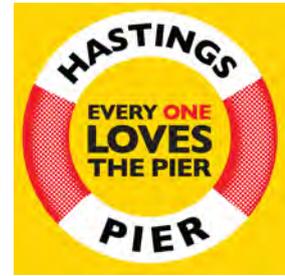


Friends Plan for Hastings Pier

April 2018



Executive Summary

Friends of Hastings Pier (FOHP) was re-established in Feb 2018 to be an independent voice for community shareholders and supporters of Hastings Pier. Active and constructive volunteers have been working on a number of fronts, including developing the core of a Friends Plan for the Pier.

We propose to take Hastings Pier Charity out of administration as a reborn organisation fully owned by its 5,000 community shareholders, with a new elected board of trustees to oversee the implementation of a clear and fundable recovery plan.

HPC will retain its freehold ownership of Hastings Pier and be responsible for the upkeep of the 'bottom' (ie the structure) in perpetuity, costed at £250k pa index-linked. This will be achieved through a full commercialisation of the 'top'. This model of separation is operated by several piers nationally, including Bournemouth and Cromer.

We have developed an indicative business proposition for the top for further discussion, with charge-holders, unsecured creditors, other stakeholders, community shareholders, and especially with potential commercial operator partners.

The plan requires an overall investment of £3M. We believe that this can be funded from £1.5M grant, £500k loan, £500k private sponsorship, and £500k new community shares. For the grant we would ask that HLF considers making a further contribution, alongside requests to CHART (CLLD), Coastal Communities Fund, Arts Council England, and Power to Change.

That investment can bring the Pier up to sustainable commercial operation generating 10%+ gross profits while protecting the freehold, preserving the structure, and ramping up the community benefit.

Sounds too good to be true? This was the original plan that persuaded HLF to grant-fund the pier in the first place. It just got lost along the way. This crisis has galvanised us to bring it back into play. In just a few weeks we have pulled together this plan and begun to convene a Dream Team of experienced and credible commercial advisers. We are asking for six (6) months to prove that the future of Hastings Pier can be both community and commercial...

The Assets we have

We have a beautiful 150+ year-old Eugenius Birch pier, which is famous for having been saved against all the odds by sustained local community action. Following the substantial grant from Heritage Lottery Fund (along with grants and investment from Architectural Heritage Fund, Coastal Communities Fund, Communitybuilders, and others), the work of Hastings Borough Council to achieve compulsory purchase, and the personal investment in community shares by nearly 5,000 individuals, the pier structure has been renovated to create a stable platform for the future. Above deck, dRMM won the Stirling Prize for their community engaged and sensitive designs in creating 'the UK's Best Building 2017'.

As well as the renovated pier itself, there is the great human asset of Hastings. Many thousands of people have been involved in the 12 years since the pier first closed in 2006 and new people are bringing their skills, expertise and passion every day. There is very strong good will towards the pier.

We are putting together a Dream Team of people and organisations – both local and from further afield – who will lead, advise, support, and promote the Friends Plan.

The Threats we face

Many people feel that Hastings Pier has been *taken without owners' consent*. In fact, legal ownership of the pier remains with Hastings Pier Charity. All that has changed is that control of the charity has been handed to the Administrators.

It is therefore clear that there are three options for the future of the pier.

1. HPC is put into liquidation. The 'asset' reverts to the charge-holder, Heritage Lottery Fund. They would almost certainly refuse it and it would be passed 'bona vacantia' to the Crown Estate (BV Division in the Treasury Solicitor's Office). The Crown Estate has no obligation to maintain such assets and is exempt from all enforcement.
2. A freehold sale passes the whole pier into private ownership. Even if a billionaire angel landed from heaven, this is a risky strategy long term. Unlike angels, rich people's assets get sold on the private market (or left to rot). The imperative of private enterprise is the pursuit of profit and the minimisation of cost – with a pier it is easy to take money off the top and fail to put it in underneath. Eventually the underneath rots; the private gamble is to make sure you took enough out in the good years and then sell the liability off shore. Of course there are many responsible and entrepreneurial. As the 'Campaign Against Delinquent Ownership' project has shown, there are hundreds of examples all over the country of precious buildings stuck in difficult private ownership.
3. HPC is brought out of administration intact as the freehold owner of the Pier, reborn with a new elected board and a dream team of staff and associates. Their job is to maintain the pier forever and to kick-start the commercialisation of the top that was always the next step. Within 3 years they agree a lease for the 'top' (deck and above) to a commercial operator, either independent or a commercial subsidiary formed for the purpose.

Our Proposal

A great deal of effort, time and money went into the rescue of Hastings Pier from the former private owner who had left it to rot. We do not believe 'the Panamanian situation' should ever be allowed to reoccur. We are concerned that a freehold sale would not only gift very significant public and community investment to facilitate direct private profit, but would put the pier at increased risk of disinvestment in future. The very least that should be done is a covenant on any future owner that they will invest a minimum of £250k pa (index-linked) into maintaining and insuring the infrastructure of the pier itself.

