



Report to: Income Generation Sub-Committee, 9th October 2018

Report of: Corporate Director, Finance and Resources

Subject: REPORT OF THE RIVERSIDE INCOME GENERATION TASK AND FINISH GROUP

1. Recommendation

1.1 That the Committee accept the report of the Riverside Income Generation Task and Finish Group and approve the related action plan.

2. Background

2.1 The Riverside Task and Finish Group was established by the Income Generation sub-Committee to explore opportunities to increase income from the river and the riverside. The Group consisted of the members of the Committee meeting on a less formal basis and its terms of reference were to:

- Consider what opportunities there were to maximise income from existing sources, including, in particular, the Severn café and the moorings at South Quay and North Quay
- Identify potential sites for new income streams, including establishment of vending sites and programmes of events
- Explore potential for engagement with partners including hotels and cafes in the area
- Identify synergies between the riverside and other developments, such as the Riverside Park project and the Masterplanning exercise.

2.2 The Group met five times to discuss these issues and were supported by Officers of the Finance Team, the Planning and Development Team and Place Partnership Ltd (PPL).

3. Scope of the Task and Finish Group

3.1 At its first meeting on 9 October 2017, the Group identified the following tasks:

1. To clarify income and costs of the Severn café (as the lease is due for renewal in this coming year) and of the moorings
2. To ensure that the car park review currently underway considers the riverside potential and that this is considered within the context of the Masterplan
3. To develop a stakeholder plan to ensure that all relevant views are taken into account.

4. To understand how the Income Generation work overlaps with the Riverside Park project and ensure that this considers commercialisation, the starting point of which will be to develop an overlay map which will highlight gaps in provision
 5. To look at comparable towns, such as Stratford on Avon and Shrewsbury to see if there are lessons to be learned there about making use of the riverside.
- 3.2 Subsequent meetings explored aspects of each of these themes and included contributions from the Communities Team Manager, who is responsible for the Riverside Park project, the PPL Estates Manager who is working with the café proprietors and riverside business leaseholders, the Economic Development Manager and officers from the Canals and Riverside Trust. One meeting, held on 6 December 2017, included an extended visit to the Riverside to consider the conditions of facilities, access to services and amenities and potential locations for vendors, activities and events.
- 3.3 A map which plots the land ownership along the course of the river and highlights the areas owned by the City Council is provided at **Appendix 1**. The map also identifies those activities and arrangements that already exist and provide a source of income. This includes commercially sensitive information relating to third parties and is therefore confidential.

4. Opportunities to maximise income from existing sources

Severn Cafe

- 4.1 The café is situated on Grandstand Road, next to Croft road car park, and is close to the riverbank, albeit raised above the riverside itself. It has in the past been surrounded by flood water but has not flooded itself. It opens 7 days per week from 8.00-16.30. The premises are owned by the Council, which receives an annual fixed rent plus a percentage of turnover. The current lease expired in March 2018 but has been extended until 31 September pending any decisions about its future use.
- 4.2 The café is small with a paved area outside. The interior is fairly basic, having breeze block walls painted lime green. The menu is traditional but receives good reviews online. Typical customer comments are:
- 'We went here for coffee while at the start of the tour of Britain. It was very busy, but service was very quick and we had a lovely bacon bap and a nice cup of coffee. Just right to set you up for the morning.'*
- 'This little cafe is situated right next to the river it is a fairly basic cafe serving the usual sandwiches cakes coffee etc. The bacon and egg is my usual order and fits the bill when you're half-way on your bike ride. Sitting outside is nice but very small inside if it rains. Over all it is what is and serves a purpose which it's good at.'*
- 4.3 Options for developing the café are limited at this stage because of the developing Masterplanning work which may change the nature of the area in time. In the short term, there are options to develop the facility to take advantage of the open space and riverside views that it commands. PPL have been previously commissioned to bring forward some proposals for this type of limited development.
- 4.4 As the Masterplan process has a medium term timescale, it is proposed that the Café is let on a three year basis and that potential lessees are invited to make suggestions for small-scale development of the site within that timescale.

