

**HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
17 July 2012

**From:** Scrutiny Committee 1

**Subject:** **POLICY REVIEW – MARKETS – FINAL REPORT**

All Wards

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**1.0 SUMMARY:**

1.1 Between October 2011 and March 2012 the Committee undertook a review of Markets. This report sets out the Committee's findings, conclusions and recommendations.

**2.0 INTRODUCTION:**

2.1 Markets were regarded as an appropriate topic for review as they provide a significant income for the Council. Following the change to the provision of stalls in 2010 a review was felt relevant to consider the effectiveness of the operation of the Markets

2.2 The Committee as a whole undertook the review and the term of reference was:-

- To review the operation, sustainability and profitability of Northallerton and Thirsk Markets.

2.3 The following evidence, arranged through the Enabling Officer, was provided at meetings of the Committee:

4 October 2011

- Agreed Project Plan

1 November 2011

- Evidence gathering

6 December 2011

- Evidence gathering

10 January 2012

- Evidence gathering

7 February 2012

- Evidence gathering

6 March 2012

- Concluded review

**3.0 OTHER EVIDENCE**

3.1 The following witnesses attended meetings of the committee to give evidence:

- David McGloin, Assistant Director;
- Chris Vincent, Design and Maintenance Manager;
- Clive Thornton, Senior Engineer;
- David Simpson, Head of Finance;
- Gary Brown, Waste Manger;
- David Shields, Welcome to Yorkshire;
- Michael Nicholson, National Market Traders Federation;
- Nigel Davison, Farmers Market representative;
- Charles Barker, Barkers Department Store;
- Councillor A W Hall, Ward Member for Northallerton Central;
- Councillor M J Prest, Ward Member for Northallerton North;
- John Carrick, regular stall holder.

## 4.0 **FINDINGS**

4.1 The term of reference of the review was aimed at answering the following key questions:

- What is the current policy of the Council and why is this so?
- Who is the policy aimed at, who is intended to benefit and how is this measured?
- What is central to the delivery of the policy (resources, stakeholder involvement, etc)?
- Is the current policy working (is it delivering the stated outcomes and do the recipients benefit)?
- Does the policy need to change – is it still valid?
- Can the policy and the service be improved – if so how?
- What impact will the policy have on other partners?

4.2 Based on the written and oral evidence presented, the Committee's findings were as follows:

4.2.1 The Committee established that the Council operates markets at Northallerton and Thirsk and that the management of the markets was currently carried out within the Design and Maintenance Section. Performance at the markets was monitored on a monthly basis and reviewed at the Partnerships Management Leadership Board on a quarterly basis. Performance in 2011/12 was around 11% up on the same period in 2010/11 with the average net monthly income from a market pitch being around £26.50. The income derived from the two markets was significantly different; the target income for Northallerton was £145k and for Thirsk it was around £43k. The Committee therefore acknowledged the profitability of the markets.

4.2.2 The Committee recognised that there were a number of line managers with responsibility for markets however there appeared to be evidence of a lack of supervision at the Markets, as Market Conditions were regularly being flouted and there were specific issues around identification of the Market Superintendent, stall encroachment and litter which were not being addressed. The Committee heard that as a result of a previous management structure the Market Superintendent had been discouraged from making daily decisions, but from April 2012 he would have more day to day responsibility. The Committee welcomed the change in responsibility but considered that there needed to be a clear management structure in place with clearly defined responsibilities for the Market Superintendent. The Committee also recognised the importance of training for market staff and therefore suggested that formal training should be provided for the Market Superintendent.

4.2.3 The Committee accepted that promotion activities were to be directed from the Economic Development Section as there was expertise within this team, but since the internal transfer of the function there had been a significant change/reduction in personnel. Progress in implementing a promotion strategy had been limited and this had been largely due to staffing issues; however there was still a one off budget allocated for the markets. The Committee considered that promotion and advertising were key to preventing any future decline of the markets; would support tourism within the district and should therefore be made a priority.

4.2.4 The Committee acknowledged the waste disposal service in place at Northallerton and appreciated that it was a benefit for traders at Northallerton market. Concern was raised about market traders bringing waste from other markets to dispose of at Northallerton as there had been issues with traders in the past which had been dealt with but currently there had been no incidents reported by staff; shop keepers had also been known to use the waste facility provided for the stall holders and there was still concern about the amount of loose rubbish left at the end of the markets. The Committee questioned how other markets dealt with the waste generated and was informed that the vast majority of markets provided a waste removal service although at some markets it was the responsibility of traders to remove waste which could be expensive. The Committee therefore suggested that all options for the removal of waste at Northallerton should be considered.

