

CABINET

**Charter Market Layout
2nd December 2014**

Report of Chief Officer (Environment)

PURPOSE OF REPORT				
Further to Cabinet's previous request this report provides options for the layout of the market once the Square Routes work has been completed				
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>	Referral from Officer
Date of notice of forthcoming key decision	NA			
This report is public				

RECOMMENDATIONS OF CHIEF OFFICER (Environment)

- (1) Cabinet are requested to consider whether a radical overhaul of the Charter Market is needed. If so consideration should be given to setting up a working group to develop a strategy and plan for future provision of the market. If not:
- (2) Cabinet are requested to consider which layout (A or B as shown in Appendix B) is preferred for the market. The chosen layout will be implemented from January 2015. Officers will allocate pitches to stallholders and continue to monitor and adjust as necessary to ensure the layout works effectively
- (3) Cabinet is requested to reaffirm that traders are expected to follow market rules on matters such as appearance of stalls, tidiness of stalls, leaving the pitch clean and tidy, not encroaching beyond the pitch, being courteous to other city centre businesses etc. Furthermore officers are instructed to ensure that market rules are followed at all times and to take immediate action against traders who don't wish to comply with the market rules.
- (4) Cabinet are requested to consider whether they think it is appropriate to increase the cost of pitches on Market St and Cheapside from April 1st 2015 to £1.80 sq/m and £20.00 minimum charge, with existing traders wishing to trade from Church St / New St being charged at £1.35sq/m and £15.00 minimum charge, and new traders requesting a pitch on Church St / New St being given an initial 6 month period where no fees will be charged.

- (5) Cabinet are requested to delegate the implementation following an Officer review of City Centre concessions, street pitches etc to the Chief Officer (Environment) in consultation with the Cabinet Members responsible for Markets and Regeneration.

1.0 Introduction

1.1 STRATEGIC CONTEXT- Square Routes

Cabinet (4th Oct 2011) considered a report with regard to Square Routes. The report considered the scheme that is currently underway.

Cabinet agreed that the rationale to agree to the works in Market Square was-

By a second phase of works to Market Square the council can look to complete a transformation for the public benefit, providing:

- An environment fitting to the Square's role as the civic centre of the city;*
- A place more active, pleasant and safe to spend time in;*
- An improved layout for the outdoor market;*
- An environment fitting and complementary to the Old Town Hall and the council's ambitions for use of this building;*
- An improved setting and staging for events and performance;*

This should add to the attraction of the city to the benefit of business trading, much needed in difficult economic conditions.

Cabinet then agreed the following-

(1) *That Cabinet notes the progress in delivering the first phases of improvements as part of Lancaster Square Routes including in Market Square.*

(2) *That Cabinet notes that officers will in due course report to the appropriate portfolio holders on the future layout of the outdoor market, potentials for a street café(s) in Market Square and how the existing Traffic Regulation Order for the city centre pedestrian zone might best be revised and subsequently enforced.*

(3) *That Cabinet notes that officers will report to the portfolio holder on any need or potential to support the county council in works to remedy the surface condition of Penny Street and Horseshoe Corner in a way that is consistent with the Lancaster square routes design visions and that the anticipated balance of funds in the city centre investment after the first phase of works in Market Square fund for Lancaster Square Routes be reserved for this purpose pending further reporting.*

(4) *That in preparing its proposals for the 2012/13 General Fund Capital Programme as part of the budget process, Cabinet considers including an additional £300K contribution to the city centre investment fund for Lancaster Square Routes in order to provide for a second phase of works in Market Square.*

The above underpins that fact that delivery of the Square Routes project is a key strategic objective the Council. As such it contributes to a number of corporate priorities as set out in the Council's Corporate Plan.

1.2 **STRATEGIC CONTEXT – Council Ethos**

Part of the Council's ethos as set out in the corporate plan is that of stewardship. This involves ensuring the social, economic and environmental wellbeing of the local area. In practice active stewardship involves a number of things including taking the key role in engaging, co-ordinating and mobilising other public, private and voluntary bodies in delivering the council's strategic objectives for the place. How stewardship is exercised is a local issue and needs to be determined by the Council in partnership with local citizens.

As will be seen in this report the decision that Cabinet are being asked to make is one that very much calls for the Council to act in its role as steward.