Hastings Pier is unique in its community ownership, with nearly 5,000 community shareholders. Yet the pier was put into administration in Nov 2017 without informing or asking these owners. We believe the pier freehold should remain in community ownership in perpetuity – both more responsible to the public good and less risky for a commercial operator. Community ownership must be protected and it must be made to mean something in future, not just for Hastings Pier but for all the share offers that are being developed by communities across the UK. The fall-out from failing to protect Hastings Pier community shareholders will be much worse even than the effort needed to save it.

The Core of the Plan

This is very simple and can be summed up in two points:

1. Separate the 'top' from the 'bottom'. The 'bottom' needs to stay in community ownership forever. Once the plan is agreed, Hastings Pier Charity should emerge from administration with a new elected board, retaining its freehold ownership. Its stewarding role would focus on maintenance and insurance (cost £250k pa).
2. The 'top' needs to make enough money to pay a 'rent' that significantly contributes to the annual costs of maintenance and insurance.

If the visitor spend per head could be raised to the UK pier average of £2.83 and the pier could attract 350,000 visitors (average is 480,000), it would make revenues of c£1M pa, plus min £200k pa for events, hires & promotions. These are very conservative figures for the kind of pier we seek to develop.

We recognise that this will take:

- a) investment (to raise footfall and visitor spend, costs dependent on vision, see below)
- b) time (so operator may need up to 3 years 'rent-free' from Nov 18 - £750k)
- c) a clean slate (write-down/refinance £450k of unsecured creditors)
- d) credible, competent, collaborative leadership and team (priceless!)
- e) repaired relationships and sustained goodwill

A Big, Bold Vision for the 'Top'

We hope to see a commercial operator take on a long operational lease and would expect HPC as freeholder to give free rein for their activities within very broad parameters, while offering a route for shareholder and supporter input and influence.

If such an operator is not available we will seek to create a commercial operation company as a trading subsidiary of HPC (similar to the original plan from June 2011 at Appendix 3). We have already begun to assemble a Dream Team that could lead either in sourcing and negotiating with an commercial operator or in establishing and attracting investment for an independent but wholly-owned commercial subsidiary.

In order to prove that ***the top can sustain the bottom*** and thereby attract operator and investor interest, we have developed an indicative business proposition. This treats the pier as similar to a cruise ship or a resort, with intensive entertainment and event programming and an active hosting team ensuring that all visitors a) have a good time and b) have every opportunity to spend money.

The Creative Content document attached has been produced by Adam Wide as part of an ongoing creative strategy development process with Friends of Hastings Pier. It describes an exciting and realistic vision of how Hastings Pier could become a profitable, sustainable attraction, while responsibly protecting the freehold for future generations. Below we summarise some aspects of this vision and the themes that underpin it.

Underlying themes

1. 21ST CENTURY FUN

Traditional approaches with a 21st century twist. Exciting, forward-looking, breath-taking. Tests of strength, tests of skill, prizes. Replicate the experience. Joyland rather than Dismaland.

- Modern Carousel – commission an artist to develop the vehicles (recycled/reclaimed material? steam punk?), same music, different feel.
- Ask Grayson Perry to design an Aunt Sally stall, other artists to do similar – reimagine the fairground. (see Adam Wide list of traditional fairground items for inspiration)
- Emotional content – storytelling, carnival, hobbies. Events team turn these into formats on the AIDA basis (Awareness, Interest, Desire, followed by a call to Action).
- Climbing in 'Neptune's Lair' under the Apron, Zip bikes around the pier
- Add helter-skelter to the outside of the new building?! From sun deck to pier deck.
- Digital funfair – A 'booth' experience that offers high tech access – digital games, AR and VR installations. Programmed with a changing offer of games and activities with special 'season highlights' a la Geek Festival in Margate. Contributors would be various tech companies or individuals trying out or promoting their latest offers. Other special offers would be for school/college groups for introductory and skills-based sessions. It could host programming such as a pop-up retro-computing festival, VR and AR artist residencies, or games development events. In a 'pop-up' capacity it could also accommodate learning activities, offered to others to programme from for a basic fee or hired out for special programmes.

2. CARNIVAL CENTRE & PIER SCHOOL

Local events company 18 Hours are looking to establish a Carnival Centre in Hastings, using the Carnival Network South partners approach, linking with local parades such as Hastings Storytelling Festival, St Leonards Festival, Jack in the Green, and Hastings Bonfire Society to create a shared centre for carnival facilities, resources, training and good practice.

As well as collaborating between established venues and events, the Carnival Centre would be an easy entry point and process for new producers of events and cultural activities, acting as an incubator for events & cultural businesses. It would also become a centre for cutting edge research, including links with carnival hubs from Rio (Embaixadores de Alegria) to London (Sunshine International Arts), to the Isle of Wight (VIVA).

A proposal was developed last year for a 'Pier School' to nurture 'in-grown' talent, tap into the great human assets of Hastings & St Leonards and support the commercial needs and community aspirations of its many cultural organisations. This would link key individuals in this creative town who have 'learnt on the job' to other local people who may otherwise be unlikely to benefit from either the employment or cultural opportunities.