- 4.2.5 The Committee considered Market Charges and Charging Formula and established that payment could be made weekly by cash or cheque or by quarterly invoice and by paying in advance a discount was received. The Committee acknowledged that sometimes the initial rent for a new trader could be quite high and heard that some authorities provided schemes for new traders where the rent was reduced initially and then increased gradually over a twelve month period as business increased and became more sustainable; other authorities reduced the rent for the first three months. There was concern that in the current economy many Market Traders were struggling with some making little money and if rents were to increase many might not survive. The Committee heard that there was a proposed rent increase in the pipeline for the coming year, which would include a new pricing structure; the Committee also appreciated that any investment the Council made in the markets would not necessarily increase the income generated, so there was a need to increase prices proportionately. The Committee therefore suggested that the charging formula should be reviewed taking into account the calculation of market rents, payment charges and discounts applied to ensure that a standardised system was in place.
- 4.2.6 The Committee established that the layout of Northallerton market was being assessed as currently there was an area at the northern end of the market which could only be let for casual traders due to the presence of a temporary taxi rank on the monthly Farmers Market day. The possibility of moving some of the stalls to the southern end of the market, which could be let as permanent pitches, was being investigated. The Committee was also informed that the space in between shop fronts and market stalls was an issue with the amount of pavement taken up by stallholders' displays growing over the past few years and that general encroachment was an issue on the pavements on both sides of the High Street. The Committee therefore suggested that a review of the layout of Northallerton Market should be undertaken and as part of the review the boundaries for stalls should be clearly defined.
- 4.2.7 The Committee determined that an increasing number of traders were using generators to supply power to their stalls and that the potential to provide a mains power supply was being considered initially at Northallerton, though Thirsk would also be considered. The introduction of an electricity supply at Bedale market was highlighted as being of great benefit to traders. The Committee therefore supported the investigation of electricity provision and suggested that the cost of such provision should be established although concern was raised about any Health and Safety issues arising from such a supply.
- 4.2.8. A Task and Finish Group was established to consider the Market Trading Conditions; following consideration of the Conditions the Group suggested a number of amendments which were accepted by the Committee. The Committee therefore suggested that the Market Trading Conditions be reviewed, incorporating those amendments highlighted by the Task and Finish Group.
- 4.2.9 The Committee established that the Farmers' Market at Northallerton was held on the fourth Wednesday of each month and that in the early days there were around 25 stalls but today there were only about 12-14, there was a good variety but new stalls were hard to attract; with traders travelling up to 50 miles to participate. The Committee was concerned that the number of stalls had fallen and heard that it was not just Northallerton where stall numbers had decreased. Generally trade was down which was due to the footfall and spending power however it was considered that Farmers' Markets would continue as they provided a quality niche market. The Committee recognised the value of Farmers' Markets and so suggested that they should be included within any future promotion and advertising campaign.

## 5.0 **CONCLUSIONS:**

### 5.1 What is the current policy/practice/procedure of the Council and why is this so?

The Council is responsible for Markets at Northallerton and Thirsk; the market traders must comply in all respects with the Market Trading Conditions and the Market Byelaws.

### 5.2 Who is the policy/practice/procedure aimed at, who is intended to benefit and how is this measured?

The Market Trading Conditions are in place to ensure that the markets are operated appropriately for the benefit of the Council, Traders and the Public. Performance at markets is monitored on a monthly basis and reviewed at the Partnerships Management Leadership Board on a quarterly basis.

### 5.3 What is central to the delivery of the policy/practice/procedure (resources, stakeholder involvement, etc)?

Ensuring that the Market Trading Conditions in place are appropriately enforced.

### 5.4 Is the current policy/practice/procedure working (is it delivering the stated outcomes and do the recipients benefit)?

The current Market Trading Conditions require reviewing and a clear management structure needs to be in place to ensure that the Conditions are properly applied.

### 5.5 Does the policy/practice/procedure need to change – is it still valid?

The Market Trading Conditions are still valid but require reviewing.

### 5.6 Can the policy/practice/procedure and the service be improved – if so how?

The service can be improved by establishing a clear management structure with defined responsibilities for the Market Superintendent who would be responsible for the day to day supervision of the markets.

### 5.7 What impact will the policy have on other partners?

The Council has no direct partnership relating to Markets. However the continuing success of the Markets is important to visitor numbers in the towns. This has an indirect benefit to other retailers and to the market traders themselves.

### 5.8 From the evidence received the Committee concluded that:

- a clear management structure which includes defined responsibilities and training for the Market Superintendent should be established;
- promotion and advertising of the markets should become a priority to encourage tourism within the district, and that the Farmers Market should be included in any future promotion and advertising;
- consideration should be given to options for waste removal in Northallerton;
- a review of the charging formula should be undertaken with particular emphasis on the calculation of market rents, payment charges and discounts, to ensure that a standardised system is in place;
- the layout of Northallerton Market should be considered and a clear definition of stall boundaries should be established;

- the cost of electricity provision for market stalls should be investigated;
- a review of Market Trading Conditions should be undertaken incorporating the amendments identified by the Task and Finish Group.

## **6.0 RECOMMENDATIONS:**

6.1 To recommend to Cabinet that:-

- (1) a clear management structure be established which includes defined responsibilities and training for the Market Superintendent;
- (2) advertising and promotion of the markets be made a priority to encourage tourism within the district;
- (3) the Farmers Market be included in any future promotion and advertising campaign;
- (4) options for waste removal in Northallerton be considered;
- (5) the formula for charging be reviewed with specific emphasis on the calculation of market rents, payment charges and discounts, to ensure that a standardised system is in place;
- (6) consideration be given to the layout of Northallerton Market and a clear definition of stall boundaries established;
- (7) the cost of electricity provision for market stalls be investigated;
- (8) the Market Trading Conditions be reviewed and amendments identified by the Task and Finish Group be incorporated.

COUNCILLOR G W ELLIS  
CHAIRMAN

Background Papers: None  
 Author ref: JPH  
 Contact: Jane Hindhaugh  
 Democratic Services Team Leader  
 Direct Line: 767016

### **Note**

### **COMMENTS OF THE PARTNERSHIPS BOARD**

The Partnerships Board considered the report at its meeting on 16 April 2012 and made the following comments on the recommendations:

During the present transition period the Market Superintendent reports to Clive Thornton. There is scope for training of Market Superintendents together with Parking Attendants and 'managing' the posts. Work is in progress and these issues will be looked at as part of the broader review of Design and Maintenance.

