

PART ONE

Barrow Borough Council

Overview and Scrutiny Committee - 16 December 2021

Executive Committee – 12 January 2022

Future Management Arrangements of Piel Island

Report from: Director of People and Place
Report Author: Director of People and Place
Wards: All Wards- located in Roosegate

1.0 Summary and Conclusions

1.1.1 This report brings forward an update on Piel Island, incorporating work undertaken by the Overview and Scrutiny Working Group and asks Executive Committee to consider and agree the future management arrangements for Piel Island.

2.0 Recommendation

2.1.1 **Overview and Scrutiny Committee is asked to receive the report and consider and agree the following recommendations to Executive Committee:**

Executive Committee is asked to consider the following recommendations:

- (i) **Agree to the proposed management arrangements as set out in the report and delegate authority to the Director of People and Place, in consultation with the Chair of Executive Committee, to undertake the procurement process and award the new contract.**
- (ii) **Note their appreciation for the work that officers put into getting the Ship Inn ready to be re-opened this season at very short notice**
- (iii) **Note the lessons learnt from the partnership approach and thank the Piel Island Pub Company for their contribution**
- (iv) **Note that the Overview and Scrutiny Committee Piel Island Working Group will continue to receive progress updates**

3.0 Background and Current Position

3.1 Barrow BC are the custodian of Piel Island and until late May 2021, the management of Piel Island including running the Ship Inn, maintaining the toilet block and the Island grounds was undertaken by the holders of a lease from the Council. The leaseholders decided before the end of their lease that they wished to terminate the arrangement.

- 3.2 The Council at the time had secured some resources to support its climate change pledge to be carbon neutral by 2037. Piel Island was seen as a great asset that could benefit from some of this resource and an area that we could really promote to residents and visitors as a great place to visit. Therefore, the Council accepted the leaseholders decision and formally concluded the early termination of the lease in late May 2021.
- 3.3 Ensuring that Piel Island could be shown to its best advantage, Barrow BC needed to fully understand its full potential for the future. To enable the Ship Inn to re-open after a period of closure and early termination of the lease took considerable effort from a team of Council officers who volunteered to go over to Piel Island and repaint it, organise deep cleaning and deal with a range of other issues. This was done within a couple of weeks to then enable us to show prospective interested partners around the premises.
- 3.4 For this last season and in the light of the impact of Covid, a pilot partnership approach was put into place with a provider to truly understand what a longer term management arrangement might look like to make the best of Piel Island for all. This provider was a local company that had experience in running pubs and they subsequently established the Piel Island Pub Company. The arrangement was that it would be June to September 2021 and be open book accounting to understand the costs and income from Piel Island.
- 3.5 Overview and Scrutiny Committee have been looking at the arrangements for the management of Piel Island as part of their work programme for the year. The Overview and Scrutiny working group have concluded that the lessons learnt from this season are as follows:
- Piel Island is a unique place and any operator needs to appreciate the constraints offered by power, weather, access and its location within an area of Site of Special Scientific Interest.
 - Visitors to Piel Island are short stay and want a basic meal and drink
 - Camping and paying a small fee was popular
 - The relationship with the ferry operator and the management arrangements for Piel Island is really important
 - Alternative access arrangements off the Island besides the ferry need to be in place
 - More outside seating is needed to facilitate visitors
 - The community ownership of Piel Island and its local appeal and natural habitat is really important
 - There were no incidents of anti-social behaviour reported, which was contrary to perception.
 - Any operator needs to manage and maintain the island including maintenance of the Ship Inn, grounds maintenance of the surrounding area and management of camping and the toilet and shower block (except for external urgent repairs to the buildings and jetty maintenance) and its assets to a standard that the Council expects
 - All aspects of the Island except for external urgent repairs to the buildings and jetty maintenance to be the responsibility of the operator
 - Emergency planning for incidents with agencies is an essential part of any future management arrangements
 - There is potential for events and Piel Island is an essential element of any destination marketing. Any operator would need a formal relationship with the Council to enable this.

- Communication about Piel Island and whether buildings are open and food and drink are being served is the responsibility of the operator
- Any operator needed experience in operating a licenced premises and with access to staff, financial sustainability and be prepared to open for a short period of the year whilst retaining responsibility for the premises and the Island all year round.

3.6 The Overview and Scrutiny Working Group felt that the partnership arrangements had demonstrated that despite challenging circumstances, Piel Island and its facilities were made available as often as possible for visitors. The options for future management arrangements were discussed by the group. The level of resource and capacity of officers meant that self delivery of Piel Island was prohibitive. Also, Barrow Forward was not yet established and did not have the necessary infrastructure to take on the management of Piel Island.

3.7 Members felt that an open and transparent procurement for a suitably experienced operator should take place. The above lessons learnt should inform the service specification and that a media campaign could run alongside the procurement process to encourage people to register to submit an interest through the appropriate channel. The emphasis would be on a long term 10 year lease with an annual review of performance and a rental charge that would be subject to review over the time period. Therefore, the preferred option was to gain approval from Executive Committee to this approach, advertise the opportunity in January 2021 for a start date in early March 2021.

3.8 As part of Low Carbon Barrow, a feasibility piece of work is underway to explore alternative energy sources. This is exploring solar PV for the roof of the Ship Inn and the toilet block as examples. The existing toilet block is also going to be demolished and replaced. A service specification for a design and build for a new eco-friendly block is underway. The opportunities for what is the art of the possible are underway with planning due to the location of the island.

3.9 Members are asked to consider the report and the recommendations to Executive Committee.

4 Consultation

4.1 The lessons learnt have come from both the partnership outcomes with Piel Island Pub Company, officers and ward members who have all fed their own views and those from the community into the process to shape future arrangements. The media campaign to encourage operators to apply for this opportunity will be sensitively managed to ensure that the sense of community ownership will remain and that the right calibre of operator is attracted.

5.0 Alternative Options

5.1 Options for alternative future management arrangements have been considered above. Alternatively, the Council could choose to close the Ship Inn, which would cause reputational damage and withdraw a service from residents and visitors. The option in the report is considered to be the most appropriate at this time to take forward the future management arrangements for the island.

6.0 Contribution to Council Plan Priorities

6.1 Our environment is enhanced, protected and celebrated. Our Borough is seen as a destination of choice for leisure, culture and sport.

7.0 Implications

7.1 Financial, Resources and Procurement

- 7.1.1 A suitable rent will be set as part of the preparation of the service specification and aside from any emergency structural repairs all other costs will be the responsibility of the operator. Emergency structural repairs would remain the responsibility of the Council unless there was intentional damage caused by the operator. Emergency structural repairs are funded from the Renewals Reserve.
- 7.1.2 The rent review arrangements will be specified with clear evidence requirements and the process to be observed each year; this will include the triggers for any subsequent actions in terms of the rent level.
- 7.1.3 Officer time will be employed in creating the specification, carry out the procurement, and carrying out the annual review alongside the normal functions of the Council as landlord.

7.2 Legal

- 7.2.1 There are no issues to raise in this report. Future procurement should be in compliance with the Councils' financial regulations and contract standing orders, and contracts will be drawn up as appropriate.

7.3 Equality and Diversity

- 7.3.1 An Equality Impact Assessment is not required for this report.

7.4 Risk

- 7.4.1 That there are no suitable operators, but various individuals and organisations have already approached the Council. The mitigation of the risk is that a media campaign will also focus on driving interest to the service specification where the detail and expectations will be provided.

Contact Officers

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