This work is being taken up by 18 Hours who are confident they could finance a lease on the Ground Floor of the existing central building and convert it into a Carnival Centre, collaborating with others nationally and internationally. This would include a MakerSpace, storage, office, events space, and the Pier Carnival School, offering learning and employment opportunities in catering and hospitality, events management, marshalling, carnival production and retail. Target participants would be primarily adults, particularly those facing barriers to employment.

By explicitly seeking to buy and share local skills, the Pier School would support the local economy and particularly the vibrant but fragile economy of freelancers. The training and work opportunities would make a critical contribution to turning round individual lives while reinstating the pier as a cultural and economic anchor for the town. We anticipate interest from CHART (Community Led Local Development EU funding), the Coastal Communities Team (access to Coastal Communities Fund), the Work & Health Programme and the Local Enterprise Partnership.

3. TOGETHER, ALL OF US, MEET UP

The pier is a great place to meet people – from groups of friends getting together to sole traders looking for potential customers. Leveraging local networks with this narrative will enable local people to contribute their own events and activities, bolstering the events programming without adding costs.

The pier anchors the town – it's how we create cohesion between different parts of Hastings and different groups within Hastings. Piers are uniquely valued across all ages and social groups. It just takes outreach.

The pier is fully accessible – flat, free and open to everyone. One of our collaborators is a leading researcher in events management who teaches on the Uni of Brighton Events Management degree and will be focusing on accessibility within events (current theme of Association of Event Management Education) and audience development (interest for The Audience Agency, Audience Finder, Arts Council England).

4. COLLABORATE

As local people, businesses and community groups we are deeply embedded in Hastings and can draw together the superb cultural assets of central & seafront Hastings. Importantly, this means we will be patient and fully engaged with the process to find a long term future for White Rock Theatre or its successor. We are already discussing the theatre-pier synergy with the Culture Team at Hastings Borough Council in the context of the wider White Rock masterplan.

This collaborative approach will also support joined-up programming and shared resourcing between the Pier, St Mary in the Castle, the Stade, and Hastings Museum, and across the iconic local events from Jack in the Green to Fat Tuesday, St Leonard's Festival to Old Town Carnival.

We have an initial list of local collaborators in the section on People & Relationships below.

5. THE NETWORKED PIER

Wireless technology can make the pier a fully networked space. "Smart City" technology with a unique Hastings style. A network already exists in the White Rock area and could easily be extended onto the deck at significantly less cost than creating a new network. Here's some of what it could do:

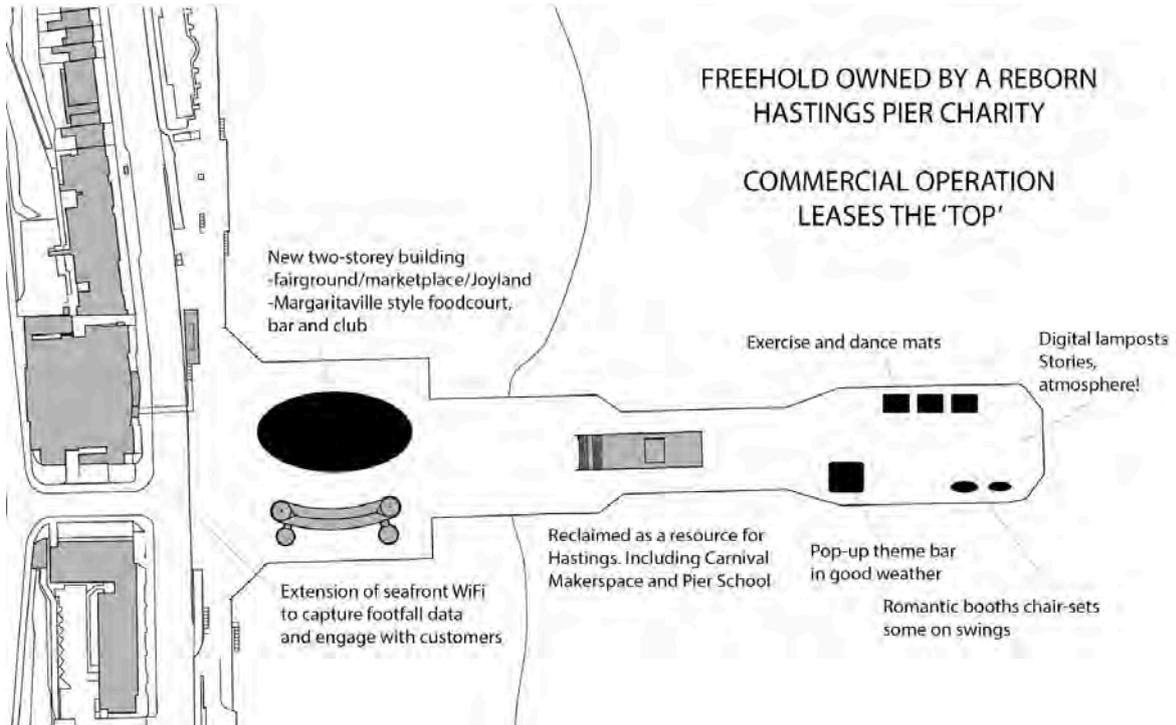
- Fast Internet, free for everybody. Free internet is good for digital inclusion, overseas visitors and data-hungry youngsters without expensive mobile contracts.
- Passive footfall monitoring. The network will spot any Wi-Fi phone or device regardless of whether it connects, giving actionable metrics such as visitor numbers, dwell times and loyalty (see diagram).
- More active footfall monitoring is also possible, asking for anonymised information in return for free Wi-Fi. This approach, feeding into detailed audience modelling has already been piloted locally by MSL Projects, The Audience Agency and Technology Box.
- Enterprise-grade Wi-Fi for corporate conferences and cashless payment for traders.
- Dedicated infrastructure and upload bandwidth for live streaming. We've already used the network to stream from the Source Park (to a Facebook audience of 24 million) and for Fat Tuesday (in 360/VR).
- Extremely fast (1Gbps) wireless local connections make more ambitious digital projects such as AR and VR installations possible
- Cheap, ubiquitous Wi-Fi can enable Internet of Things (IOT) devices such as sensors and displays to be placed anywhere in the space.
- Intriguing content such as video or VR can be kept in a "walled garden" available only to visitors. It's online but visitors can only get it when they are on the pier.