## Recommendations:

- 1) Agreed in principle, also look at providing 'cover'.
- 2) Budget may be available, but there needs to be a 'broader' promotion of Hambleton not just the markets.
- 3) To be incorporated into a co-ordinated exercise.
- 4) Problems have been encountered but work is ongoing to rectify. More work is still needed.
- 5) Agreed to review charging formula and size of stalls.
- 6) Agreed there needs to be 'scope' for marking out stalls. The current layout and position of stalls is being considered as part of the overall review together with a proposed 4% increase in rent (bottom line).
- 7) Health and Safety issues to be considered, also look at proposed take up of electricity for certain stallholders.
- 8) Market Trading Conditions to be reviewed.

## **SCRUTINY COMMITTEE 1**

### **MEMORANDUM OF EVIDENCE**

#### **POLICY REVIEW - MARKETS**

##### Evidence from David McGloin, Assistant Director

- The Council operates markets at Northallerton and Thirsk. The responsibility for markets transferred to me on 1 April 2010. Prior to this it was the responsibility of the Head of Waste Services and was managed within Operational Services.
- Up to 1 April 2010 the market stalls were owned by the Council. They were set out and collected by the Council's Operational Services.
- The management of the markets is currently carried out within the Design & Maintenance section. The promotion activities were to be directed from the Economic Development section. This split of responsibility reflected expertise within the existing teams. Since the transfer there has been a significant change/reduction in personnel.
- Cabinet considered the arrangements for stalls on 24 November 2009 and resolved that from 1 April 2010 the stalls would no longer be provided by the Council. Stalls were purchased for those traders who did not wish to provide their own. In addition Cabinet agreed to;
  - A rent free week for traders
  - A rent freeze for 2010-11
  - Waive the fee for charity stalls
  - Provide a sum of £10k from the service improvement fund for market promotion
- The Council's Area Forums were consulted and the feedback was considered by the Prosperity and Places Overview & Scrutiny Committee on 18 March 2010. The Prosperity and Places Overview and Scrutiny Committee also reviewed the Council's Market Conditions. Some minor revisions were suggested and the revised Market Conditions were subsequently approved by Cabinet on 20 April 2010. However, a recent disciplinary case with a Trader has indicated that some of the conditions could benefit from further clarity.
- The charges for the markets are based on the space taken up by the trader and Chris Vincent can provide more detail. In some instances the provision of smaller stalls in the revised arrangements operating from April 2010 resulted in lower individual rents. On a general note it is suggested that the formula for charging should be reviewed to simplify the charge and increase income.
- Progress in implementing a promotion strategy has been limited and this has been largely due to staffing issues. It is suggested that this work is reprioritised. This should concentrate on seeking advice in relation to successful strategies at other similar markets. This is currently being reviewed at the Partnerships Management Leadership Board.
- Performance at the markets is monitored on a monthly basis and reviewed at the Partnerships Management Leadership Board on a quarterly basis. Performance in 11/12 is around 11% up on the same period in 10/11. The average net monthly income from a market pitch is around £26.50. There are around 136 pitches in all. The income derived from the two markets is significantly different. The target income for Northallerton is £145k and for Thirsk it is around £43k.

### Evidence from Chris Vincent, Design and Maintenance Manager

- The total target takings for this financial year 2011/12 is £187,500 consisting £144,900 for Northallerton markets and £42,600 for Thirsk markets
- On the first half year analysis the projection is for end of year takings of some £190,000 consisting £145,000 for Northallerton markets and £45,000 for Thirsk markets.
- The half year takings are £10,300 (10.7%) higher than the corresponding period for last year with Thirsk markets takings higher by £7,700 and Northallerton markets showing an increase of £2,600.
- To date there are no significant differences in the numbers of permanent traders from the previous year however there are increased numbers of casual traders, particularly at Thirsk
- The income divides into four main areas:
  - \* Permanent traders' weekly cash & cheques
  - \* Permanent traders' quarterly payments
  - \* Casual traders' weekly cash payments
  - \* Other incomes include Farmers Markets, May Fair recharges, and Thirsk Bank Holiday extended markets
- Potential options to review income opportunities in undertaking reviews of:
  - \* Standage rates (last years increase was 10%)
  - \* Waste collection charges at Northallerton
  - \* Permanent traders' standard discounts (presently 10%)
  - \* Permanent traders quarterly payments discounts (presently 12.5%)
  - \* Holidays review
  - \* Sickness review
  - \* Parking space review
  - \* Stall location review (presently even standard rates across full market irrespective of footfall)
  - \* Market location review (opportunity to move Northallerton Market further south and potentially look to extend / rationalise Thirsk market area)
  - \* Increase number of stalls by re-arrangement coupled with promotion
  - \* Review of farmers market
  - \* Review free Charity stalls policy
  - \* Review Mobile Exhibitions charges
  - \* Review Police/Forces promotions charges
  - \* Review bad weather policies
  - \* Look to maximise coordination with other events Queens Jubilee; Olympic Torch: Xmas Markets: Live Music: May Fair and other events.

### Evidence from Clive Thornton, Senior Engineer

As the Manager of the Markets on a day-to-day basis I am concerned with supporting the Market Superintendents and seeking to maintain the variety and vibrancy of the markets offer to ensure their sustainability in the long term.

Areas of the market operation where there are potential opportunities currently:



### Market layout

The layout of the Northallerton market is being assessed. Currently there is an area at the northern end of the market that can only be let for casual traders due to the presence of a temporary taxi rank on the monthly Farmers Market day. There maybe an opportunity to move some of the stalls to the southern end of the market, which could be let as permanent pitches.

### Town Square

This is a newly created public area on the High Street in Northallerton, on market days it falls within the market area. Presently the area is being managed by the District Council on all days, it is being well used and it is available for promotional use by community groups, charities, other organisations and there may be commercial opportunities.

