

Subject: 2 Day Market Place Fees and Charges and Amendments to the Market Licence Policy

Report to: Management Team 2nd October 2017
Policy and Resources Committee 17th October 2017

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

RECOMMENDATIONS

That the Policy and Resources Committee considers the content of this report and recommendations listed below, with the view to making a number of recommendations to Full Council for immediate introduction.

Recommendation for Two Day Fees & Charges

To recommend to Full Council changes to the fees and charges for 2 day Markets to an annual charge of £1.00 per foot (depth calculations will remain unchanged) in 2017/18 with effect from 1st October 2017. This could stimulate an increase in traders wishing to obtain a stall at Great Yarmouth market. As demonstrated in Appendix 1 this would bring the market fees in line with other Markets within the area.

To recommend to Full Council a standard charge of £50 per annum for 2 Day and 6 Day Traders on the Fullers Hill Car park. This will reduce pressures in zone A parking and provide affordable alternatives for both existing and new traders. This is in line with towns who currently charge for parking.

Recommendations to Market Licence Policy

To approve amendments to the current Market Policy to incorporate 4 free sessions for 2 Day Traders and the equivalent for 6 day Traders for holiday and sickness (2 days for the remaining 2017/18) for permanent traders only. This will allow existing Traders to take annual leave/sickness days without any penalties in line with other Councils within the area.

To approve a 5% discount for 2 Day Traders if they agree to pay their fees in advance by direct debit in line with other Councils and to encourage regular payments to be made to the Council. This is particularly important given the Council's policy to remove cash payments from April 2018.

1. INTRODUCTION

- 1.1 Great Yarmouth Market is 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 to improve the market place.
- 1.2 Under the Town Centre Masterplan work is already progressing on a Design competition and it is envisaged that a new design for the 6 day market will be put to Members early in 2018.
- 1.3 A report was submitted to the Economic Development Committee on the 21st November 2016 with a recommendation to decrease the fees set for 2016/17 by 2.5% due to concerns raised by traders that a reduction was necessary to secure the long term future of the market.
- 1.4 Following the Council's restructure the management of the market has moved to the Property and Asset Management Department. In readiness for this focus groups have been held for both the 2 day and 6 day traders. Whilst the 2 Day Market Traders and the 6 Day Market Traders have a symbiotic relationship it was quite clear that they are in fact two different entities with specific issues.

2. BACKGROUND

- 2.1 In 2014 there were a total of 34 Traders operating on the 2 day market in 2017 that number has reduced to 16 on a Saturday and 8 on a Wednesday.
- 2.2 The first focus group meeting for the 2 Day Market Traders was held on 12th September 2017. It was clear from the outset that whilst the reductions in the 2016/17 fee rates were appreciated the effect was reduced by the corresponding requirement to pay for additional frontage to cover all the space occupied.
- 2.2 Representations have also been received from The National Federation of Market Traders, appendix 1, confirming in their view the fees and charges for Great Yarmouth market are above the national average and should be reduced to £1.00 per foot.
- 2.3. In order to verify the representations made by the market traders and the National Federation of Market Traders an exercise was undertaken to review the fees and charges of other Councils within East Anglia. A schedule of comparable evidence, appendix 2, was compiled from information supplied by the following Council's:

- Breckland District Council;
- Dereham Town Council;
- Fakenham Town Council;
- Fenland District Council;
- Great Yarmouth Borough Council;
- Kings Lynn and West Norfolk Borough Council;
- North Norfolk District Council;
- North Walsham Town Council;
- Swaffham Town Council;
- Thetford Town Council; and
- West Suffolk (Forest Heath District Council and St Edmundsbury Borough Council).

3. PROPOSED CHANGES

- 3.1 The schedule of comparable evidence determined the price per foot charged by the Councils detailed in paragraph 2.3 above. It is clear from investigations that depth is not part of the calculation and all areas allow depth in relation to the available space without additional charge.
- 3.2 As you will see from Appendix 2 there is a wide range of variances in the figures from town to town. The top of the table is dominated by Kings Lynn and West Norfolk Council and Bury St Edmunds (West Suffolk Council). It should be borne in mind however that whilst Kings Lynn and West Norfolk Council (Hunstanton) seem to be more expensive they offer an incentive to all permanent market traders of 1 week's free rent per month. Despite this the Council has seen its number of market traders dwindle from 20 to just 8 market traders in recent years. The Bury St Edmund market however is one of the largest markets in the region with over 80 stalls and is still a very popular market.
- 3.3. The 2 Days market traders have raised a number of concerns both locally and a part of the National Federation of Market Traders. These representations have included rent free weeks and parking concessions to bring charges in line with other Councils.
- 3.3 This paper presents the outcome of this review and the need to make changes to the market licence policy in line with other Council's. Officers have considered the Council's medium term financial strategy, representations from market traders and the National Federation of Market Traders.