The Square Routes project provides a good demonstration of the ability of the Council to deliver key strategic objectives through active stewardship. The detail of the works was informed by local citizens through an extensive consultation exercise. The City Council then took a key role in engaging with other stakeholders (eg County Council, Police, Chamber / BID, market traders, contractors) to deliver the project.

As set out earlier in delivering the key strategic objective of improving our City's public realm Cabinet recognised at the time there was a need to reassess a number of other city centre related activities. These include-

- Management of movement (pedestrian, vehicles, cycles).
- Ongoing maintenance of the city centre
- Maintaining the safety of the city centre
- Use of public space in the city centre (entertainment, market, cafes etc)

As the City Council does not have direct responsibility for all of the above in order to obtain the best results for our citizens it is essential that the City Council continues to act in its stewardship role.

This report focusses on one apparently very narrow aspect of the City Centre. This being the twice weekly Charter Market and how it should be laid out in the future.

What will become abundantly clear though is that although the focus of the report is narrow the subsequent decision will have a significant impact on the whole range of activities that need to be managed within the City centre. In other words whatever decision is arrived at there will be consequent impacts.

The Council has clearly demonstrated to date though in delivering the key

strategic objective of the Square Routes project that as an active steward it is very well aware of the interrelationships that exist within the city centre. This in turn mitigates the risk of decisions being made that have unintended consequences.

The Council is also very well aware of the need to respond in its own way to problems that arise and to the views of local people.

As such prior to making any decision on the future layout of the Charter Market the Council has undertaken an extensive consultation exercise. The consultation exercise has provoked much healthy debate between a range of stakeholders (market traders, shop based businesses, shoppers, Chamber and members of the business improvement district). The views put forward to the consultation have been very much appreciated and have helped provide the information needed to write this report.

As can be seen in the summary of responses from the consultation (Appendix C) there have been a very wide range of responses. The fact that so many have taken the time to put forward their views to the Council indicates how strongly people feel about the need to get this part of the City Centre right. To suggest, as some seem to have, that this is just an issue of shop based businesses trying to reduce competition or a straightforward big business versus small business battle would be to completely oversimplify the issue. What is absolutely clear from the consultation is that everyone who has responded has done so because they genuinely feel that their views represent the best way forward for either their business (shop or market based), the city centre as a whole or both. A shop based business has as much right to try and preserve its business as does a market based one. A consumer has the right to choose whether they prefer to buy a product from a shop or a market stall. By the same token the Council as steward, when it is convinced it understands the issue and the views of its citizens, has the right to decide how the market is delivered.

This wide spectrum of views presented does mean however that in making any decision there will be some stakeholders who will maintain that the Council has reached the wrong decision. It is also possible that in reading the summary of responses some will seize on specific comments (Appendix C). As explained above the responses are provided to help provide context and this inform Cabinet's decision. To take them as isolated sound bites would, as has been earlier stated, be to miss the point.

Regardless of this it is for the Council as steward of the City centre to take a decision on this very local issue.

2.0 Proposal Details

- 2.1 The consultation document on a draft layout for the Charter Market was sent out in Aug 2014 (see appendix A)
- 2.2 Based on feedback from this a further consultation exercise was undertaken in October 2014 (see appendix B)

- 2.3 A summary of the responses to this consultation exercise are attached (see appendix C)
- 2.4 A layout of the market pre Square Routes is provided (see appendix D)
- 2.5 Cabinet should note the operating context for the proposals that Cabinet are asked to consider-
- The ancient Charter covers the City for Wednesday and Saturday only.
 - The soon to be introduced Experimental Traffic Order (ETRO) will allow some disabled parking in bays on New St and Church St. Work is taking place to establish how technically this would work were the Charter Market ever to expand to occupy all the area it could.
 - A minimum width of 3.1m needs to be kept free in all streets at all times to allow access for emergency vehicles.
 - Location of pitches must not block pedestrian access / egress to any premises (includes fire exits, service entrances etc).
 - Pitches should be kept 1.2 m away from the building line to allow access to shops and maintain some visibility of shop frontages.
 - Pitches should as far a possible not be located so as to completely block visibility to shop frontages.
 - Due to relocation of street furniture etc a 6 pitches have already been removed from Market St / Cheapside.
 - The Square Routes works have vastly improved the appearance of the city centre and also the potential of the city centre. It is important that the appearance is maintained and the potential is realised.

