

Report to Portfolio Holder for Growth and Regeneration

Subject: Arnold Market Stalls Fees

Date: 9 April 2019

Author: Service Manager for Economic Growth and Regeneration

Wards Affected

Ernhale

Purpose

To seek approval to amend/relax the market fees during the period of closure and re-opening stages.

Key Decision

This is not a key decision

Recommendation(s)

That the Portfolio Holder for Resources and Reputation:

- a) approves relaxed stall fees for existing market traders and a reduced fee for new traders and craft stall holders on a temporary basis as detailed in the report.**

1 Background

- 1.1 In April 2018, Cabinet considered a range of operational issues associated with the acquisition of Arnold Market. This included approval for stall fees based on a review of similar markets in the area. Stall fees were set at £20 per stall.
- 1.2 Following the acquisition of the market in July 2018, tenders were invited for clearance works and provision of new temporary stalls to ensure the market could continue to operate whilst demolition work to the main market buildings was progressed.

- 1.3 Works are currently underway to remove the old stalls and installation of the new stalls is anticipated to be completed on the 11th April. To facilitate the works, the market is closed between 3rd and 11th of April which means stall holders will be unable to trade at Arnold market during this period.
- 1.4 To mark the first stage of the regeneration of the market, Officers have developed a programme of activities and events to celebrate the first phase of improvements including Easter egg hunts, Face Painting and St George's Day themed events – a leaflet of events is provided at appendix 1. Working with colleagues in Estates and Community Relations, craft stall holders and new traders have been encouraged to take up any vacant stalls to support activity at the market and increase footfall. The craft stall holders are not regular market traders but will offer a more diverse offer as part of the range of activities.

2 Proposal

- 2.1 In recognition of disruption to existing market traders market caused by the works to the market, a two week fee free period is proposed for regular market traders. In addition, a reduced stall fee of £10 per stall is proposed for a temporary duration for all other stall holders up to and including the 27th April.
- 2.2 This approach recognises disruption to our regular traders who are important to the long term future of the market but will also support craft stall holders to attend as they are not regular traders. Reduced fees will also enable new casual trader to try out the market.
- 2.3 Whilst the temporary reduction in stall fees will have an impact on income, this will be for a short period only and is likely to have a positive impact longer term in attracting additional traders and activity to the market, increasing footfall more generally for the benefit of the town centre.
- 2.4 Evaluation of the market event will take place and will inform the longer term approach to fees for casual traders and special events, which will be subject to a subsequent portfolio holder report.

3 Alternative Options

- 3.1 No change to stall fees, which would reduce the attractiveness of the market to new traders. The proposed approach recognises disruption to existing traders and support and encourages new traders and craft stall holder to attend.

4 Financial Implications

4.1 Arnold market generates weekly income of approximately £535. Therefore, the required one week closure will result in lost income of approximately £535 from our regular market traders.

4.2 In addition, the plans for the re-opening of the market will have the following financial implications. These are calculated in the table below across the 3 trading days.

- Existing traders: The relaxation of trading fees will have a potential loss of income of £16.67 per regular trader/stall/day for the fortnight where the fees are relaxed.
- New traders/craft stalls: To increase market stall occupancy, a fee of £8.33/stall/day for all the vacant stalls available will be charged (apart from 2 which are required for the event operation which will be free of charge).
- The table below shows the different scenario for each of the market days¹. In summary, it is expected that the total cost follow the reopening is estimated to be around £766 for the two week period

| Re-opening of Arnold Market | | Number of stalls occupied and income/shortfall expected | | |
|-----------------------------|--------|---|----------------|---------------|
| | | Tuesdays | Fridays | Saturdays |
| Existing traders | Stalls | 14 | 13 | 8 |
| | Cost | £233.38 | £216.71 | £133.36 |
| New traders/craft stalls | Stalls | 10 | 11 | 14 |
| | Income | (£83.33) | (£91.67) | (£116.67) |
| Event organisation stalls | Stalls | 2 | 2 | 2 |
| | Cost | £16.67 | £16.67 | £16.67 |
| Overall income/cost | | £178.71 | £154.71 | £49.36 |
| | | £382.78 net cost per week | | |

¹ For operational reasons, there is a reduction in the number of stalls available on Saturdays

- 4.3 The total financial cost/ lost income including both the market 'downtime' (4.1) and the relaxation of fees over the fortnight following the re-opening of the market (4.2) is anticipated to be **£1,300**.
- 4.4 Whilst there may be a negative effect on income in the short term, this approach is designed to attract additional market traders on a regular basis and increase the overall income of the market in the long term. This will still be within the operating budget set aside for the market operation.

5 Appendices

- 5.1 Planned Market Event and Activities

6 Background Papers

- 6.1 None

7 Reasons for Recommendations

- 7.1 To support the activities and events planned for the celebration of new temporary market stalls which aim to deliver the objectives of the Gedling Plan to improve the image and offer of Arnold Town Centre.