

EAST HERTS COUNCIL

COMMUNITY SCRUTINY COMMITTEE – 28 MARCH 2017

REPORT BY EXECUTIVE MEMBER FOR ECONOMIC DEVELOPMENT

MARKETS OPTIONS - APPRAISAL

WARD(S) AFFECTED: *All*

Purpose/Summary of Report

- **To outline the options for the future management of the market service**

RECOMMENDATIONS FOR COMMUNITY SCRUTINY COMMITTEE:

That:

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| (A) | Town Councils be approached to negotiate a way forward to manage the markets in Bishops Stortford, Hertford and Ware as detailed in paragraph 2.8, and |
| (B) | The feasibility of transferring the rights to licence other markets in the District to Town Councils be investigated. |

1.0 Background

1.1 Markets in East Hertfordshire have been in existence since a Royal Charter was granted in the town of Ware in the year 1199.

1.2 East Herts Council has run the markets for a number of years and owns the Market Charter rights. East Herts Council utilises the provisions of the Food Act 1984 to license other markets that would otherwise contravene existing charters.

1.3 Currently, the markets in the District are operated as follows:

Table 1 – Markets in East Herts

Market	Frequency	Managed by
Hertford Retail Market	Every Saturday	East Herts Council
Hertford Farmers Market	Second Saturday of each month	East Herts Council
Ware Retail Market	Every Tuesday	East Herts Council
Bishops Stortford Retail Market	Every Thursday and Saturday Farmers and craft market first Saturday of each month	Owned by East Herts Council but contracted to Bishops Stortford Town Council to 31 st May 2019
Buntingford Market	Every Monday	Owned and run by Buntingford Town Council

- 1.4 East Herts Councils markets service is currently responsible for managing and developing Hertford and Ware retail markets and Hertford Farmers Market. Additionally as the holder of the Market Rights, the Council licences a number of other village farmers markets, commercial markets and car boots. Street trading is managed by the Councils licensing team in Health and Housing. Overall the direct costs of East Herts markets service runs at a deficit of approximately £42,000.
- 1.5 For many years Bishops Stortford Market was owned and managed by East Herts Council. Through the “Community Right to Challenge” within the Localism Act 2011, Bishops Stortford Town Council was successful in the tender process and took over the management of the market under a 4 year contract to EHC in June 2015. As the contractor Bishop’s Stortford Town Council (BSTC) have responsibility for the day to day management of the market and provide regular performance and finance reports to EHC as the client.
- 1.6 The Thursday market (in Bishop’s Stortford) currently has 15 regular traders while the Saturday market has an average 7 regular traders, plus an additional 24 producers for the monthly

farmers market. Lessons have been learnt from the contract and at the contract review in June 2016 some changes were put in place to allow them to improve efficiency, flexibility and empower BSTC to be more innovative.

- 1.7 Hertford and Ware Retail Markets are run by East Herts Council and trader numbers have stabilised over the last few years with Hertford having 20 regular traders while Ware Retail market has 6 regular traders.
 - 1.8 Hertford Farmers market is still popular with 16 regular traders, 85% occupancy, but just about breaks even due to the cost of setting up / taking down the market for the stallholders.
 - 1.9 Recent events and specialist markets such as street food markets have proved popular bringing people into the towns and have brought in an additional income stream.
 - 1.10 Buntingford Town Council manage their Monday market at Market Hill, Buntingford. Pitches are free, traders take their own waste away and casual traders are more than welcome although there is limited space so is restricted to 6-7 traders. Currently there are six regular traders, and one experienced trader manages this on behalf of the Town Council to ensure new stalls are suitable and reporting problems, therefore creating a sustainable market for the local community, with little management input.
- 2.0 Report
- 2.1 The retail environment and role of town centres has changed considerably over the last 10 years. With Bishops Stortford Town Council now managing their own market, it is felt an appropriate time to review how the markets operate in the District and explore options available.
 - 2.2 The overall strategic vision as set out in the current markets policy is to support and direct the growth and development of markets in order to meet its economic, social and environmental development objectives. These include regenerating town centres, encouraging tourism and trade, supporting village based markets and supporting local producers in bringing their produce to the customer, especially where this helps farmers to diversify their business.

2.3 This can be summarised by three priorities:

- Realising the Economic Development Vision for East Herts
- Operational Sustainability
- Financial Sustainability

These priorities can be broken down into 10 broad objectives:

- Be a business friendly Council
- Enabling entrepreneurs
- Supporting rural economy
- Encourage vibrant town centres
- Supporting visitor economy
- Ensure market operator is competent and experienced
- Ensure legislative compliance
- Reduce risk/responsibility to East Herts
- Potential to reduce operational costs to the council
- Ensure economic viability of the markets

2.4 An options appraisal using CIPFA (Chartered Institute of Public Finance & Accountancy) guidance has been carried out and options assessed against these objectives and this is attached in **Essential Reference Paper 'B'**.

2.6 Markets are a valuable addition to the town centres, but the change in consumer shopping habits and the role markets play in the vibrancy of the towns present a considerable dilemma.

2.7 The options appraisal presents a case that the Town Councils could be best placed to deliver this service in the future. The National Association British Market Authorities (NABMA) state that Town and Parish Councils running markets is one of the biggest growth areas in their membership.

2.8 Conclusion

After having considered the various implications involved in a wide range of potential options, this report recommends that the Town Councils are formally approached to consider formal transfer of the markets rights (appraisal option 6).

2.9 For East Herts this option presents the least risk in terms of sustaining a service to the community and for the Town Councils it gives them freedom to run the markets according to local needs.

2.10 To ensure smooth transfer of the service it would be recommended that that any arrangement is undertaken with support and guidance of the current Market Manager to assist Town Councils with new roles.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

East Herts Markets Policy

<http://www.eastherts.gov.uk/article/29346/East-Herts-Markets>

Economic Vision for East Herts

<http://www.eastherts.gov.uk/article/27662/Business-and-Economy>

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