2.6 **QUESTION A – Is a more radical overhaul of the Charter Market required than what officers have consulted on?**

Some have suggested that the Council lacks a well thought out business plan and strategy for the market, and that without one the full potential of the city centre will not be realised and furthermore decisions cannot really be taken on the layout of the market. In putting forward this view it is suggested that a key point to consider is whether the newly refurbished Market Square should be left solely for entertainment / events and for people to congregate.

The officer view of this is that actually the City Council is very clear in its view of the market. These have been articulated via the considerations made in arriving at the Square Routes project and the subsequent consultations and are underpinned by the Council's ethos and particularly the need for the Council to act as a steward. The Council's view of the market can be summed up as-

The market is an attraction that makes the city centre an attractive and vibrant place and should be managed to take account of other users and to make sure it achieves high standards.

The question is then to what extent does the Council feel it needs to further 'plan' the market to achieve the above?

The Council could take the view that to achieve the above it wants to completely overhaul the market. Some Councils have adopted a very interventionist route to market provision. To the extreme where the market is effectively an outdoor shopping mall with homogenised stalls selling prescribed products that complement what the shop based businesses offer. Other Councils have followed a less extreme route but have in place a very prescribed plan for their markets nonetheless. Such plans are still very interventionist in that they will specify which goods can be sold and from which pitches, where the goods should come from, the Council may also supply the stalls.

It would also be perfectly valid for the Council to take the view, as it has to date, that, as it is, the market supports the Council's strategic objectives. The current model of market provision is financially self-sufficient, creating no burden for the Council tax-payer and making a contribution to delivery of key Council priorities. The ongoing management input from the Council is streamlined to keep down costs and is focussed on day to day management activities that ensure that the market operates smoothly (eg managing pitches and stall location, ensuring traders comply with standards, complementing the other range of City Centre activities, collecting fees from traders). In this model traders bear the vast majority of the risk. The success or otherwise of individual traders, and the wider market, is largely determined by whether consumers want to buy the products. Critics of this approach will argue that shop based businesses suffer from increased competition because of lack of regulation and that the City Centre as a whole suffers because the overall look and appearance of the market is not tightly regulated.

Feedback from residents, visitors, users of the market and traders would suggest that generally people don't feel there is need to radically overhaul the market. Consumers actually seem to like the eclecticism and diversity of the Charter market.

Those that suggest that the market is in need of a radical overhaul, say that now is the time to do so.

If Cabinet take the view that a radical overhaul is required then the view put forward that a business plan and strategy for the market needs to be developed and agreed is the best way forward.

A radical overhaul will require significant officer input in terms of developing and agreeing a development plan. It would also be reasonable to expect that once implemented much more management input would be required in the day to day running of the market, which will require additional resources. In addition to this it will further extend the waiting time before a decision on the layout of the market is made. Already it is clear there is considerable uncertainty and resulting friction. This is of course a side effect of any change but is raised so that Cabinet are aware there is further potential were Cabinet to request a radical overhaul.

There has also been some suggestion that the BID would be best placed to deliver and manage the market. Whilst no detail of how this could work is available the principle of it and the potential implications of it would seem to

be contrary to the Council's aims, objectives and ethos. It would effectively mean a delegation of stewardship.

Cabinet are therefore requested to consider whether a radical overhaul of the Charter Market is actually needed. If so consideration should be given to setting up a working group to develop a strategy and plan for future provision of the market.

2.7 If Cabinet take the view that a radical overhaul is required then no further decisions are required at this stage.

2.8 However, if Cabinet take the view that no radical overhaul is required then consideration of a number of proposals is requested. These proposals are likely to be seen by some as being too regulatory. In response to this clearly a balance is needed. Even if Cabinet determine that a radical overhaul isn't required it is clear that as stewards of the City Centre the Council does have a responsibility to ensure a generally acceptable standard for the market. Having such a light touch that the market deteriorated into a city centre car boot sale would be to nobody's advantage either. Therefore the questions Cabinet are requested to consider are-

2.9 **QUESTION B1- How should current market pitches be laid out / and presented?**

In the latest round of consultation 2 draft layouts were proposed (SEE APPENDIX B).