Moorings

- 4.5 The council owns riverside moorings at several points along the eastern side of the river.
- 4.6 South Quay – this is a commercial mooring latterly rented by Worcester River Cruises Ltd. for day trips along the river. Their licence was renewed in the summer of 2018. Their pontoon is currently still in place but will need removing in time as it is secured to a tree stump on the riverbank which, in view of its nature, is not a long term solution and has to be inspected annually at a cost to the council.
- 4.7 Draft designs have been developed for replacing the tree stump with a suitable mooring based on a pontoon. This will allow further boating opportunities to be explored once a more detailed design has been work out.
- 4.8 At North Quay there are commercial moorings for two boats immediately adjacent to the Severn café. Latterly used by Worcester River Cruises Ltd for the 'Pride of the Midlands' boat but not currently licenced to them. The group identified potential problems with the concrete slabs. PPL have been asked to investigate these. Repair costs would be expensive given the proximity to the water.
- 4.9 Adjacent to the commercial moorings and underneath the railway bridge is space for 2 or 3 public moorings (depending on the size of the boats moored). Although the moorings continue with space for another 8-10 boats, the riverside path narrows and ceases to be tarmac. This makes it quite narrow and slippery in wet conditions. It then widens and returns to tarmac with space for another 6 moorings before the Rowing club is reached.
- 4.10 There are a further 6 public moorings available further up the river adjacent to the racecourse. Further up from there are the remains of the council's old wooden mooring jetties that are beyond repair.
- 4.11 Income from the pay and display machines that include all the public moorings was £7,500 in 2016/17, although this also includes some vehicle parking, so the value of the moorings themselves in terms of revenue income is not difficult to determine. The income profile shows a clear seasonal pattern albeit with ups and downs and with weekends not always the peak times. There were 40 days when there were 10 or more boats moored. The tarmac mooring space noted above is for approximately 10 boats suggesting that at times we are operating close to capacity, aside from those available on the narrow muddy path.
- 4.12 The Group considered that the best advantage in terms of income generation would be to bring the moorings along the entire stretch into full use. However, this will require improvements to the moorings themselves and walkways and may require an improved payment system. Currently users pay at a 'pay and display' style pay station but this is not policed. A cost/benefit analysis is therefore required to assess the potential cost and value of the works required.

5. Potential new income streams

- 5.1 As part of the work of the Task and Finish Group considered the suggestion that there is space for additional refreshment outlets along the riverside.
- 5.2 The main consideration is that for these suggested sites much of the land on which a potential vendor could operate is not owned by the Council. This does not prevent us

exploring development opportunities but would mean securing the agreement of the land owner and sharing any income benefit with them.

- 5.3 The Task and Finish Group identified potential locations for vendors during the walk along the riverside and canal, including a temporary facility at Copenhagen Street Car park and a more permanent structure at Diglis, adjacent to the current headquarters of the Sea Cadets.
- 5.4 Any development is subject to planning considerations due to the possibility of flooding along the riverside. Planning Officers advised that parts of the riverside fall in Zone 3 which is the highest designation of land prone to flooding. Development in these areas is highly unlikely unless considered essential. Other areas are in Zone 2, where development of permissible but planning consent by no means guaranteed.
- 5.5 Copenhagen Street carpark is a council-owned property and could therefore be used. A kiosk on the edge of the car park is a good option from a flooding perspective as the car park is raised and not in the flood plain. However this creates issues with other providers both mobile and the adjacent cafes/restaurants. Discussions are taking place with vendors currently operating within Worcester to establish interest in using this site and to test this issue. A proposal for a 'pop-up' facility at the site is to be advertised during autumn 2018.
- 5.6 The Sea Cadets hut and surrounding land adjacent to the river near Diglis lock was identified as a site for potential development. However it is zone 3 and a new development would be unlikely to gain approval. A mobile facility that could be removed would be an option which the Council could pursue with CRT and the Sea Cadets but income potential would be low once shared. Members could choose to spend money smartening the land up but this will not in itself generate income.
- 5.7 Other parts of the Diglis area are not in Council ownership and detailed discussions with the Canals and Rivers Trust are needed to establish whether and how these sites could be used. Trow Way includes land owned by the Council but is in Zone 3 and has recently only been used as open storage. There are adjacent buildings there that are in the same flood zone but any development is likely to need flood mitigation solution which, if acceptable, are likely to be expensive.
- 5.8 During the various meetings and discussions with stakeholders a number of existing events that take place on or near the river were identified. Engagement with these and work to identify new events is part of the Tourism Strategy and wider park development proposals. Both the Economic Development Officer, who is responsible for the Tourism Strategy and the Communities Team Manager, who is leading the Riverside Park development, were engaged in meetings of the Task and Finish Group. Their separate work streams will continue to support the work of the Income Generation Sub-committee.

6. Partner engagement

- 6.1 The Group's work identified that there are numerous stakeholders who have an interest in the riverside, ranging from users, such as the Sea Cadets, Sea Scouts, Boating Club and Canoe Club, to residents, to businesses either using the river themselves or relying on passing trade from customers using the river. There are also wider stakeholders such as the Canals and Riverside Trust.