### Electric supply

An increasing number of traders are using generators to supply power to their stalls, the potential to provide a mains power supply is being explored, initially at Northallerton, though Thirsk will be included. This is a potential benefit for traders.

### Waste Disposal

I am working with the Waste and Streetscene to explore the sustainability of providing the waste disposal service at Northallerton. This is a benefit for traders at the Northallerton market, the service is not provided at Thirsk.

### Competition

In seeking to maintain the variety and vibrancy of both Thirsk and Northallerton Markets, I am mindful of the increasing competition and the need to offer value for money to traders. There are opportunities for some traders to operate through the internet, i.e. through eBay and alike and through their own websites. There are other sales opportunities such as regular car park boot sales, which are increasing the range and variety of goods sold that can be sold, and other local markets.

### Evidence from David Simpson, Head of Finance

## **MARKET UNDERTAKINGS - FINANCIAL POSITION**

	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Employees	55,156	56,298	56,688	57,328	31,150	60,950
Premises	27,729	27,528	35,998	35,450	25,823	25,870
Transport	3,178	6,780	5,260	4,548	133	2,750
Supplies & Services	3,159	3,958	4,902	3,908	4,334	4,340
<b><u>Direct Costs</u></b>	<b>89,222</b>	<b>94,564</b>	<b>102,848</b>	<b>101,234</b>	<b>61,439</b>	<b>93,910</b>
Less Income	(213,786)	(211,754)	(210,187)	(209,599)	(176,982)	(215,250)
<b><u>Operating Income</u></b>	<b>(124,564)</b>	<b>(117,190)</b>	<b>(107,339)</b>	<b>(108,365)</b>	<b>(115,542)</b>	<b>(121,340)</b>

- Over years 2006/07 to 2009/10 - expenditure steadily increased
- income held its own
- the effect was a drop in operating income

In November 2009 responsibility for stalls was transferred to market traders

Savings from staff overtime/deport costs/transport cost was expected to be £38,000

The actual cost reduction for 2010/11 was £39,795, but this year was mostly offset by a reduction in income of £32,617

Markets are still making a profit the equivalent to a £3 increase on a band D property

Cabinet have now delegated Fees and Charges to Chief Officers in consultation with the appropriate Cabinet Member, in order to provide more flexibility to react to changing conditions.

### Evidence from Gary Brown, Waste Manger

#### Waste and Streetscene Costings

2 Markets weekly, Saturday and Wednesday

#### Waste

<u>Task</u>	<u>Vehicle</u>	<u>Staff</u>
(am)		
signs/skip delivery	Hooklift (1.5hrs)	g4 x 1.5 hrs x 1.333
Mkt Supt hut delivery	Merlo (0.5 hrs)	g4 x 0.5 hrs x 1.333
(pm)		
signs/skip collection	Hooklift (1.5hrs)	g4 x 1.5 hrs x 1.333
Mkt Supt hut collection	Merlo (0.5hrs)	g4 x 0.5 hrs x 1.333
Refuse Collection	RCV (1.0hrs)	g8 x 1.0 hrs x 1.333
Refuse to tip	RCV (0.25hrs)	g8 x 0.25 hrs x 1.333
Cardboard to tip	Hooklift (1.5hrs)	g4 x 1.5 hrs x 1.333

<u>Vehicles</u>	<u>Cost/Hour</u>	<u>Hours</u>	<u>Total</u>
Hooklift	£34.53	4.5	£155.39
Merlo	£16.92	1.0	£16.92
RCV	£39.27	1.25	£49.09

<u>Labour</u>	<u>Cost/Hour</u>	<u>Hours</u>	<u>Total</u>
Labourer (g4)	£15.58	5.5	£114.22
Driver (g8)	£22.03	1.25	£36.71

Total Cost Per Market = £372.33 (x 104) = 38722.32/annum

Annual cost of disposal of 'commercial waste'

(estimated at 20t per year @ £56 per tonne) = £1120

Annual income from cardboard (£11.33 per tonne) = £340

## Streetscene

<u>Task</u> (pm)	<u>Vehicle</u>	<u>Staff</u>
sweep/empty bins	n/a	g4 x 2.0 hrs x 1.333
mechanical sweep	Mini sweeper (1.5hrs)	g6 x 1.5 hrs

<u>Vehicle</u>	<u>Cost/Hour</u>	<u>Hours</u>	<u>Total</u>
Mini sweeper	£21.48	1.5	£32.22

<u>Labour</u>	<u>Cost/Hour</u>	<u>Hours</u>	<u>Total</u>
Labourer (g4)	£15.58	2	£41.54
Driver (g8)	£18.46	1.5	£27.69

Total Cost Per Market = £101.45 (x 104) = £10550.80  
Summary costs per annum

Cost for Waste	£38722.32
Cost for Streetscene	£10550.80
Cost for Disposal Of Commercial Waste	£1120.00
	£50393.12

less income of £340 for cardboard (£11.33/tonne)      £50053.12

## Observations

Transport costs are borne by WASS.... Should be Northallerton Market

Cease refuse collection and cardboard collection duties would save approx £30k.

Review signage erection and retrieval service and use of Mkt Supt Hut.

It is anticipated that the hooklift vehicle (leased, lease expires 05/13) used for skip provision (cardboard) will not be replaced.

Maintain Street Scene related duties

The Committee questioned where the definitive line for the stall frontage was and was advised that the definitive line was the lighting columns within the footpath.

The Committee asked in order to maintain vibrancy should stalls selling the same produce as shops be located elsewhere and was advised that there were a number of clashes where shops and stalls sold the same produce but this was an issue of competition.

The Committee asked if there was any control over the vehicles which belonged to the market traders that were parked on the highway, but heard that currently there was no practical form of parking enforcement.