- 3.4 It is clear that the current charging strategy is having a significant impact on the viability of the Market. Numbers of traders have declined in recent years from 34 stalls (2014) to just 16 remaining in 2017/18; with some existing market traders identifying that they will be unable to continue if action is not taken.
- 3.5 As part of this review two options have been developed for Members to consider.

Option 1: No change to 2017/18 fees

The 2017/18 budget for 2 Day market traders is £97,313 it is estimated that based on the beginning of the year this budget should have been £75,350.02

Benefits	Risks
None	There is a risk that further existing market traders may leave.
	Given charges at other local markets it will be difficult to grow trader numbers.
	Estimated budgets may reduce further than the anticipated £31k shortfall if additional traders leave the Market.
	Future years budget impact of approximately £31k per annum.

Option 2: Reduction of Fees from 1st October 2017 - charge of £1.00 per foot (depth variations to remain).

Benefits	Risks
Charges will be in line with other local Markets.	The fee reduction further reduces budgeted income.
The changes could stimulate new traders to the market and assist in the Council's aim to increase the footfall within the Town.	Existing traders may still leave due to the challenging economic climate.

4. FINANCIAL IMPLICATIONS

- 4.1 The implications of the recommendations from this review as outlined in this report will result in changes to the 2017/18 budget.
- 4.2 If Members approve Option 1 there will remain a potential shortfall in the budgeted income of approximately £31k and could lead to additional Traders deciding to leave.
- 4.3 If Members agree to Option 2 from 1st October 2017 the following reduction in income will occur:

	Budgeted Income 2017/18 £	Difference again budget 2017/18 £
Budget for 2 day market Traders income 2017/18	97,313	
Anticipated income based on existing charging and actual Traders (calculated based on current numbers only if Traders further reduce income will be impacted)	65,350	(31,963)
Difference between anticipated income Option 2. *	60,914	(36,399)

*Please note the above is an estimate of the financial effect for 2017/18, this would be positively impacted by any additional Traders or increased pitch sizes.

- 4.4 As part of the proposal for Option 2 Casual Traders fees are set at +30% of Permanent Trader fees.
- 4.5 From April 2018 it is proposed that the fees will form part of the overall Fees and Charges Policy incurring RPI +2%.
- 4.6 It is anticipated that there will be a future budget impact estimated at between £31k and £36k based on either option.

5. CONCLUSIONS AND RECOMMENDATIONS

That the Policy and Resources Committee considers the content of this report and recommends the following:

5.1 Recommendation for Two Day Fees & Charges

- To recommend to Full Council changes to the fees and charges for 2 day Markets to an annual charge of £1.00 per foot in 2017/18 with effect from 1st October 2017. This could stimulate an increase in traders wishing to obtain a stall at Great Yarmouth market. As demonstrated in Appendix 1 this would bring the market fees in line with other Councils within the area.
- To recommend to Full Council a standard charge of £50 per annum for 2 Day and 6 Day Traders on the Fullers Hill Car park. This will reduce pressures in zone A parking and provide affordable alternatives for both existing and new traders. This is in line with towns who currently charge for parking.

5.2 Recommendation to Market Licence Policy

Below recommendations to be included within the revised Market Licence Policy to be reviewed by Economic Development Committee in November 2017:

- To approve amendments to the current Market Policy to incorporate 4 free sessions for both 2 Day Traders and the equivalent for 6 day Traders for holiday and sickness (2 days for the remaining 2017/18) for permanent traders only. This will allow existing Traders to take annual leave/sickness days without any penalties in line with other Councils within the area.
- To approve a 5% discount for 2 Day Traders if they agree to pay their fees by direct debit in line with other Councils and to encourage regular payments to be made to the Council. This is particularly important given the Council's policy to remove cash payments from April 2018.