The technology and expertise is already here - it just needs to be extended into the space and put in the hands of digital creators.

Re-visualising the Pier

1. Build a new 2-storey building with a c400 m2 footprint, 400-500 capacity, on the Apron, to fit with but much bigger than the Pavilion.
 - First floor – “Margaritaville-style” – flexible food court, bar/s, nightclub, live music. Use video screens to change the ‘skin’/set the mood (enabling different themes throughout the day to maximise spending potential from heavy metal to palm court orchestra)
 - Ground floor – a ‘neighbourhood’ of fairground stalls, including mirror maze, optical illusions, virtual reality, fun house, indoor market, pier stories, ‘1066 Live’ experience. A very large space - can be cleared for markets and other major events
 - Linking space – a climbing wall (facing east out to sea) with a ‘freefall’ platform
 - Under the Apron – Neptune’s Lair experience
2. Reclaim the ‘Visitor Centre’ as a space for primarily local use, a resource for Hastings.
 - Anchored by the Carnival Centre as primary tenant paying a rent and managing the ground floor, operating a Carnival MakerSpace and Pier Carnival School.
 - Each day/evening is given over to different groups, societies, clubs, classes, demonstrations, open meetings, kids clubs etc. So the pier becomes an epicentre of the community, maximising local footfall. And that becomes part of the Ents programme.
 - The southern half of the building (facing out to sea) could be a fine-dining restaurant with c.70 covers, expandable to tables outside.
 - The top deck could be rapidly enhanced by designing a canopy and heaters to enable evening uses – bar with live music.
3. Refocus the existing Pavilion on tea & coffee, lovely cakes etc. This focuses on families and is where you bring your mum and dad, pop in for a snack, meet friends, where children and babies are welcome (including space for buggies).
4. The seaward end of the pier is the romantic end, keeping the wide-open spaciousness but adding facilities – chair-sets booths, some on swings. A place to hang out. Have ambient music in that area via digital Talking Posts by Shared Space & Light. In good weather a pop-up mobile bar could be opened for special end-of-pier events. This is an area for wellbeing - have a set of large exercise/dance mats.

Everything is easily movable because this end would still host large music events. Gigs and festivals - 4,000 capacity (*subject to access requirements*).



Investment: what is the £3M for and where's it going to come from?

There was always going to be a need for investment at Phase 2. What is required is a complete overhaul of the offer to raise footfall and visitor spend. Costs will be dependent on vision but we believe will require £1M to build a new 2-storey building, a further £100k to create a roof structure for the top deck of the central building and £40k to implement a proper modern wifi system (extending from the existing CCF-funded Hastings Online) capable of gathering visitor data.

In addition to this capital expenditure above deck, there is a need to fund three years of below-deck maintenance and insurance prior to the commercial operator being in a position to pay rent. We have costed this at a maximum of £750k. There is also a need to resource a credible, competent, collaborative leadership and team to develop and implement the plans to achieve operational sustainability which we have costed at £525k over three years. A skeleton pier operation will be maintained through these early years, with a budgeted loss of £120k.

To our understanding, Hastings Pier Charity has approx. £450k of unsecured creditors.

- Architectural Heritage Fund – £165k
- CAF Venturesome - £200k
- SIB Communitybuilders - £85k

As social investors, we would ask these to accept a write-down of at least one-third of these debt in order to protect the social benefit that they invested in. This leaves £300k to repay.