As there appeared to be robust rules of engagement regarding attendance the Committee asked if this prevented the vacant stalls seen at other markets and was informed that non attendance was not a big issue, occasionally market traders were absent but the Market Superintendent would fill vacant stalls with casual traders.

The Committee acknowledged that promotion of the market was an issue so questioned whether national events such as Sausage Week could be advertised. The Committee heard that the recently opened Town Square could be used for such events. Community Groups would use the area to promote local produce and Pudsey Bear was to visit to promote Children in Need.

The Committee questioned the number of stalls allocated and on what basis and was advised that Northallerton Market was generally full with casuals taking stalls of any non-attendees. Thirsk was full along the pathway on a Monday but on a Saturday there was scope for more stalls.

Concern was raised about market traders bringing waste from other markets to dispose of it at Northallerton; it was acknowledged that there had been issues with traders in the past which had been dealt with but currently there had been no incidents reported by staff. Often traders arrived at the market very early in a morning which made it difficult to define what rubbish they generated and there was insufficient resource to monitor this. Income generated from traders relating to waste removal amounts to approximately £7,000 per annum. Shop keepers had also been known to use the waste facility provided for the stall holders.

The Committee questioned why the employee costs had doubled for 2011/12 and was advised that this was due partly to timing, when the budgets were set and partly to offset a loss of income which was recognised when the budget was prepared. The figures also related to the original budget set in February 2011 and were not the latest figures.

The Committee asked if there was any debt associated with the market traders and was informed that there were no debt problems; payment was collected weekly by cash or cheque or by quarterly invoice. Some paid in advance but casuals must pay in cash. The Committee questioned what percentage of market traders paid quarterly and heard that in Northallerton 25% paid quarterly and 75% weekly and Thirsk 10% paid quarterly and 90% weekly. The Committee asked if charities paid for stalls and was informed that one stall on each market was available free for charity use.

The Committee asked if the figures provided included all associated costs, waste disposal, officer time etc and was informed that the figures were for direct operational costs and did not include officer time. Support services cost approximately £43,000 per annum, but the market still generated a profit. It was acknowledged that additional income of approximately £90-100,000 was generated in parking charges on market days, from increased visitors.

A number of concerns were raised about the operation of the market including lack of signage removal, identification of the Market Superintendent and encroachment of stalls on the footpath.

#### Evidence from Nigel Davison, Farmers' Market Representative

To introduce myself I am Nigel Davison Market Manager and Chairman of Northern Dales Farmers' Markets (NDFM). We are a group of about 45 stallholders all members of NDFM. We carry out once monthly markets at Stokesley, Skipton, Hartlepool, Yarm, Richmond, Grassington, Leyburn and Northallerton, so we deal with a lot of Councils, some of which I feel we have little contact with, so it is nice to be invited to the Committee and hopefully feel part of what matters in Northallerton. I definitely feel that we bring something to Northallerton once a month. We have never had aggression from the twice-weekly markets; in fact some stallholders have told me that it is busier on our visits. I was even told by a retired traffic warden that the car parks were fuller on our visits.

Thirsk unfortunately never worked due to aggression from the twice-weekly market, which proves that Farmers' Markets should stand on their own, however Northallerton seems to be different and we seem to blend in. We should remember that Farmers' Markets were started to kick start the

rural economy after foot and mouth on 2000. Some thought that it had a shelf life of say 7 years but I never went along with this. Markets were started by farmer's wives bringing into town butter, baking, cheeses, jams, chutneys etc and the selling of feather and fur animals which was part of the forming of the market charters. So let us try and help this legacy, which is what English Heritage, is all, about, to protect and look after your market town has got to be important.

The Committee asked how the Farmers' Market operated in Northallerton and was advised that in the early days there were about 24/25 stalls now there were only about 12-14, there were a good variety but new stalls were hard to attract. The Market at Northallerton was held on the 4<sup>th</sup> Wednesday of each month. Stokesley Farmers' Market has around 30 stalls and could accommodate more, as it was so popular. The Committee acknowledged that the Stokesley Farmers' Market was held on a different day to the weekly market and did therefore not have to compete with it. The Committee asked why Stokesley Farmers Market was so successful and heard that the people at Stokesley were very enthusiastic about the market, which made it successful; Hartlepool was also very successful but this was probably due to the excellent location.

The Committee asked how far traders travelled to take part in the Farmers' Market and heard that they travelled between 15 and 50 miles to attend and that it was a stipulation that traders only sold their own produce.

The Committee questioned what arrangements were in place for payment and was advised that stallholders paid per stall with the Council receiving a ground rent per stall and that the rental was the same for each venue and stall regardless of size; the Farmers' Market was also responsible for the removal of waste although they created very little.

The Committee asked Mr Davison if he was coming to Northallerton for the first time to set up a Framers' Market, ideally what he would want and whether he would you prefer to hold the market on a different day to the weekly market. The Committee heard that the Farmers' Market was reasonably happy with the location and day held as they now have other commitments elsewhere. There were no problems with the stallholders of the weekly market, so would not choose to hold on a different day.

The Committee questioned whether any market research was undertaken to establish the types of stalls wanted and was advised that some products sold better at some markets than others such as cheese which did not sell well in Northallerton, but the lady that sold gingerbread was very popular as this was not found elsewhere. The Committee asked why the number of stalls at Northallerton had fallen and heard that it was not just Northallerton where stall numbers have fallen; generally trade was down which was due to the footfall and spending power.

The Committee questioned the future of Farmers' Markets and heard that it would depend on the footfall but Farmers' Markets would continue as they provided a quality niche market.

