

MOTION ON NOTICE

MOTION: MOTION IN SUPPORT OF THE MORECAMBE FESTIVAL MARKET, ITS TRADERS, AND THEIR CUSTOMERS

The Council seeks to acknowledge the vital role Morecambe's Festival Market plays in the community, the opportunity it provides for small local businesses and sole traders, and in delivering the council's mission for sustainable growth. However, the seasonal nature of the market's business requires that the council, which owns and maintains the market itself, to show flexibility and consideration to those who operate out of it so it can serve Morecambe and the visitor economy all year round.

The Council notes:

- The vitality of the market to Morecambe and its visitors as an accessible and affordable place to shop and do business.
- The importance of traders at the market who make its operation possible, and as such the necessity to attract and maintain Morecambe's fantastic small businesses and sole traders.
- Concerns raised by market traders about the inflexibility of the Council's management of the market, and concerns raised by residents about the vitality of the market as a result.

The Council commends:

- The Festival Market traders for their continued work despite the difficulties posed by the seasonal nature of their hard work and lack of attention paid to that work by the current council administration.
- The work of Madame Mayor, Councillor Pattison in promoting the success of the market in her business as a councillor and advocate for Morecambe.

The Council regrets:

- The difficulties faced by market traders in light of the Council's current approach to rent and debt collection, which lacks an awareness of the ebbs and flows to Morecambe's seasonal economy.
- The lack of investment in the Festival Market, which has worsened the impact of seasonality on its ability to trade, such as in the absence of effective heating.
- That it has been unable to support market traders who have left the Festival Market, by choice or financial pressure, in keeping their business within its walls.

The Council resolves:

- To task the leader of the Council to clarify which cabinet member is responsible for the Morecambe Festival Market, the cabinet member for Morecambe Regeneration

and Local Economy or the cabinet member for Lancaster Regeneration and Local Economy.

- To task that cabinet member to contact current market traders with an opportunity to hear their thoughts and to consider them in light of the pressures they are under and the ability of the council to relieve that.”

PROPOSERS:

Councillors Joanne Ainscough, Claire Cozler and David Whitaker

OFFICER BRIEFING NOTE

Background

The Festival Market is located in the centre of Morecambe adjacent to the Platform and Reel Cinema surrounded by large area of car parking and easily accessed by bus and train. It has been operating since 1996 – so coming up to 30 years next year.

It was designed as a multi use space for festivals, events and covered market. Therefore originally traders would bring in and takeaway all their goods on market days. Effectively it was planned to operate as an outdoor market that was covered up.

It is decades since it was used for festivals and events.

The Festival Market now comprises a covered area containing over 90 stalls and 15 separate units. It provides for the sale of a range of commodities including clothing, luggage, books, arts and crafts. There are also food stalls and two cafés.

The market is open Tuesday, Thursday, Saturday and Sunday from 9am - 4.30pm (October to March) and 9am - 5pm (April to September) and all Bank Holidays from Easter to August.

The market now operates in such a way that stall holders keep their stock at the premises and do not need to vacate each day.

The Festival Market provides an additional attraction to the town adding to its vitality and viability.

The Festival Market falls under the Portfolio for Cabinet Member for Morecambe Regeneration and Local Economy

The Building

It is acknowledged there are issues with regard to the building. These are picked up by the markets staff on a day to day basis and resolved as early as possible. The Festival Market (as with other Council owned buildings) has also recently been the subject of a building condition survey. This highlighted a range of work needed to be done to the market in short ,medium and longer term. This work is being programmed alongside other Council assets. It should be noted that the building was designed as a covered space rather than an indoor space.

Finance Matters

The current fees for stallholders and units are as follows:

Festival Market Rents 2024/25	WINTER - October to March	SUMMER – April to September
Permanent Stalls Full month	£260	£355
Shops Full Month	£325	£430
Longstanding permanent traders can utilise an empty stall to display their licenced commodity at the following rates until such time as the stall is allocated to a permanent trader:	Half stall per month £100	Half stall per month
	Full stall per month £150	Full stall per month
Casual 'Pop Up' Stalls	£30.00	£30.00

It is worth highlighting that these are structured to account for the seasonal nature of the market and differences in footfall.

Officers also regularly benchmark the fees with other similar markets across the North West. For example for a stall on the covered market in Chorley charges around £425 equivalent peak and £380 off peak.

Presently the 15 market shop units are fully occupied. However, the Market has 27 vacant stalls which is a 28% vacancy rate.

Some traders are in debt and the Council has negotiated specific payment plans with these traders to reduce and eliminate these debts. Terms reflecting the seasonal nature of the market have also been offered. Furthermore, the traders have been offered advice from the Council's Economic Development function regarding business advice and support.

The Council does of course have policies in place regarding debt management which provide the flexibilities to balance the needs of businesses with the responsibility the Council has for the public purse.

Financial Comments

The Festival Market has contributed the following surpluses to the General Fund over the previous 3 financial years :-

- 2022/23 £16K
- 2023/24 £28K
- 2024/25 £43K

Note that the above figures do not include notional charges (capital charges, IAS19 (Pension) charges, internal support service recharges etc.) and these are accounting entries exclusive of current debt levels which are discussed further below.

With regard to business rates, all the shops and stalls are separately rated, however the Council are billed for any empty shops/stalls and also stalls which are used for display purposes.

As part of the corporate property review there is £323K of revenue expenditure earmarked in 2026/27 mainly for re-roofing works.

The income budget for 2025/26 is £322K and this rises annually with inflation leading to a projection of £344K being included in the 2026/27 forecast.

Income Management Arrangements

Income management is administered by Managed by service and stall holders are invoiced monthly.

With regard to the financial years up to and including 2024/25, the amount of debtor income outstanding relating to those years is c.£90K of which c. £27K is over 2 years old as at 30 June 2025. A number of stall holders are currently under referral to the agency and are all still trading with no repayment plan being agreed and in place. Several stall holders are still trading which have long standing debt but have not yet been referred to the agency, whilst incurring debt within this financial year. The highest individual debt amount is c.£13K. Going forward, it is estimated that 10% of annual income will be subject to long-term recovery and potentially be written off at some point in the future.

MONITORING OFFICER'S COMMENTS

The Council has a fiduciary duty to protect public funds for its residents. This includes the recovery of outstanding debts and to charge for its services both efficiently and fairly, ensuring processes and decisions are equitable and proportionate

SECTION 151 OFFICER'S COMMENTS

As referenced by the Monitoring Officer, the Council has a fiduciary duty to protect public funds for its residents. This includes the recovery of outstanding debts and to charge for its services both efficiently and fairly, ensuring processes and decisions are equitable and proportionate. The Council's approach to income management is similar to that in place at other public sector bodies. Inconsistent application of the policy, or revisions to allow subdivision of debtor type has the potential to open the floodgates for other similar type of debtors and may result in increased losses to the Council