

## **Future Market Management Arrangements**

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### **Purpose of the Report**

To update members on the future market management arrangements and the outcome of the recent process to seek Expressions of Interest from potential market operators and partners.

### **Public Interest**

A confidential report was taken to the Area South committee on July 5<sup>th</sup> 2017 with regards to the future management of Yeovil's street markets, there was a need for confidentiality at that time due to the Local Government Act 1972, Schedule 12A under paragraph 3: "Information relating to financial or business affairs of any particular person (including the authority holding that information)."

The confidential report outlined the need to seek an external operator/partner to operate Yeovil's street markets. The Area South Development Team has been running markets for the last four years and despite a great deal of effort it has become clear that a more dedicated and experienced team is needed to carry out this operation.

### **Recommendations**

1. That members note the report.
2. Members approve delegated responsibility in all matters relating to the service level agreement (SLA) to the Market Improvement Group and Area South Development Officers.
3. Members support the future financial arrangements outlined in this report which will be presented to the District Executive Committee (DX) in January 2018.

### **Background**

A confidential report was considered by Area South Committee on 5 July 2017 which asked members to;

- (1) Approve the process for the transfer of the management of the weekly Yeovil Street Markets, including Saturday themed and specialist markets, to a private external partner.
- (2) One member is appointed from the Market Improvement Group onto a panel to interview the applicants.

Members resolved to;

1. Approve the process, for the transfer of the management of the weekly Yeovil Street Markets, including Saturday themed and specialised markets, to a private external partner and,
2. A panel be appointed to interview the applicants with delegated responsibility to appoint a preferred partner at the end of the process. The panel will be made up as follows - Cllr David

Recardo, as Vice Chair of Market Improvement Group (currently acting Chair), Marie Ainsworth Neighbourhood Officer for Area South Development, Lisa Davis Community Office Support Manager, Natalie Fortt Area South Lead and a representative from the Economic Development Team.

### **Seeking expressions of interest:**

Officers drafted a pack to attract commercial operators. This pack included; an advert, an application form, a markets Vision and a brief. The National Association of British Market Authorities (NABMA) were consulted on the draft pack and the associated timescales.

Expressions of Interest were invited through advertisements in the following;

- ~Market Trader News
- ~NMTF Market Times
- ~NABMA social media platforms
- ~Direct contact with 2 key major operators (Group Geraud and Market Place Europe)

Interest was received from 5 operators, two of which came to Yeovil to look at the area and meet the officers.

We received two applications and MSD Markets were invited to attend an interview on the 27<sup>th</sup> October. They made a detailed presentation to the interview panel and the panel unanimously agreed that they should be offered the opportunity to become a market partner. The panel were impressed with the following points;

- ~In depth knowledge of running markets,
- ~Good cross section of disciplines within the management structure,
- ~Personable team with a 'can do' attitude,
- ~Experience of working closely with communities and key stakeholder's including the retail sector.
- ~Plan to employ a market manager locally to work alongside them.

MSD Markets have now been offered the opportunity to work alongside SSDC officers to draft a delivery plan that will become the basis of a mutual agreement.

A second visit is being planned during late November or early December, to carry out some more detailed work around planning a programme of markets for 2018. This will include looking at current operations with the weekly market and how to provide a smooth transition to the new market arrangements. Officers have also highlighted the need to programme markets as part of the existing events programme for Yeovil, e.g Super Saturday and Christmas Markets.

It is anticipated that an SLA be drafted with a view to the arrangements being formalised in January 2018. This report seeks member approval to delegate responsibility for matters relating to the service level agreement to Area South Development Officers and the Market Improvement Group.

### **Suggested budget changes;**

With Area South Development assuming a much smaller role in overseeing the markets and relinquishing all operational aspects of market management, it will be pertinent to make changes to the associated annual budgets Therefore the members of the Area South Committee are being asked to support the following financial changes, which will be outlined in a report to the DX committee in January 2018

- To request the permanent removal of the current income target of £39,020 as Area South Development will no longer be managing the markets.
- To offer up a budget saving of £17,190 from the current markets budget. (total annual budget is £23,190)
- Retain a small sum from the annual markets budget of £6,000, enabling officer time to be in the new arrangements and to cover the cost of maintaining the existing electrical infrastructure.

It is anticipated that SSDC will not receive an income from the new operator in the initial stages. This will allow them to establish themselves and afford all of the associated setting up costs.

Assuming the operator is successful, it is likely that a financial arrangement will be agreed at year 2, this will be an integral part of the service level agreement. Future income may be in the form of a flat rate or profit share arrangement. Once this income stream is established a new income target can be assigned.

Should the relationship with the new market partner prove unsuccessful, a similar process will be carried out to seek another partner. It is currently no longer sustainable for officers of the Council to manage all aspects of markets. SSDC should assume an enabling role with markets and work with partners to achieving the desired outcomes, such as increased footfall to the town.

### **Financial Implications**

A report will be submitted to SSDC's District Executive Committee to seek new financial arrangements;

- To request the permanent removal of the current income target of £39,020 (Area South Development will no longer be managing the markets).
- To offer up a budget saving of £17,190 from the current markets budget. (total annual budget is £23,190)
- Retain a small sum from the annual markets budget of £6,000, enabling officer time to be in the new arrangements and to maintain the existing electrical infrastructure.

### **Corporate Priority Implications**

#### **Economy**

To promote a strong economy with thriving urban and rural areas

#### **Carbon Emissions & Adapting to Climate Change Implications (NI188)**

None

#### **Equality and Diversity Implications**

None

#### **Background Papers:**

Area South Committee, confidential report, Future Market Arrangements, 5<sup>th</sup> July 2017.