Hastings Pier Charity also has £1M of equity held by nearly 5,000 community shareholders. As creditors, ordinary shareholders are traditionally viewed as 'the lowest of the low', but they are the lifeblood of the People's Pier, past and future. We will ask them to accept a write-down of their share value by £250k per year over the first three years, leaving a total of £250k in community-held equity. These remaining shares, and a new community share offer specifically to fund this rescue plan, will be treated seriously with an aspiration to pay a 2% interest from Year 4 and 4% from Year 7.

These funding requirements total £3M, spread across the initial redevelopment phase from Nov 2018 to Nov 2021. Our emerging funding strategy is to seek a mix of grant (£1.5M), loan (£500k), private sponsorship (£500k), and community shares (£500k). While none of these are yet secured, we believe there is significant appetite among key funders, local businesses and local people to be part of a solution that retains the unique community ownership of Hastings Pier. Rightly, they will only invest or grant-aid a plan that has a clear route to income generation and strong controls over expenditure.

Income Streams

In the few weeks we have had to prepare this plan we have focused on two metrics around incoming revenue.

Initially – skeleton operation during redevelopment, with a small budgeted deficit

From Year 4 – 350,000 visitors pa spending the UK pier average of £2.83 per head

From Year 7 – 450,000 visitors pa spending an uplifted average of £4.00 per head

This general spend will be captured primarily through food & beverage sales but also through the attractions described in the 'Creative Content' document.

There are two other important income streams:

Special Events Programme

See the Creative Content document for indicative details. In addition to these, the end of the pier could continue to accommodate large-scale charged-for music events.

Rents, Hires & Private Functions

There will be multiple spaces within the redeveloped pier for rent, hire and function use including:

- the new building – large spaces on two floors, multiple configurations of hire options
- the Digital Booth – the space would only need to have good wifi, plenty of power sockets, and a smallish number of high end PCs to run a small number of VR headsets, which other games or digital artists would then be invited to use. It would need minimal oversight and could be income generating through timed usage.
- the pavilion – attractive curved glazed structure with fabulous sunset views, perfect for a wedding breakfast or an evening drinks reception
- the central building – 370sq.m ground floor GIA with 50sq.m GIA on 2nd floor, potential to add further 320sq.m by roofing the top deck.
- With support from [indycube](#), [Rock House](#) and [Meanwhile Space](#) (three of the most successful pioneers in the field), we believe we could get the central building earning co-working income within a matter of months after bringing the charity out of Administration. This approach sets the tone and kick-starts a new level of usage.

Smart spending

Staffing

It is critical to think smart about how to deploy personnel to create the right balance between cost and outcome. There are two sets of staffing costs for the commercial operator in our model.

1. 25% of the visitor spend is allocated to salaries directly associated with that spend.
2. In addition, there is a team for the Commercial Operator comprising:
 - CEO - £60k pa. Vision, dynamic, self-motivating, ambitious, creative
 - F&B Manager - £38k pa. Experience of complex multi-site offers (eg service stations)
 - Events & Entertainments Manager - £38k pa.
 - Finance Manager - £38k pa.
 - IT/Marketing/Social Media - £28k pa.
 - Ents Team (4-5 people @ £19k pa) plus Redcoats (casual staff on £8 per hour). Train people to be charming, storytelling, both interactive and passive entertainment, to take visitors on a journey, to be effective sales people, who are selling experiences.

In terms of the HPC freeholder we believe this can be achieved through a strong board and paid Coordinator who would manage the operator lease and provide fundraising and administrative services. The main role of the freeholder is to maintain the structure and we already have the highly experienced Peter Wheeler in post and familiar with managing a small team of engineering assistants/apprentices. We have budgeted to ensure that this remains a 3-person team at all times.

Any human resource needs of the Carnival Centre will be met separately (and it will be possible to engage volunteers to staff the community use of the Centre).

Sourcing stock/ingredients

The Pier has a unique opportunity to be a key part in an increasingly strong local food network. It has the potential to showcase the best of local produce in its diverse range of food outlets. It can cater to a variety of budgets, from the dine-in restaurants, take away kiosks and pop-up markets. The pier can have a tangible positive impact on the local food economy as the significant footfall on the pier will make local food businesses more viable.

It will be highly realistic for the Pier to have a beneficial relationship with the local fair food hub (Vittles) in the basement of Rock House. This food hub will already be doing the work to find local farms, support existing and start-up food producers, stock local products and build a resilient local food system that is both good value and high quality. It can find producers for the food retailers on the pier and ensure a tasty, healthy and interesting range of local food including brewery and bakery products, local preserves, freshly prepared food or the raw ingredients such as fish, meat, cheese, dairy or vegetables & fruit.

Visitors to the pier will not only be learning about the history and contemporary culture of Hastings, but will literally be having a taste of the town and directly supporting the local food economy.

Energy/utilities/waste

Initial scoping for the use of energy on the pier has been carried out. We can immediately see several ways to improve cost and environmental impact which should be incorporated into any detailed business plan. Smarter use of current energy and changing tariffs will also reduce the pier's energy bill. A feasibility study is required to investigate the costs and savings from solar panels, small wind turbines, wave and tidal power.

