

109 ITEM OF URGENT BUSINESS – LANCASTER MARKET

(Cabinet Member with Special Responsibility Councillor Barry)

In accordance with Section 100B(4) of the Local Government Act 1972, the Chairman agreed to consider the report as an item of urgent business as a decision was required prior to the next meeting of Cabinet in March.

Cabinet received a report from the Head of Property Services to consider recommendations for the future of Lancaster Market.

The options, options analysis, including risk assessment and officer preferred option, were set out in the report as follows:

	Option 1: Retain Lancaster Market & invest in improvements as set out in the NCS report	Option 2: consider relocating the market into the City Museum building	Option 3: Do no further improvement work to the market
Advantages	This would provide an opportunity to reinvigorate the market and potentially bring in new tenants	The market would be in an excellent retail location. A new use which is income producing would be found for the museum building Letting the market building to a single retailer should substantially reduce the deficit incurred in that building	There would be no change to the market building although there would have to be money spent on replacing the lighting system as well as other essential health and safety related works as they arise.
Disadvantages	There would be a substantial cost to the council and no guarantee that the scheme would be a success or that the council's existing deficit would be reduced.	There are substantial costs in undertaking both the works to the museum and to the market hall building. Appropriate retailers would have to be found for the market hall building. No direct link to passenger transport or car parking. The amount of space in the museum is much smaller than in the existing market hall building which could prove to be a problem with traders.	Reduction in trader numbers could occur as a result of the rent arrears situation. The council's deficit could potentially increase as a result of reduced trader numbers as well as ongoing general deterioration of the current market hall.

Risks	There is a risk that reduced numbers of traders would continue in the market as a result of the rent arrears in some cases. This could lead to the market going in a downward spiral prior to refurbishment works being undertaken.	The main risks are that the market would not be successful in the new location after substantial investment has been made. In addition finding a retailer for the market hall building may prove to be problematical, leading to increased costs for the council in the short to medium term through ongoing rent, service charges and reduced income.	The council's deficit could increase significantly
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Option 2 was the officer preferred option: to investigate further the opportunity of moving the Lancaster indoor market into the museum building on Market Square. On the assumption that the Council still desired a thriving indoor market in line with the decisions taken back in March 2010, it was evident that options for investment needed to be investigated and appraised thoroughly. It was considered that Option 3 would not fit with this aim, but nonetheless, the Council could reconsider its aspirations in light of other priorities and spending pressures.

Councillor Barry proposed, seconded by Councillor Whitelegg:

- “(1) That approval be granted to undertake further investigations into the conversion of the City Museum to accommodate Lancaster Market and that a further report is made to cabinet in due course with the costs being funded from the proposed reserve.
- (2) To confirm the importance of the King’s Own Royal Regimental Museum in the heritage offer of the district and to seek to improve that offer as part of any change to the City Museum.
- (3) That officers be instructed to enter into leases with traders at Lancaster Market Hall that would allow for the potential relocation to new premises or a break or redevelopment clause for the purpose of refurbishing and revitalising the market hall (should transfer into alternative premises not prove feasible).
- (4) That whilst investigations are undertaken into the conversion of the City Museum, measures continue to be implemented within Lancaster Market to improve its appearance and to continue with improved management and marketing of the market, with any costs funded from the proposed reserve.”

The meeting adjourned at 1.10pm and reconvened at 1.25pm.

By way of an amendment Councillor Robinson proposed and Councillor Kerr seconded:

“That the following additional 3 recommendations be added to the resolution:

- 1. That Officers negotiate new leases with market traders but seek a break clause after 12 months and should the report on City Museum prove

unfavourable, negotiate with traders to consider relocation away from the current market building. Such relocation would need to be by agreement.

2. That whilst investigations are undertaken into the City Museum, any emergency works and other investments carried out, do not go beyond the provision in the reserve.
3. While the viability of converting the City Museum is undertaken, officers seek an alternative use of the existing market hall."

Councillors then voted on the amendment.

2 Members voted for the amendment (Councillors Kerr and Robinson) and 6 Members against (Councillors Ashworth, Barry, Blamire, Bryning, Langhorn and Whitelegg) whereupon the Chairman declared the amendment to be lost.

Councillors then voted on the original proposition.

Resolved:

(7 Members (Councillors Ashworth, Barry, Blamire, Bryning, Kerr, Langhorn and Whitelegg) voted in favour, and 1 Member (Councillor Robinson) voted against.)

- (1) That approval be granted to undertake further investigations into the conversion of the City Museum to accommodate Lancaster Market and that a further report is made to cabinet in due course with the costs being funded from the proposed reserve.
- (2) To confirm the importance of the King's Own Royal Regimental Museum in the heritage offer of the district and to seek to improve that offer as part of any change to the City Museum.
- (3) That officers be instructed to enter into leases with traders at Lancaster Market Hall that would allow for the potential relocation to new premises or a break or redevelopment clause for the purpose of refurbishing and revitalising the market hall (should transfer into alternative premises not prove feasible).
- (4) That whilst investigations are undertaken into the conversion of the City Museum, measures continue to be implemented within Lancaster Market to improve its appearance and to continue with improved management and marketing of the market, with any costs funded from the proposed reserve.

Officers responsible for effecting the decision:

Head of Property Services

Reasons for making the decision:

Supporting our economy is one of the City Council's key priority areas and includes heritage and cultural tourism for the district including creative industries and employment. The City Council wishes to maintain an economically sustainable city centre and retaining and improving the provision of the indoor market at an affordable cost to the City Council can help to facilitate this.