

**Subject: Review of the Six Day and Two Day Market Place Fees and Charges**

Report to: Management Team - 10<sup>th</sup> December 2018  
Economic Development Committee – 7<sup>th</sup> January 2019  
Policy and Resources Committee – 10<sup>th</sup> January 2019

Report by: Jane Beck, Head of Property and Asset Management

### **RECOMMENDATIONS**

That the Committee considers the content of this report and recommends to Full Council the Fees and Charges 2019/20.

#### **Recommendation for Two Day Market Fees & Charges**

1. To recommend to Full Council 2019/20 fees and charges for two day Markets a year round rate of £1.00 per foot (depth calculations will remain unchanged).
2. To continue with the existing 50p per foot rate through to 31<sup>st</sup> March 2019.

#### **Recommendations for Six Day Market Fees and Charges**

3. To maintain current fees in relation to the six day market.
4. To recommend to Council Fees and Charges as per attached schedule.

## **1. Introduction**

- 1.1 Great Yarmouth Market is recognised as an important part of Great Yarmouth's Town Centre and one of the key priorities for the Council as part of the Town Centre Masterplan.
- 1.2 This report is broken down into the two areas of the market covering both the two and the six day markets.
- 1.3 Over the years trader numbers on the two day market have been reducing one of the reasons for this was thought to be in relation to the excessively high fees and charges. The average rate per foot prior to 1<sup>st</sup> October 2017 was £1.64.
- 1.4 Policy and Resources Committee of October 2017 received a report suggesting a reduces rate per foot on the two day market of £1.00 this was then reduced further with the support of Town Centre Initiative funding to 50p per foot. In November 2017 Full Council approved the reduced rate for the two day market of 50p per foot from 1<sup>st</sup> October 2017 for a 12 month period with the subsequent fees and charges schedule detailing the reduction through to 31<sup>st</sup> March 2019.

- 1.5 As part of the Full Council meeting in November 2017 a range of benefits were agreed for both the two and six day traders including: reduced price parking permits, 5% discount for payment in advance or by direct debit, holiday allocation for the equivalent of two weeks per year for both areas of the market.
- 1.6 As part of the fees and charges report 2018/19 reductions were proposed for the the six day market. These reductions equated to 5% on the previous year this together with the 5% direct debit reduction gave traders the opportunity to reduce rents by 10% on previous years rates together with the opportunity to take a two week rent free period.
- 1.7 For clarity the rents for both the two and six day markets from 2016/17 through to 2018/19 are attached at appendix 1.

## **2. Current Position – Two Day Market**

- 2.1 The following table presents an average over the last three years in relation to attendance and booked footage:

<b>Two Day Market Occupation levels</b>			
Year	Overall Number of Permanent Traders	Overall Number of Casual Traders	Total footage occupied by permanent traders
2016/17 (prior to rent reduction)	26	16	468
2017/18 (prior to rent reduction)	18	16	428
2017/18 (winter period following rent reduction)	25	18	583
2018/19	23	31	565

- 2.2 The current rate for two day traders is 50p per foot for permanent traders and 65p per foot for casual traders, as can be seen by the above table casual traders have increased over the period with the difference of 15p not being significant enough for traders to be encouraged to become permanent. The current addition for casual traders represents a 30% increase.
- 2.4 The 50p per foot rate was introduced to offer the opportunity to reinvigorate the market and increase trader numbers. Having now been operating this significantly lower rate for more than 12 months it is clear that interest in the market is remaining stable and casual traders are increasing but this is not resulting in permanent additions to the Market.

- 2.5 The comparable evidence at the time of the report in 2017 identified a rate of £1.00 per foot and £1.30 for casuals based on charges within the East Anglia area. Rates have not changed since this report.
- 2.6 The 50p per foot rate was funded by the Town Centre Initiative, this funding has now come to an end therefore this report seeks authority to continue with this rate through to 31<sup>st</sup> March 2019 and return to the original proposal of £1.00 per foot from 1<sup>st</sup> April 2019 in line with other local markets.
- 2.7 The National Market Trader Federation provided the following statement for submission as part of this report:

“Early in 2017 the NMTF worked with Great Yarmouth Borough Council and the Great Yarmouth NMTF Group to help facilitate discussions over the proposed rent increase at the time. The two day traders submitted their thoughts on the proposal which was openly received and reviewed by the council and thanks to Jane Beck and council members, it was seen how the original proposals at the time would have been a detriment to the market. We were glad to see an agreement was reached which worked for both parties.