Area for consideration	Comment
Monitoring Officer Consultation:	Yes
Section 151 Officer Consultation:	Yes
Existing Council Policies:	N/A
Financial Implications:	Yes
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

FAO: Jane Beck
Customer Services Director
Great Yarmouth Borough Council
Town Hall
Hall Plain
Great Yarmouth
Norfolk
NR30 2QF

Wednesday, 20th September 2017

Dear Ms Beck,

I am writing to you in my capacity of Chief Executive of the NMTF, a trade association that represents around 20,000 market and street traders, events retailers and mobile caterers in the UK.

I have previously written to Kate Watts in support of the NMTF Great Yarmouth Group and our members on Great Yarmouth Market who have approached us due to concerns over recent changes to rent charges and letting of space on the two day market which they feel has had a severely negative impact on the market.

My initial letter in May was in regard to the fact that traders on the two day market had been paying a premium for their licensed pitch area whilst using extra space free of charge – a practice that began at the encouragement of market management in order to make the market appear fuller.

Changes this year have seen traders pay for the extra space that they are using, which they believe has forced some businesses to reduce the days they trade or leave entirely.

Furthermore, they report that this has discouraged new business from standing on the market.

To combat this decline, the NMTF Great Yarmouth Group has been liaising with the council, as have we here at the NMTF. We have been advised that this is the best time of year to submit any proposals regarding budgets and suggestions to the rents for your consideration.

As such I would like to re-submit the suggestions made in May:

1. The council to implement eight winter payments at £1 per foot and five summer payments at £1.50 per foot.
2. Bring all market days in line with Friday charges i.e. £1 per foot, however charge this for footage exceeding 30ft as well. Currently, the maximum charge for trading on a Friday is £30 for 30ft. Traders who have bigger pitches will pay for the amount they use up to 50ft.
3. Same as option 1 however, traders who only work April to October will pay £1.50 per foot.
4. On all options, casual traders will pay 50% more than the regular trader charges.

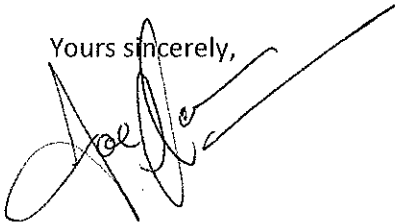
I believe the NMTF Group will also be submitting these proposals for consideration.

[PTO]

I would be grateful if you would take these proposals into consideration. Great Yarmouth had a once thriving market place and with support and cooperation I am sure it can return to its glory days and be the vibrant market place that it once was.

Thank you for your time in this matter. I would encourage you to continue to liaise with the NMTF Group but should you wish to contact the NMTF directly please do not hesitate to do so.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Joe Harrison', with a long, sweeping horizontal line extending to the right.

Joe Harrison
Chief Executive
NMTF

2 Day Market Traders

Council	Permanent	Casual	Comments
Swaffham Town Council	£0.04	£0.04	
Fakenham Town Council	£0.15	£0.15	
Sheringham & Cromer (Wednesday)	£0.57	£1.45	Summer/Winter Rate (averaged)
Dereham Town Council	£0.85	£1.07	
North Walsham Town Council	£0.85	£1.00	
Brandon Thursday & Saturday	£0.90	£0.90	
Chatteris Non-Market Day Trading	£0.94	£1.35	
Whittlesley Friday	£0.94	£1.36	
Haverhill Saturday	£0.99	£1.26	
Haverhill Wednesday	£0.99	£1.26	
Thetford Town Council	£1.10	£1.35	
Kings Lynn (Saturday) Markets	£1.21	£1.77	
Chatteris Market	£1.23	£1.65	
March Wednesday & Saturday	£1.23	£1.65	
Sheringham Saturday	£1.32	£2.49	Summer/Winter Rate (averaged)
Newmarket -Tuesdays and Saturdays	£1.40	£1.40	
Hunstanton (Wednesday) Markets	£1.42	£2.07	
Kings Lynn (Tuesday) Markets	£1.42	£2.07	
Mildenhall Friday	£1.50	£1.50	
Great Yarmouth Borough Council*	£1.73	£2.59	Summer/Winter Rate (averaged)
Bury St Edmunds (Wednesday & Saturday)	£2.56	£2.56	
Hunstanton (Sunday) Markets	£2.63	£3.94	

*Note

Great Yarmouth Borough Council

2 Day:

Average

Summer Rate

£2.36

Winter Rate

£1.09

£1.73

Casual

Summer Rate

£3.54

Winter Rate

£1.64

£2.59