most recently operated as The Victorian café, a 77msq indoor hospitality space with outdoor customer seating area.

The Victorian Café is a Grade II listed building, which was listed on 29-04-1999. The listing number for this property is **1386806**. This site is within the Weston Central Ward and is a part of the Great Weston Conservation Area and contributes to the visitor experience of the town.

This historic site has been a focal point of the Seafront for the previous 17 years and as the previous Lease holder has retired, it was decided to offer a new Lease for a minimum 15 years to the open market, prospective operators were invited to propose the length of the lease they would require. The café is an important asset to the Seafront and to the local community.

### **Decision:**

To award a lease for the Victorian Café is awarded to The Food Hub LTD, Unit 10 A Laney's Drove, Weston-super-Mare BS24 8RA. Company number: 12867376.

Lease value: £26,500 per year.  
Lease Term: 30 Years

### **Reasons:**

The Lease opportunity was advertised on the Council's Procurement Portal ([supplyingthesouthwest.org.uk](http://supplyingthesouthwest.org.uk)) to provide an open, fair and transparent approach to selecting an operator

5 submissions were returned, and 4 submissions were evaluated on the basis of price (40%) and quality (60%).

The Food Hub LTD provided a strong business plan that required a 30 year lease to enable a return on extensive investment in the building.

## **Quality**

The quality criteria and their associated weightings are as follows:

1. Proposals for the Cafe including the intended usage, proposed timescales, drawings and knowledge of planning and Heritage England - 30%
2. An explanation of your finding status and business plan. All costs associated with refurbishment plans and the level of investment needed – 20%
3. What your sustainability plan. Detail your suppliers, how you plan to minimize single use plastic and lower your carbon footprint. 15%
4. What will your food and beverage offer be? Indicative food and beverage choices including price points. Detail the type of service offered and any plans to minimize food waste – 15%
5. Details of your experience in operating similar services to that you are proposing – 10%
6. Please explain your suitability to the Seafront and any Tourism considerations – 10%

The quality responses were scored using the NSC standard scoring matrix. The offer from The Food Hub Ltd was assessed as being the most advantageous submission for the site.

The submission with the highest annual rental offer to the council will receive the maximum score of 100% (weighted at 40%) and the prices of all other tenders will be expressed as a percentage of the maximum score.

## **Evaluation Panel Members**

The evaluation panel consisted of the following group:

- Procurement Officer, Facilitator
- Head of Open Space, Natural Environment and Leisure, Evaluator
- Parks and Seafronts Manager, Evaluator
- Seafront Operations Manager, Evaluator

## Evaluation Outcome

Five submissions were received by the closing date/time of 13:00hrs on 02 April 2024. Only Four submissions were compliant. The outcome of the evaluation is shown in the table below:

Price and Quality Score		A	B The Food Hub (WSM)	C	D
Lease amount proposed		£26,500.00	£26,500.00	£30,000.00	£31,500.00
Highest Received	£ 31,500				
Price Score		33.65	33.65	38.10	40.00
Quality Score		26.40	60.00	18.00	12.00
TOTAL SCORE (Price and Quality)		60.05	93.65	56.10	52.00
Overall Ranking		2	1	3	4
			The Food Hub (WSM)		

## Lease Management:

The lease will be managed by the Seafront & Properties teams.

Key areas for management will include:

- Regular meetings will be held with the provider including an annual meeting to discuss the overall performance.
- Ensuring the premises are kept in good repair and condition, this is a recharged service by property services.

## Options Considered:

Following evaluation of the submissions, no further options were considered as the winning submission is good and provides good financial return to the council whilst ensuring a quality offering.

## Financial Implications:

### Costs:

The winning submission offers an annual Lease fee of £26,500 which includes:

- Responsibility for the upkeep of the building including any repairs etc.
- The lease is linked with an annual RPI increase.
- 7.5% of the lease fee will be paid as an internal recharge to property services.

A capital funding bid will be required for 2025/26 to undertake essential repairs to the roof. Budgeted cost of these works is £70,000.

A capital funding bid for proposed updates to the internal layout and improvements to the adjoining public conveniences. Budgeted costs for these works are £175,000.

**Funding:**

This decision will result in a contribution to council revenue budget of £26,500 per annum.

The operator will fund roof repairs equivalent to the floor area occupied by the café, this is a sum of £29,000.

The proposed extension to the public convenience is subject to a further capital bid and will be subject to an increase in rental Income to fund capital expenditure.

**Legal Powers and Implications:**

The Commissioning Team liaised with the Legal team in order that a bespoke set of Terms and Conditions have been created in readiness for the grant and issuing the Lease.

**Climate Change and Environmental Implications:**

The operator must have suitable arrangements in place for the disposal of all waste arising for its operations at the site and will be required to provide when requested current Transfer of Waste licences. The council can provide a chargeable commercial waste service if required.

**Consultation:**

An expression of interest exercise has taken place for this site and consultation with properties, legal and executive members. The opportunity was advertised on the Council's Procurement Portal ([supplyingthesouthwest.org.uk](http://supplyingthesouthwest.org.uk)).

**Risk Management:**

Mitigation of identified risks are supported by a thorough risk assessment completed by the Commissioning Team, against each individual activity, and will be monitored and mitigated throughout the lease monitoring.

**Equality Implications:**

Have you undertaken an Equality Impact Assessment? Yes  
There are no direct equality implications associated with this decision.

**Corporate Implications:**

None

**Appendices:**

Decision DP372 – Victorian Cafe, Lease Renewal and Procurement Plan

**Background Papers:**

N/A

**Signatories:**

Signed:  .Executive Member for Culture and Leisure

Date: 3 May 2024

Signed:  .Section 151 Officer

Date: 3 May 2024

Signed: ...  Assistant Director Placemaking and Growth

Date: 3 May 2024