I am aware that this matter is being reviewed once again and I would encourage you to consider the proposal submitted by the Head of Property and Asset Management – the recommendations within are in line with the suggestions put forward by the traders last year and the NMTF still agrees that these are reasonable rent charges for Great Yarmouth two day market.

It has already been evidenced that the changes to the rents last year have worked; it has attracted more casual traders to Great Yarmouth Market and whilst they may not yet be permanent traders it is not to say they will not be in future, which will only benefit the council further with an increase in income and most importantly, a fuller market. We are glad to put our support behind this document and believe the recommendations to truly be for the benefit of the market.”

### **3. Current Position – Six Day Market**

- 3.1 The current six day market rate has reduced by 8% based on the 2016/17 charges. A further 5% reduction can be obtained by traders when paying in advance by direct debit therefore representing an overall 13% reduction.
- 3.2 In addition to the above savings there is also now the opportunity for traders to claim a holiday allocation which offers a rent free period for the equivalent of up to two weeks per year.

- 3.3 In reviewing fees and charges this report details, for information and comparison, the current charges on another local fixed market. There is however a number of differences between Great Yarmouth and others but calculations have been undertaken to compare charges as much as possible with Great Yarmouth:

Great Yarmouth			Norfolk based fixed market
Four rates based on the type of goods sold			Stall sizes 3m x 2.4m and charges in relation to location within the market – prices range from
		Pricing including further 5% payment discount	
Hot Food 1	£685.50pm	£652.22	*Stall charges including service charge from £403pm to £822pm (VAT will be charged in addition to the above on some types of stall).
Hot Food 2	£648.40pm	£615.98	
Dry Goods	£509.50pm	£484.02	
Groceries	£473.50pm	£449.83	

\*Note: Average Great Yarmouth stall is larger and therefore pricing has been multiplied by 1.5 for equivalent average area 4.5m x 3.6m).

- 3.4 The above chart is used as a comparison to the Great Yarmouth charging. As is clear it is difficult to compare like with like in relation to markets as for example: sizing, pricing structure, types of goods sold, inclusion of service charging and VAT rules differ significantly.
- 3.5 Based on chart at 3.3 it identifies that Great Yarmouth charging is currently broadly in line with others.
- 3.6 Occupation on the six day market has increased in recent months. During 2016/17 the occupation rate was 86% (31 of 36 stalls occupied) this has now increased to 92% (33 of 36 stalls occupied) with two of the 36 stalls now occupied on a rental rather than ownership basis.

#### 4. FINANCIAL AND RISK IMPLICATIONS

- 4.1 The anticipated income for 2018/19 based on the 50p per foot charge will be £42,438 with funding from the Town Centre Initiative making up £14,144 this income. The budget in relation to the two day market has been revised for the 2018/19 financial year in relation to the revised charges.
- 4.2 Should the 50p per foot charge be extended until 31<sup>st</sup> March 2019 there will be a budget shortfall of £14,144 for October 2018 to March 2019 which will need to be reflected in the updated budget monitoring position for the current financial

year. The report highlighted an increase in the number of casual traders, this is expected to achieve an additional £1,500 income in the current year which will mitigate some of the shortfall in income. The six day market income is currently in line with budget projections.

- 4.3 The tables below identify the two day market budget position for 2018/19 and the forecast for 2019/20.