- 6.2 Engagement with a variety of stakeholders was wide during the work of the Group and has continued. For example, a proposal for licencing pleasure boats on the river was brought forward for consideration at the Policy and Resources Committee on 11 July 2018, while the Council has been approached by an individual seeking to develop a canoeing facility. Negotiations have taken place with the Sea Scouts regarding the use of their site further north along the river. The regional contact of the Canals and Riverside Trust attended two of the groups meetings to explore opportunities for land assembly and asset rationalisation.
- 6.3 The extent of the stakeholder group engaged with the riverside means that in some instances there are potential conflicts regarding use of the river. A proposal for increasing pleasure boat use may conflict with the existing pleasure boat provider and with rowing clubs who use the river for professional, rather than recreational reasons. Similarly encouraging temporary vendors to ply for trade at the riverside may conflict with existing users such as the Severn Café or Browns at South Quay.
- 6.4 As part of the Riverside Park development the Communities Team Manager has drawn up a stakeholders list. This will be used to support a stakeholder consultation exercise on the proposed Riverside Park action plan to be completed by the end of September 2018. The consultation exercise will help identify suitable uses of the riverside within the context of the park proposals. The findings can be brought to the Committee for consideration as a further iteration of the Group's work.

7. Riverside Park and Masterplan

- 7.1 The development of the riverside from an income generation point of view has two aspects:
- opportunities for generating income directly from river- and riverside-based facilities
 - supporting the attractiveness of the city as a place to live, work and spend leisure time which has a cumulative positive impact on Council Tax, business rates and direct income streams (such as car parking) which are the main sources of the Council's income.
- 7.2 The riverside linear park project has been developed in the context of the latter activity, which is, in itself, a significant theme within the City Plan.
- 7.3 To date the project has progressed through work with stakeholder groups, partner agencies, consisting of 40 representatives formed into 5 working groups. A management plan has been written and submitted to Keep Britain Tidy for Green Flag Judging for this year, 2018.
- 7.4 Work on the proposed Masterplan has been undertaken by Node. Given their already developed knowledge of Worcester and the Council's ambitions, Node were commissioned to review the existing riverside park action plan with stakeholders and to identify priority projects which could deliver Green Flag status. Funding of up to £300,000 was agreed at budget-setting in February to be funded £140k from the City Plan Fund and £160k from the Income Generation Fund.
- 7.5 Taken together, work to date, including an initial judgement by a Green Flag judge, has indicated that Green Flag status will not be achieved in 2018/19. This is due to:
- lack of identity

- poor signage and wayfinding
- poor maintenance in some areas
- limited facilities

7.6 It is therefore proposed to appoint a landscape architect to design and detail solutions to these problems. This information will inform options in a report to Environment Committee in October to approve works required to help secure a Green Flag Award. A specification for tender for the works will be then drafted by end of financial year. This is seen as a first phase of a much larger potential place shaping project. It is anticipated that the work will include the development of a signage strategy and design guide for the park.

7.7 The next steps for this work in terms of the Riverside project are that the report from Node is considered, and that officers consult and progress procurement as required in accordance with the following timetable:

- Steering group consultation on revised action plan to set priorities for initial City Plan spend 9th July 2018
- Wider stakeholder consultation completed end of September 2018
- Tender and appoint landscape architect end of October 2018.
- Landscape architect to specific and cost works to deliver priorities identified in action plan end of Dec 2018
- Report to Environment committee with options to spend City Plan. February 2019.
- Tender work signed off by committee March 2019.

7.8 The proposal and timetable have been incorporated into the action plan arising from this report (annexed) to help ensure that the work of the Income Generation Sub-Committee and the Environment Committee is co-ordinated in respect of the Riverside Park development within the wider context of the Masterplan.

Ward(s): Cathedral, Claines, Arboretum, St. Clement, St John, Bedwardine
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Background Papers: None

ANNEX: Riverside Task and Finish Group – Action Plan

No.	Task	Reference	Owner	Completion date
1	Let the Severn Café on a three year basis and invite potential lessees to submit proposals for small scale development of the site over the term.	Paragraph 4.4	PPL	31/12/18
2	Prepare detailed proposals for remediation of the South Quay moorings and development of a pontoon suitable for a mooring for pleasure boats	Paragraph 4.7	PPL	31/1/19
3	Undertake cost benefit analysis of bringing the North Quay and Pitchcroft moorings into use	Paragraph 4.12	PPL	31/12/18
4	Secure the use of a 'pop-up' catering facility at Copenhagen Street.	Paragraph 5.5	PPL	31/10/18
5	Continue discussions with the CRT and the Sea Cadets for use of land near Diglis Basin as a suitable site for a vending facility.	Paragraph 5.6	Communities Team Manager as part of Riverside Park development	Ref Riverside Park Green Flag timetable
6	Review the results of the stakeholder consultation exercise to identify income-generating activities that have support amongst the riverside stakeholder group	Paragraph 6.4	Communities Team Manager	15/01/19
7	Implement the revised Riverside Park action plan with a view to achieving Green Flag status by 31 March 2020	Paragraph 7.8	Communities Team Manager	31/3/20