#### Evidence from Michael Nicholson, National Market Traders Federation

Presentation attached

The Committee acknowledged that sometimes the initial rent for a new trader could be quite high, so asked if there were any schemes to assist new traders. Some authorities had schemes for new traders where the rent was 50% for the first few weeks and increased gradually over a 12 month period as business increased and became more sustainable. Other authorities reduced the rent for the first 3 months. The Committee asked if local authorities could do anything to make markets more attractive and heard that a tidy environment around the market was always good and open dialogue with the traders to establish what they wanted.

The Committee questioned how most markets dealt with the waste from the market and was informed that the vast majority of markets provided a waste removal service and a lot was done to minimise the cost such as recycling.

The Committee questioned how markets could become more convenient and it was acknowledged that this was difficult to achieve as traders wanted to work fewer hours finishing around 4.00 – 4.30pm.

The Committee asked what could be done to prevent the future decline of markets and heard that promotion opportunities were important and working in partnership with local businesses to make people aware. Markets over the years had gone up and down and it was acknowledged that today traders did need to raise their game, better promotion of the markets, training of market staff to develop and expand their skills and the recognition that markets offer a route to self-employment. The Farmers Markets ticked the boxes by providing quality produce with knowledgeable stall holders and having high standards.

### Evidence from David Shields, Area Director North Yorkshire, Welcome to Yorkshire

#### Promotion of Thirsk and Northallerton Markets

##### Background

- Recognising the visitor experience
- Local distinctiveness
- Each is a unique experience
- Diversity of the Market Towns

##### Visitor Experience

- Quality Local Produce – Showcase for businesses
- Food and Drink offer
- Take home local sourced products from the markets - £10 spent on local food - £25 to the local area
- “Market Traders”

##### Welcome to Yorkshire

- Develop the “local distinctiveness”
- Destination content on [www.yorkshire.com](http://www.yorkshire.com) ( 5 million hits a year)
- Thirsk and Northallerton pages
- Know what is on your doorstep – promote the markets to consumers and other Welcome to Yorkshire members.
- Yorkshire Pride – Customer Care initiative
- Opportunity for new “traders” – Industry Suppliers – Food producers to take their “product” to market

##### Other Promotional Opportunities

- TIC 's to promote the Markets
- Working with local businesses - accommodation providers
- Groups Market – Thirsk – World of James Herriot
- Groups Market – Northallerton – “Retail” – Lewis and Coopers & Barkers

- Herriot Tourism Group – website promotion
- PR activity

The Committee questioned how local authorities could work in partnership and heard that they could link with the private sector which brought visitors into the area and could educate them about what was on their doorstep.

The Committee heard that Welcome to Yorkshire could put information about the Farmers' Markets on its website.

#### Evidence from Mr Charles Barker, Barkers Department Store

Mr Barker considered that the market was a big attraction and of great benefit to Northallerton. There were aspects of the market which could be improved such as the untidy appearance, litter problems and uniformity of stalls having a corporate image; the space in between the shop fronts and market stalls was an issue as it was tight and could easily be blocked. Mr Barker also suggested the closure of the High Street on market days with the stalls being repositioned and possibly located on the road with parking provision at one end of town. The increase in traffic on East Road was appreciated but the advantage of being able to walk around the market in safety without traffic was paramount. There was discussion about the suggestion to close the road on market days similar to the closure of the May Fair, but it was acknowledged that this had been trialled some years ago and didn't work.

The Committee asked if Mr Barker's store was busier on markets days and heard that the store was busier and took the most money on a Saturday but not on Wednesday.

The Committee questioned whether it would be reasonable for Market Traders to park their vehicles way from the stalls in a separate area but it was accepted that traders needed to have all stock readily available to them, if the weather was inclement they would not be happy and a suitable alternative parking area would need to be identified which might mean a loss of parking places for visitors. Traders could also put rubbish in their vehicles if they were parked nearby.

#### Evidence from Councillor Tony Hall, Ward Member for Northallerton Central

Councillor Hall considered that Northallerton Market was successful and detailed below the strengths, weaknesses, opportunities and threats he had identified:

Strengths – Stall holders; balance – quality offer; value for money; organised by Hambleton District Council; Charter; Conditions and safety – CCTV.

Weaknesses – Charter - inflexibility; Conditions – A frames encroachment and obstructions; Waste – removal not as good as should be; and promotion – poor, many attend by word of mouth.

Opportunities – Economic development in action; tourism in action; regeneration – low cost start up; town square compliments market; communication – regular feedback and farmers market – asset.

Threats – Bad weather; conflict with traffic; complacency – standing still.

Councillor Hall also provided photographs illustrating the problems with stalls encroaching onto the pavements.

In summary - challenging the past and embracing the future.

## Evidence from Councillor John Prest, Ward Member for Northallerton North

Councillor John Prest made the following observations in relation to the market:

1. The change from Council supplied stalls to Owner supplied stalls seems to have worked well in general. However, on days when there are adverse weather conditions, the gaps in the market are a lot more noticeable when stallholders leave at the earliest possible time. I realise there is not much anyone can do about this and it is the price to pay for stallholders providing their own stalls.
2. There is a difference in the quality and layout in general of the stalls.
3. There seems to be little control over the way stallholders' vehicles are parked on the High Street, with some vehicles overhanging the gutter and onto the Highway, especially those big vans that park near Grovers. It used to be that vans had to park and not overhang the gutter.
4. This is a big bone of contention with the public. Over the past few years, the amount of pavement taken up by stallholders' displays seems to have grown out of all proportion. Particularly affected are the pavements outside Barkers, Boots, Morrison's on the west side of the High Street and the pavements outside Cafe Nero, Nat West, Bar 100 on the East side of the High Street. In fact, there is general encroachment on the pavements on both sides of the High Street. It used to be that displays could not extend any further onto the pavement than one flag width. Nowadays, it seems that displays cannot extend onto the pavement beyond a lamp post – given that some lamp posts are 2-3 flag in from the edge of the pavement, this is excessive. To give an example, outside Barkers before Christmas, the display was such that a couple looking at the display and 2 ladies with pushchairs talking made passage all but impossible and restricted passing to one in either direction at any one time. This is not a one-off occurrence and happens every Wednesday and Saturday.
5. There is concern over the amount of loose rubbish left at the end of the markets, resulting in it being blown all over the town. I do realise in windy conditions that there is not a lot that can be done, but sometimes an earlier possible start to cleaning would help a lot and minimise rubbish being left and blown all over.
6. The trial some years ago to restrict access to the High Street did not work and buses were still allowed to go through the High Street, today East Road would not be able to cope with the extra traffic generated if the High Street was closed every Wednesday and Saturday.
7. There used to be a restriction on the number of each type of stall on the market; not sure that this is the case today.
8. The market is perceived to be a cash cow to provide funding for elsewhere, it should be run as a business which also requires some financial support; this could be in the form of price freezes.

The Committee considered that there appeared to be evidence of a lack of supervision as conditions were regularly flouted and there seemed to be no clearly defined management structure. The Committee recognised the importance of training for market staff and it was suggested that some of the officers who now had responsibility for the markets had acquired the function as a result of structural changes and had never been given any proper training. The Committee acknowledged that encroachment of stalls was a problem so there needed a mechanism of establishing a precise boundary; litter was also an issue which needed addressing. There was concern about the failure to act in relation to health and safety issues and what conditions were in place to ensure that Market Traders complied with the requirements.



### Evidence from Mr John Carrick, Regular Stall Holder

Mr Carrick advised that his family had worked on the markets for the last 80 years; that he paid around £10,000 a year in rent to Hambleton and that by paying 3 months in advance he received a discount.

He considered that in the last few years the markets received little input from the Council, with markets traders now supplying and erecting their own stalls and there was a lack of advertising and promotion of the markets. Provision of electricity would improve the markets; Bedale market now supplies electricity which has made the stalls much more attractive. Also the number of canvassers in the town has increased which can put off customers as they feel harassed when trying to shop on the market.

Market Traders accept the disruption to the market caused by the May Fair but last year there was a suggestion that a further fair be held in September and traders were only consulted two weeks before the event was due to take place. The event was cancelled but if such an event was to take place this year earlier consultation would be appreciated.

Today many Market Traders are struggling; some make very little money and if rents were to increase many may not survive. Mr Carrick advised that his business was doing reasonably well by selling local produce which could be picked and sold on the same day and this attracted customers from out of the area.

The Council receives a lot of revenue from the markets but it was felt there was little reinvestment which could result in the markets downfall.

The Committee established that Mr Carrick comments related to Northallerton market only as he did not attend Thirsk. Other markets which he considered to be good were Richmond where electricity was supplied and traders were canvassed for their views and Leyburn, but there was very little competition from supermarkets there unlike Northallerton. The Committee asked if other markets Mr Carrick attended provided a waste removal service and heard that waste removal at Hambleton was very good as it could be expensive for traders and at both Bedale and Richmond markets it was the traders' responsibility to remove waste. The Committee asked if Bedale market had improved since the change in ownership and heard that it was a very good market and that as much income was generated there as at Northallerton. Car parking at Bedale was very convenient for shoppers and the provision of electricity was very useful.

The Committee suggested that the supply of electricity should be investigated to establish if it was affordable.

The Committee questioned Mr Carrick about stall encroachment and the problems caused by vehicles parking on the pavement. Mr Carrick accepted that encroachment of stalls did happen and that having vehicles parked near the stalls was useful especially those with refrigeration units; only Ripon market required vehicles to be located away from the stalls. The Committee asked if closing the road on market days was considered to be a good idea, but heard that this was trialed in the past and was unsuccessful as it created too much congestion near the prison.

The Committee believed that in the past canvassing on markets day was not permitted.

It was suggested that before any amount of money was spent on the markets the basics should be considered initially, such as training for the market superintendent.

David McGloin, Assistant Director attended the meeting to answer additional questions from Members

The Committee questioned who was responsible for the day to day supervision of the markets as there appeared to be a number of line managers. The Committee was advised that in the past the market was operated under a strict management structure with the market superintendent being discouraged from making daily decisions. From April 2012 the market superintendent would have more day to day responsibility, receive training in the next year and consultation with market traders would be introduced.

The Committee asked how advertising and promotion of the market was addressed and heard that there was very little advertising of the markets undertaken as the function had fallen within the Economic Development Section which had experienced a reduction in staff. However there was still a one off budget allocated for the markets. The Committee questioned whether the one off sum available for markets could it be used to supply electricity to the stalls as at the Bedale Market and was advised that the cost of such provision would need to be investigated. The Committee asked if there would be any Health and Safety issues arising from the supply of electricity and heard that at this stage it was unknown what any scheme for the provision of electricity would look like, but it was possible that there would be Health and Safety implications.

The Committee asked if there was a proposed rent increase in the pipeline and heard that it was anticipated that there would be an increase in the coming year, which would include a new pricing structure. The Committee acknowledged that any investment the Council made in the markets would not increase the income generated, therefore there was a need to increase prices proportionately.

The Committee questioned the report of a lack of consultation with market traders last year regarding the proposal to hold an additional fair in September and Mr McGloin was unable to comment as the Fair was promoted by the Town Council

The Committee agreed the suggested amendments to the Market Trading Conditions subject to the following:

- Investigate the issue of canvassing not being permitted on market days;
- It was confirmed that the revision to Market Condition 1.3 should be not to charge traders for sickness absence on condition that a fitness note from a GP was supplied and also subject to a practical limit.