Layout A-

Based around the current footprint of the market, Market St, Market Square, Cheapside. This option means that all existing permanent traders will still be able to trade from pitches within this footprint. (Although in some cases the pitches will be smaller)

- Reduces the amount of stalls in Market Square by 2.
- Only allows food stalls in Market Square.
- Distributes pitches for existing stalls between Market St, Market Square, Cheapside.
- New traders will be allocated pitches on Church St / New St if there are none vacant in Market St, Market Square, Cheapside. (To encourage take up these will be free for an initial period).
- Existing traders will be given the opportunity to relocate to Church St for a rent free period, on a voluntary basis
- Comes with the proviso that the standard of appearance of market stalls is maintained to a standard specified by the Council.
- Sets out the maximum size of pitch that will be allowed at each location. The pitch sizes have been selected to work in the given location and to allow for as many pitches as possible.

Layout B-

Deliberately alters the current footprint of the market so that there are only pitches on one side of Cheapside. This means that some existing permanent traders will be moved to new pitches in Church St. Pitches will still remain in Market St and Market Sq.

- Reduces the amount of stalls in Market Square by 2
- Only allows food stalls in Market Square.
- Distributes pitches for existing stalls between New St, Market St, Market Square, Cheapside (one side only) and Church St.
- Existing traders allocated pitches on Church St will be allowed them free for a limited period.
- New traders will be allocated pitches on Church St / New St. (To encourage take up these will be free for an initial period).
- Comes with the proviso that the standard of appearance of market stalls is maintained to a standard specified by the Council
- Sets out the maximum size of pitch that will be allowed at each location. The pitch sizes have been selected to work in the given location and to allow for as many pitches as possible.

Note– in both options within the boundaries set out above the plan would be to seek to accommodate traders' views on where they were located as far as we reasonably could. Clearly though in both options there will need to be some movement of stallholders (eg in plan B it wouldn't be simply a case of moving the traders who were displaced from Cheapside into Church St consideration would need to be given to what was best for the market) and some stallholders may have reduced pitches from previously.

Layout A is generally preferred by shoppers and market traders.

Layout B is generally preferred by shop based businesses as it distributes the market around a larger area and takes positive action to use Church St. Shop based businesses say that will increase footfall to Church St (albeit only on 2 days per week) .Traders generally say that they'd sooner stop trading than trade on Church St.

Neither layout is supported by those who say that now as the plinth is in place in Market Square there is an opportunity to further add to be vibrancy of the city centre by using it for entertainment events on Saturdays. To allow this Market Square should be kept clear. In turn the added footfall from the entertainment will benefit the market and shop based businesses.

It is proposed that implementation of either of these options would take place in January 2015. Clearly there will need to be a degree of fine tuning whatever option Cabinet selects. Once Officers have allocated pitches to stallholders in the agreed layout they will then continue to monitor and adjust as necessary. Only fundamental changes would be referred back to Cabinet.

Officers already have discretion in the market rules with regard to appearance of stalls. Following implementation of the new layout the focus of efforts will be to improve the overall appearance of the market. There are already many really good examples of what constitutes an acceptable stall. Notice will be given to those which need to improve. Traders who don't wish to improve the appearance of their stall will no longer be provided with a pitch.

The market rules also set out clearly the responsibilities traders have with regard to managing rubbish etc. Again traders who don't wish to comply with the rules will no longer be provided with a pitch.

From a financial perspective option A is the best option for the Council.

Cabinet are requested to consider which layout (A or B as shown in Appendix B) is preferred for the market. The chosen layout will be implemented from January 2015. Officers will allocate pitches to stallholders and continue to monitor and adjust as necessary to ensure the layout works effectively.

Cabinet is also requested to reaffirm that traders are expected to follow market rules on matters such as appearance of stalls, tidiness of stalls, leaving the pitch clean and tidy, not encroaching beyond the pitch, being courteous to other city centre businesses etc. Furthermore officers are instructed to ensure that market rules are followed at all times and to take action against traders who don't wish to comply with the market rules.

2.10 **QUESTION B2- How much should pitches cost?**

Based on consultation is clear that pitches in Cheapside and Market St are viewed by existing traders as the best to trade from. Current charges for pitches are £1.35 sq/m with £15 being the minimum charge. There is usually a waiting list for traders.

