

Report to Cabinet

Subject: Arnold Market

Date: 2 November 2017

Author: Service Manager for Economic Growth and Regeneration

Wards Affected:

Located within the Borough's principal town centre, re-development of the Arnold Market site has the potential to impact on all wards within the Borough.

Key Decision

This is a Key Decision because acquisition of Arnold Market will result in the Council incurring significant expenditure and benefit residents across the Borough.

Purpose

- 1.1 Subject to budget approval by Council, this report seeks Cabinet approval for the acquisition of the Arnold Market site and associated buildings. The report seeks delegated approval for the Chief Executive to agree Heads of Terms and make a formal offer to acquire Arnold Market ("the site") as shown edged red on the attached plan at Appendix 1, for no more than the maximum price set out in Exempt Appendix 2. Approval is also sought to progress proposals to improve the site.

Background

- 2.1 Improving the image and offer of Arnold Town Centre, including Arnold Market, is a top priority for the Council and included as an action in the Gedling Plan. In December 2016, Cabinet considered a report which set out the deteriorating condition of the market, its negative impact on Arnold Town Centre and the very strong community support for improvements to the market area - the Council has previously received a petition with over 900 signatures in favour of improving the market.
- 2.2 The physical extent of the market ground and buildings is shown on the plan at Appendix 1. The site comprises of a market ground with approximately 90 fixed market stalls, five lockable kiosks, market traders

toilet, residential flat and storage area.

- 2.3 Cabinet have previously authorised officers to commence negotiations with the market owners with a view to the Council acquiring the market and undertaking direct improvements to the physical appearance of the area subject to a maximum price (this is set out in Exempt Appendix 2) with the following objectives:
- to deliver improvements to the physical environment through the removal of the fixed stalls, refurbishment or demolition of the buildings, an upgrade of the storage/bin store and linked public realm improvements including landscaping, lighting, seating and paving;
 - to boost the economic performance of the town by generating more footfall through provision of a wider choice of market goods and services;
 - to boost the economic performance of the town and its role in strengthening individual and community well-being by offering an attractive and varied programme of community events and activities.
- 2.4 Following approval to commence negotiations, a specialist property agent was appointed to act on the Council's behalf. Positive engagement has taken place with Thurland Estates, the company which owns the land, buildings and operates the market.
- 2.5 This has provided further information on the extent and nature of land and buildings to be included in any sale, the commercial activities of Thurland Estates and the principles on which acquisition might progress. In parallel, officers have commissioned an independent valuation of the land and buildings.
- 2.6 Legal advice has also been sought on the Council's powers to acquire and operate a market and to consider alternative procurement routes. Sections 226 and 227 of the Town and Country Planning Act 1990 make provision for the Council to acquire land for the purpose of redevelopment or improvement which brings about subsequent improvements to the economic, social and environmental well being of an area. Further details of the valuation and legal advice are included in Exempt Appendix 2.
- 2.7 Acquisition of the land and buildings at Arnold Market will enable the Council to deliver significant improvements to the environmental, economic and social well being of Arnold Town Centre with benefits for residents, visitors and the business community. As owner, the Council will have the ability to remove unsightly market stalls and dilapidated

buildings, improve the public realm and bring forward a greater number and wider choice of both markets and events to enhance the image and perception of Arnold Town Centre and boost economic activity in the town. This is in line with the Gedling Plan, the Greater Nottingham Aligned Core Strategy and emerging Local Planning Document (Part 2 Local Plan).

- 2.8 Should the recommendations be approved, detailed proposals for the future of the buildings, public realm and market will need to be developed and transitional arrangements for the market put in place. This may include, for example, new temporary stalls. Detailed proposals will be reported to members at a future date.
- 2.9 Cabinet have previously authorised officers to enter into negotiations to acquire the market subject to the maximum price set out in Exempt Appendix 2. Cost estimates were also provided for the operation of a Council owned market alongside estimates for initial improvements to the area. These costs are included for information within Exempt Appendix 2.

Proposal

- 3.1 It is proposed that the Council proceeds with the purchase of the site and acquires the site using powers contained in section 226 of the Town and Country Planning Act 1990.
- 3.2 A budget will need to be approved and established by Council for the purchase of the site. Subject to budget approval by Council, it is proposed that Cabinet delegates authority for the acquisition of the site to the Chief Executive (for no more than the amount set out in Exempt Appendix 2), delegates authority to approve Heads of Terms and that officers progress proposals for improvements. The maximum costs of acquisition and legal fees are set out in Exempt Appendix 2.
- 3.3 Subject to securing the acquisition of the market, further reports will be brought to Cabinet on proposals and costs for the operation and longer term future of the site including the potential to draw in external funding to support more comprehensive town centre improvements.

Alternative Options

Do nothing.

The Council has no statutory responsibility for the market and could choose to take no action. However, improving the town centre, including the market area, is an objective of the Gedling Plan. A do nothing option is also likely to lead to further deterioration of the market area.

Joint Working.

The Council has explored joint working with the current owner to bring about improvements to the market including direct investment but this was not supported by the owners.

Acquire the site by purchasing the company that owns it.

This is rejected as the Council has no experience of operating a commercial company of this type and acquisition may result in financial and operational liabilities.

Compulsory Purchase.

This is rejected, as compulsory acquisition should only be considered as a last resort and where voluntary negotiations have been exhausted. Whilst Thurland Estates are willing to sell the site it will not be necessary to commence the CPO process.

Financial Implications

The estimated costs associated with the market acquisition are set out in the attached Exempt Appendix 2.

Appendices

Appendix 1 Plan showing Arnold Market and associated buildings edged red.

Appendix 2 Exempt Appendix 2 NOT FOR PUBLICATION.

Background Papers

None

Recommendation(s)

THAT Cabinet is asked to recommend to full Council that it approves the establishment of the budget required to acquire the site (as shown on the Plan at Appendix 1) for no more than the sum set out in Exempt Appendix 2;

THAT subject to budget approval by Council, Cabinet:

- 1) Approve the acquisition of the site using the Council's powers under Section 226 of the Town and Country Planning Act 1990;
- 2) Delegate authority to the Chief Executive to agree Heads of Terms for the acquisition of the site (as shown on the Plan at Appendix 1), to make a formal offer for no more than the maximum price set out in Exempt Appendix 2, and, subject to the offer being accepted, to complete the

acquisition of the site;

- 3) Authorise officers to progress proposals for improvements to the appearance of the site and its operation, the details of which will be reported to members at a future date.

Reasons for Recommendations

Acquisition of the site would enable the Council to directly deliver the objectives of the Gedling Plan and bring about significant improvements to the environmental, economic and social offer of Arnold Town Centre.