<b>2018-19</b>	<b>Current Base Budget</b>	<b>Revised Base Budget</b>	<b>Reduction in Base Budget</b>
<b>Summer Charge</b>			
Cost per foot £	1.00	0.50	0.50
Cost per foot per day (minimum 10 ft ) £	10.00	5.00	5.00
Maximum number of days occupancy	49.50	49.50	49.50
Total number of stalls	57.15	57.15	57.15
<b>Total Summer Charges £</b>	<b>28,289</b>	<b>14,145</b>	<b>14,144</b>
<b>Winter Charge</b>			
Cost per foot	1.00	0.50	0.00
Cost per foot per day (minimum 10 ft )	10.00	5.00	0.00
Maximum number of days occupancy	49.50	49.50	0.00
Total number of stalls	57.15	57.15	0.00
<b>Total Summer Charges</b>	<b>28,289</b>	<b>28,289</b>	<b>0,000</b>
<b>Totals for 2018-19:</b>	<b>56,578</b>	<b>28,290</b>	<b>(14,144)</b>

<b>2019-20</b>	<b>Current Base Budget</b>	<b>Revised Base Budget</b>	<b>Reduction in Base Budget</b>
<b>Summer Charge</b>			
Cost per foot	1.00	0.50	0.50
Cost per foot per day (minimum 10 ft )	10.00	5.00	5.00
Maximum number of days occupancy	49.50	49.50	49.50
Total number of stalls	57.15	57.15	57.15
<b>Total Summer Charges</b>	<b>28,289</b>	<b>14,145</b>	<b>14,144</b>
<b>Winter Charge</b>			
Cost per foot	1.00	0.50	0.50
Cost per foot per day (minimum 10 ft )	10.00	5.00	5.00
Maximum number of days occupancy	49.50	49.50	49.50
Total number of stalls	57.15	57.15	57.15
<b>Total Summer Charges</b>	<b>28,289</b>	<b>14,145</b>	<b>14,144</b>
<b>Totals for 2019-20:</b>	<b>56,578</b>	<b>28,290</b>	<b>(28,288)</b>

- 4.4 There are risks associated with the increase in relation to the two day market although the original report identified the £1.00 per foot rate as being in line with other local markets there still remains a risk that the impact of the change will see numbers of stalls reduce further.
- 4.5 If the 50p per foot rate were to continue through 2019/20 this would create an estimated income deficit of £28,288. It is not possible to fund any of this shortfall from alternative sources and would therefore be unfunded in the budget.

## **5. CONCLUSIONS AND RECOMMENDATIONS**

- 5.1 That the Committee considers the content of this report and recommends to Full Council the Fees and Charges 2019/20.

### **Recommendation for Two Day Market Fees & Charges**

1. To recommend to Full Council 2019/20 fees and charges for two day Markets a year round rate of £1.00 per foot (depth calculations will remain unchanged).
2. To continue with the existing 50p per foot rate through to 31<sup>st</sup> March 2019.

### **Recommendations for Six Day Market Fees and Charges**

3. To maintain current fees in relation to the six day market.
4. To recommend to Council Fees and Charges as per attached schedule.

<b>Area for consideration</b>	<b>Comment</b>
Monitoring Officer Consultation:	
Section 151 Officer Consultation:	Incorporated
Existing Council Policies:	Considered
Financial Implications:	Considered
Legal Implications (including human rights):	No
Risk Implications:	N/A
Equality Issues/EQIA assessment:	N/A
Crime & Disorder:	N/A
Every Child Matters:	N/A