In terms of research & development the pier has a unique opportunity to develop renewable energy particularly around wave and tidal technologies and is engaging with the University of Brighton's marine research group through the Green Growth Platform to look at potential possibilities along with local tidal entrepreneurs such as Hales Energy

<http://www.hales-turbine.co.uk/>

Beyond utilities savings and R&D, there is scope to use both eco-science (energy, water, waste) and psycho-science (mirror maze, optical illusions, etc) as the base of a much wider appeal (education/entertainment) for schoolchildren, locals and visitors. The think tank group for the pier as a local energy generating and tech showcase has begun to develop plans for kinetic walkways and exercise bikes that could charge mobile phones, solar generation on the beach hut roofs and possibly on screens within the 'romantic' end of the pier, and even a energy generating dance floor! There is also huge potential for wave generation.

Examples of public engagement in eco-science could include:

- studying how an oscillating wave column (OWC) could be used to reduce the cost of flushing toilets on the pier (currently 40p a flush) on design days led by local architects and Urban Design Group.

- studying the data from the pier's technical devices such as wave measurements and creating data graphics and visual aids around weather patterns.
- with Hastings Museum, create a living museum for future generations on the pier
- astronomy with the local Observatory Science Centre

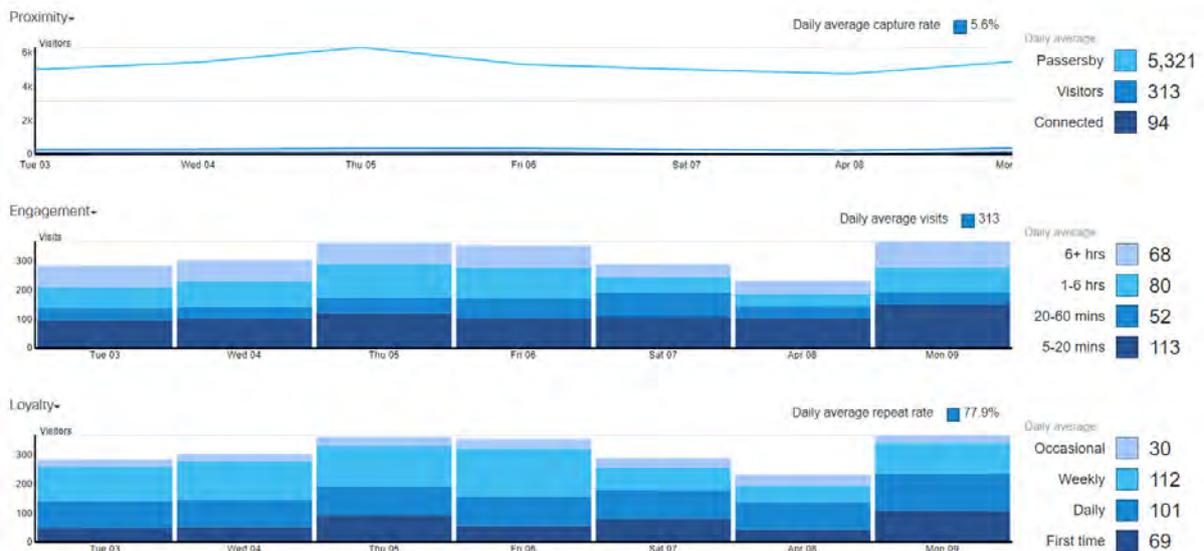
Pilot for energy & waste:

Anaerobic digestion turns food waste and organic matter into energy. FOHP has been in contact with [SEAB Energy](#) around their award-winning Flexibuster to convert 0.5-1.5 tonnes of food waste from the pier and other local businesses in central Hastings into fuel.

Data

Some of our collaborators are working on the collection of footfall data from existing WiFi access points to create a resource for ‘place management’, profiling and linking visitors to current offers with quick responses in real time, taking people from one destination to the other. This will build on information available nationally via a confirmed partnership with The Audience Agency and links into the RSA Heritage Index database, adding coherence and local economic value.

Sadly the Pier is not currently linked into the Hastings Online seafront wifi, but this could be remedied from early 2019 so that Pier footfall and data management could provide useful insights for commercial, practical and creative development. The example below is taken from Rock House.



Insurance

The pier is insured for up to £2.5M damage and £20M public liability (£10M plus an excess layer policy) at a cost of around £85k pa. We have split the future insurance budget into £70k for the structure (met by HPC) and up to £50k for above-deck buildings and public liability (met by the commercial operator). We are aware that the Administrators have undertaken further research into insurance options and would hope to discuss these at a meeting after 23rd April.

People & Relationships

People are the core of any investment proposition. So we would like to pitch our collective track record and access to expertise. This team is growing by the day...