Traders are provided with a pitch immediately in the newly upgraded public realm of City Centre, with an existing footfall, which is likely to increase. Looking at comparable markets the current amount charged for pitches is very low. In some places comparable pitches are charged at double this amount.

The cost of pitches has increased very little over the last few years. It is therefore proposed that from April 1st, 2015 the charge increases to £1.80 sq/m and £20.00 minimum charge.

The charge for traders wishing to trade from Church St will remain £1.35 sq/m with £15 being the minimum charge. However for new traders wishing to trade from Church St there will be an initial 6 month period where no fees will be charged

Clearly this proposal could result in reduced income and would not be

welcomed by all traders. It would however encourage traders to think about where they might want to be located and what sort of products might they want to sell.

The forecast financial implications of this are set out in the financial implications box below.

Cabinet are requested to consider whether they think it is appropriate to increase the cost of pitches on Market St and Cheapside from April 1st 2015 to £1.80 sq/m and £20.00 minimum charge. Traders wishing to trade from Church St / New St will continue to be charged at £1.35sq/m and £15.00 minimum charge. New traders requesting a pitch on Church St / New St will be given an initial 6 month period where no fees will be charged.

2.11 PROPOSAL B3- Concessionary pitches, street cafes etc

Besides Charter Market pitches the City council also charges for the use of a number of concessionary pitches in the City Centre and also licenses a number of street cafes. There is clearly a need to ensure that these also complement the wider aims of the City Centre.

As things stand further some further work is needed to review the locations and fees for concessionary pitches. Further work is also needed to ensure that street cafes, concessionary pitches and market pitches all work together.

Cabinet are requested to delegate the implementation of this review to the Chief Officer (Environment) in consultation with the Cabinet Members responsible for Markets and Regeneration.

3.0 Details of Consultation

3.1 As outlined within the report

4.0 Officer Preferred Option (and comments)

4.1 That Cabinet consider the proposals set out the report.

RELATIONSHIP TO POLICY FRAMEWORK
As outlined within the report
CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)
As outlined within the report
LEGAL IMPLICATIONS
Legal Services have been consulted and there are no implications arising from this report

FINANCIAL IMPLICATIONS

The latest approved revenue budget includes the following amounts in relation to the Charter Market :-

	2014/15 Original £	2015/16 Estimate £	2016/17 Estimate £
Expenditure	29,200	30,200	31,200
Income	(63,900)	(63,900)	(63,900)
NET INCOME	(34,700)	(33,700)	(32,700)

- * The above figures do allow for general estimates of recharges in connection with support service costs, but they do not include the significant amount of Chief Officer and similar time spent supporting the democratic process in matters relating to the Charter Market.

The Charter Market is a trading undertaking operated by the Council and as such is allowed to generate a surplus. As any changes to the number and price of pitches will have financial consequences, a financial appraisal has taken place to estimate the likely impact of approving either layout and can be summarised as follows :

	2015/16 Estimate £	(Increase)/ Decrease £
Current Income Level	(63,900)	
Layout A – no price increase	(69,800)	(5,900)
Layout A – with price increase	(93,100)	(29,200)
Layout B – no price increase	(62,000)	1,900
Layout B – with price increase	(85,600)	(21,700)

In this instance the level of suggested price increase seems reasonable when taking into account the minimal overheads associated with operating a stall in comparison to nearby shops (for instance stallholders do not pay business rates or BID levy). Any significant resistance on behalf of the traders could result in decreased income levels but due to the current high level of interest this is expected to be minimal.

Should Members decide that a radical overhaul is actually needed then there are no direct financial implications at this time other than the consideration of officer time required to set-up and administer a working group to develop a strategy and plan for the future provision of the market. A further report will then need to be prepared to discuss the strategy.

With regard to non-market day concessions, street cafes etc, further work is required in this area which will need to be managed within existing budgets.

OTHER RESOURCE IMPLICATIONS**Human Resources:**

None

Information Services:

None

Property:

None

Open Spaces:

As outlined within the report

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted. The fact that the market is a trading undertaking should have bearing on decisions regarding the cost of pitches. Information contained in the report indicates that an increase is justified, taking into account the interests of local tax payers.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments

BACKGROUND PAPERS

None

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