# Appendix 1

## Fees & Charges Market 2016/17 to 2018-19

	2016/17 Charges		2017/18 Charges		2017/18 Charges Revised		2018/19 Charges		2018/19 Charges Revised	
	£									
Two Day Market - charges										
	per metre	per foot	per metre	per foot	per metre	per foot	per metre	per foot	per metre	per foot
Summer (April to September)	7.94	2.42	7.74	2.35	1.64	0.50	1.64	0.50	1.64	0.50
Winter (October to March)	3.67	1.12	3.58	1.09						
Casual - Summer (April to September)	11.91	3.63	11.61	3.28	2.13	0.65	2.13	0.65	2.13	0.65
Casual - Winter (October to March)	5.51	1.68	5.37	1.63						
Six Day Market - charges per stall type										
									(5% reduction)	
Hot Food - 1	740.00	Monthly Charge	721.50	Monthly Charge	721.50	Monthly Charge	721.50	Monthly Charge	685.50	Monthly Charge
Groceries	500.00	Monthly Charge	487.50	Monthly Charge	487.50	Monthly Charge	487.50	Monthly Charge	473.50	Monthly Charge
Dry Goods	550.00	Monthly Charge	536.25	Monthly Charge	536.25	Monthly Charge	536.25	Monthly Charge	509.50	Monthly Charge
Hot Food - 2	700.00	Monthly Charge	682.50	Monthly Charge	682.50	Monthly Charge	682.50	Monthly Charge	648.40	Monthly Charge
Friday and Other Markets - charges										
Up to 10 foot/ 3 Metres	10.00	(£1.00 per foot)	10.00 (£1.00 per foot)		10.00 1.00 per foot)		10.00		10.00	
Up to 20 foot/ 6 Metres	20.00	(£1.00 per foot)	20.00 (£1.00 per foot)		20.00 1.00 per foot)		20.00 (based on £1 per foot)		20.00 (based on £1 per foot)	
Up to 30 foot/ 9 Metres	30.00	(£1.00 per foot)	30.00 (£1.00 per foot)		30.00 1.00 per foot)		30.00		30.00	
Charity Barrow Fee										
			FREE		FREE		FREE	FREE	FREE	FREE
Craft Barrow Fee										
			10.00 Daily Charge		10.00 Daily Charge		10.00 Daily Charge		10.00 Daily Charge	

## Fees & Charges Market 2019-20

	2018/19 Charges		2019/20 Charges	
	per metre	per foot	per metre	per foot
<b><u>Two Day Market - charges</u></b>				
Summer (April to September)	1.64	0.50	3.28	1.00
Winter (October to March)	TBC	TBC	3.28	1.00
Casual - Summer (April to September)	2.13	0.65	4.27	1.30
Casual - Winter (October to March)	TBC	TBC	4.27	1.30

### **Six Day Market - charges per stall type**

Hot Food - 1	721.50	Monthly Charge	721.50	Monthly Charge
Groceries	487.50	Monthly Charge	487.50	Monthly Charge
Dry Goods	536.25	Monthly Charge	536.25	Monthly Charge
Hot Food - 2	682.50	Monthly Charge	682.50	Monthly Charge

**From the 1st April 2019 fees paid in advance by direct debit will be subject to a 5% discount:**

Hot Food - 1	685.50	Monthly Charge	685.50	Monthly Charge
Groceries	463.50	Monthly Charge	463.50	Monthly Charge
Dry Goods	509.50	Monthly Charge	509.50	Monthly Charge
Hot Food - 2	648.50	Monthly Charge	648.50	Monthly Charge

No change

### **Friday and Other Markets - charges**

Up to 10 foot/ 3 Metres	10.00		10.00	
Up to 20 foot/ 6 Metres	20.00	(based on £1 per foot)	20.00	as per standard Market Days
Up to 30 foot/ 9 Metres	30.00		30.00	

### **Charity Barrow Fee**

FREE	FREE	FREE	FREE
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### **Craft Barrow Fee**

10.00	Daily Charge	10.00	Daily Charge
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## Fees & Charges Market Fairs 2019-20

		2018/19 Charges	2019/20 Charges
	Costs based of square metres		
<u>Category</u>	<u>Attractions Description:</u>		
<b>A</b>	Roundabouts over 25ft (7.62m) in diameter or any other machinery or apparatus, whether operated by electricity, steam, hand or other means	2.90	3.10
<b>B</b>	Roundabouts less than 25ft (7.6sm) in diameter, power operated Hooplas, Spinners and games of similar nature	5.10	5.40
<b>C</b>	Non-mechanical operated Hooplas, Swinging boats, Booths, Shows and Exhibitions and Refreshments kiosks	3.40	3.60
<b>D</b>	Dart stalls, Coconut-shy, Shooting Galleries and other Shooting Games	1.70	1.80
	<b>Minimum Charge</b>	33.40	35.20