Adam Wide - 40 years as creative director for tourism and leisure	<i>Jess Steele OBE ~ 25 years supporting community business & neighbourhood change</i>	Alex de Rijke, dRMM - Stirling Prize winning architect	Craig Cohon - Global Business Explorer
BRUNNO SILVA - FREELANCE ART CURATOR, WRITER AND ART HISTORIAN	<i>Hattie Spice - set designer and art director</i>	Peter Wheeler - pier engineer	MARK PERRIN - RIGGING SPECIALIST, 'ENMESHED' IN HASTINGS PIER
Michael Collins - Leisure Development Partners	Paul Denne - finance director	Lesley Davis - ground-level fundraiser and communicator	James Chang - active and constructive volunteer for FOHP
Jim & Allyson Breeds - social media whizzes	Stuart Baillie and Maria McErlane - press/PR/ external affairs	Hugh Rolo, Locality - social investment advice	<i>Sarah & David Kowitz - Fairlight Hall</i>

Currently Hastings Pier benefits from the support of over 100 community-minded volunteers, many of whom are also shareholders, such is the strength of support locally. Should Hastings Pier remain in community ownership, even only as freehold owners, this valuable, experienced and passionate team would more than likely continue to support the venture in any way they could on a day to day basis. Volunteering for such a community asset not only provides Hastings Pier with a wealth of skills to call on but, for the volunteers concerned, it can meet improve personal, educational, social and emotional wellbeing, or just the ability "to give something back", and thereby benefit the greater community as a result. Should Hastings Pier be sold in its entirety to a private owner/operator it is more than likely that this dedicated team would withdraw their support which would be a detriment to the individuals, the pier and the town as a whole.

Collaborators who have expressed support in principle already include:

<i>18 Hours Ltd</i>	Carnival Network South	MSL Projects	SUNSHINE INTERNATIONAL ARTS (LONDON)
HASTINGS MUSEUM	Technology Box	Music City and Fat Tuesday	THE PALACE PUB
Jerwood Gallery	Hastings International Musical Festival (International Piano Concerto Competition)	Love Hastings Ltd (Business Improvement District)	Fairlight Arts Trust
Old Town Carnival, Jack in the Green, Hastings Bonfire	University of Brighton Events Management research team	<i>Hastings Works</i>	New Carnival Company
The Audience Agency	White Rock Neighbourhood Ventures (owner of Rock House)	Jericho Road Solutions	Heart of Hastings Community Land Trust
Project Art Works	MEANWHILE SPACE	<i>Hastings Creatives Ltd</i>	White Rock Neighbourhood Ventures (developer of Vistles fair food project)

Relationships

Friends of Hastings Pier was re-established by people who wanted to be active and constructive in this time of crisis, looking forwards not backwards, not concerned with blame but rather with learning lessons, accepting responsibility for the roles we have played both in the success and in the stumbling, and moving on to a new solution.

We want to build new relationships with Heritage Lottery Fund, Architectural Heritage Fund, Hastings Borough Council and other stakeholders, starting from the position that we all want to see what's best for Hastings Pier and will do what we can, within acknowledged constraints, to make that happen.

APPENDIX 1: PRINCIPLES FOR A TRUE PEOPLE'S PIER

1. **People get a say in what happens next** : This community rescued the pier and have demonstrated a commitment to it through investing/donating as shareholders, volunteering, visiting and otherwise supporting the pier. The community should be involved in deciding what happens next.
2. **The community's asset should not be sold off into private hands** : Whilst financial support might be needed again in the short term, we believe that the Pier can be financially viable, indeed profitable, in the medium to long term. Selling off the Pier into private hands would be risky, irreversible, and will result in the loss of community control of a valuable and strategic local asset.
3. **A partnership approach to ownership and operation is the way forward** : We support an approach based on partnership between the community and a commercial operator. Ownership of the Pier's freehold remains protected in perpetuity, fulfilling HLF's desire to see the heritage managed, while a private sector operator develops its commercial success above deck, making annual payments that cover maintenance and insurance. We would expect to support the early years of the operation through a rent-free period which would require grants and community investment to fill the short-term gap.
4. **Good results are underpinned by good governance** : Decision making, transparency and governance of the pier must improve as an important part of making a community partnership work. Financial transparency, an improved governance structure and improved communications are all needed to underpin community engagement.
5. **The Pier should remain a space that everyone can enjoy and take pride in** : We know that some kind of shelter, new building or other development is necessary as part of an ambitious business plan for a 21st century pier. We believe this can be done in a way that complements and does not compromise the wonderful space that won the RIBA Stirling Prize. We do not support an entry fee, except for special events.

Friends of Hastings Pier, March 2018

APPENDIX 2: THE PRECEDENT OF SEPARATING THE TOP FROM THE BOTTOM

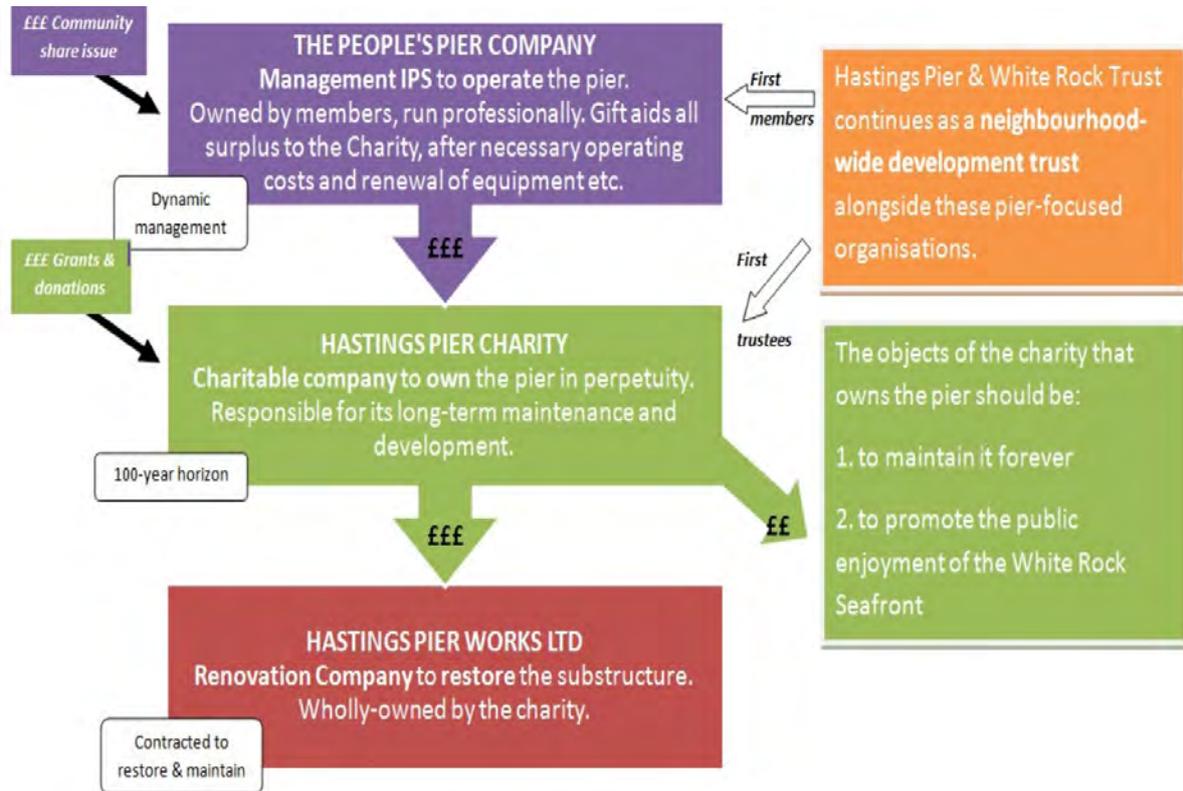
“As an operator, the separation of top from bottom was an essential part of the deal we struck with North Norfolk and Bournemouth councils. We know about how to run and maintain Entertainment Programmes, Visitor Attractions and F&B outlets. We are not engineers and would have been very wary of taking on the total responsibility of something so intricate as the underpinning of the pier. There are just too many unseen parts to go wrong in areas in which we have no expertise. It was important that we were given the ‘above deck’ areas to manage and create as profit centres, without the headache of entering territory which held nothing but pitfalls for us.

Either a flat rent, or percentage of profit, gave us peace of mind that we could forecast costs, and also gave the public/community freehold owners reassurance because they could maintain the piers in a way which would guarantee their futures.

It should also be said that we had no desire to actually own a pier, which we believed was a community asset and not one that should rest in private hands. So for all of us it was a win/win proposition.”

- Adam Wide, founder of Open Wide International

APPENDIX 3: STRUCTURE DIAGRAM AS PRESENTED TO HLF IN JUNE 2011



Time has moved on but the principles remain the same, April 2018

APPENDIX 4: LETTER OF SUPPORT FROM LEISURE DEVELOPMENT PARTNERS



Lesley Davies
Friends of Hastings Pier

11 April 2018

Dear Lesley

Thank you for getting in touch, it was good to discuss Hastings Pier with you again.

This was a very important community led project that LDP is proud to have played a role in. As you know, we were involved from the very early stages in assisting with programme testing and feasibility before the fire and subsequently the case for the final redevelopment.

The early stages of the business case were always going to prove challenging as so much of the capital was in rescuing the base structure and reinstating the deck. As such, this pressured the operating team to deliver in two principle areas: constant soft programming giving reasons to visit the pier and to spend; and keeping operating costs down. Ultimately we believe that with the right approach and management both are achievable.

We are positive that the pier could be well run by a community-led organisation. The fundamentals are there for success and there is a well-established market need. We strongly feel the pier could be in a good position if it has a lean operating cost structure and great content. We feel with these things in place it should be able to cover its costs. The plans you have illustrated to us strengthen the above deck offer and provide further opportunities to enhance revenues.

We have been encouraged by the plans shared with us by the Friends of Hastings Pier and would be pleased to assist in the future should our skill set be required. In the meantime, we wish you every success with your plans.

Yours sincerely

Michael Collins
Senior Partner
LDP

Leisure Development Partners LLP, 42 Brook Street, London, W1K 5DB
<http://www.leisuredevelopment.co.uk>