## Presentation to Hambleton District Council Scrutiny Committee

Good morning.

I would like to thank the Council for this opportunity to address the committee today. Over the course of the next few minutes I hope to be able to identify and expand on the concerns, challenges and aspirations of market traders.

I would emphasise that my comments are not directed at Hambleton District council markets specifically but at markets generally to provide a national perspective.

Markets were summed up in the Retail Markets Alliance policy document Markets 21 as 'the hidden sector' and I think that it would be useful to briefly review some of the Headline Statistics for retail markets from that report that support this evaluation.

Research in 2009 showed that there were  
1124 traditional retail markets in the UK  
605 Farmer's markets  
Over 45,700 market traders  
An estimated 95,000 direct employees  
Total retail market turnover of over £3.5 billion

This data demonstrates that markets and market trading are still a significant retail and employment sector.

There is a need for Local Authorities nationally to recognise the value and importance of markets and the benefits that markets can bring to the community. By value I do not mean direct monetary value but the policy areas where markets can benefit the community.

The Markets 21 document identified five policy areas where markets can make a contribution, they are: -

**Regeneration and economic development** – markets provide opportunity for low cost business start up and contribute to the variety, vitality and viability of town centres. The federation has been running a competition called First Pitch to enable new and sustainable business on markets to grow and become sustainable new businesses.

**Food and Health** through the provision of access to fresh wholesome produce at reasonable prices. Markets can and do compare favourably with supermarkets on quality and the price of the goods that they sell. A shopping basket survey carried out for the NMTF in 2007 showed that on a basket of comparable goods markets were up to 30% cheaper than supermarket goods.

**Culture and Tourism** markets are a popular destination for coach operators and can be an important part of the tourist offer for towns and cities.

### **Community Cohesion**

Markets provide a meeting place for social interaction; they also provide a sense of ownership and local pride

### **Environment**

Markets can demonstrate a low carbon footprint, with products that are locally sourced available from traders with minimal packaging.

While these positive contributions have been identified it is fair to say that markets have been neglected over the years through: -

**A lack of investment** in the infrastructure, and training for staff

**By being used as cash cow** to provide a revenue stream for the operator

**By being perceived as a low priority** by those who have responsibility for them within a larger management portfolio.

**by the demise of the dedicated markets department**, that has resulted in markets being batted from pillar to post as re-organisation followed re-organisation within local authorities.

**By the lack of entrepreneurial vision** by management who perceive their role as regulatory only.

**By being located away from the retail heart of the town** - in some towns and cities the retail centre has moved while the market has stayed in its traditional location resulting in a down turn in its fortunes.

In addition there are other pressures on markets, social changes, Sunday trading, edge of town retail parks, the growth of the superstores and internet shopping have all contributed to the position that markets find themselves in.

There are some very qualified people in charge of markets; regrettably their qualification is not in markets management.

This statement is not intended in a denigrating way, these managers are appointed to manage a function. Until recently there was no recognised qualification or structured training regime for them to turn to. This is however set to change with the introduction of the National Association of British Market Authorities Diploma in Market Administration. It is hoped that current market managers will take advantage of the opportunity that this qualification offers to enhance their skills.

It is also fair to say that not all of the blame for the fortunes of markets can be laid at the door of the market operator. In many cases the traders themselves have contributed to the problem by failing to respond to changes in retailing. By sticking with a formula that worked in the past the public's perception of markets, particularly young people's perception is that markets are not cool or sexy. Consequently market traders and their customers are in the main an ageing population.

The Federation acknowledges that traders need to raise their game. To this end the federation has developed two self help guides – NMTF first and 400. These guides are broken down into modules covering a different aspect of market trading for example signage, presentation, customer service etc.

Feedback from traders who have worked through the guide has been positive and reports have been received of increases in trader turnover as a result of using the guides.

In conclusion I would suggest that the following issues need to be considered

Promotion – while local customers may be aware of Hambleton's markets active promotion of Hambleton's markets to a wider audience would have direct benefits to towns and communities if new additional customers could be attracted to visit. This would of course require a budget to be agreed.

Training of markets staff to develop and expand their skills. All too often managers with no experience of markets whatsoever are thrust into a role that they are not equipped to deal with. Providing training could be beneficial not only to the market but to the town economy as a whole. In addition encouraging market staff to study for the new Diploma in Markets Administration could result in a more pro-active management and promotional role.

Recognising that markets offer a route to self employment and employment through encouraging an entrepreneurial environment which could result in new businesses and new employment opportunities.

Encouraging entrepreneurship and innovation through the markets as a way of reducing unemployment and creating a new and thriving economy in Hambleton district.

A healthy and vibrant market would complement and benefit other retailers in Northallerton and the surrounding communities. Markets have the capability of

being all things to all people provided that they are nurtured and encouraged through consultation and co-operation between traders and the Council.

Thank you for listening.

POLICY REVIEW - MARKETS  
TASK AND FINISH GROUP  
TO REVIEW THE MARKET TRADING CONDITIONS

29 November 2011

Present:

Councillor	D E Adamson K Billings Mrs C S Cookman Mrs J A Griffiths D Hugill J Noone
David McGloin Clive Thornton Jane Hindhaugh	Assistant Director Senior Engineer Democratic Services Team Leader (Part)

David McGloin explained the current position with regard to Market Trading Conditions. He advised that the Conditions were last reviewed in March 2010 by the then Prosperity and Places Overview and Scrutiny Committee; few changes were made other than to stall provision, the incorporation of Health and Safety arrangements and removal of discretion by Market Superintendent.

The Group considered the Conditions a section at a time and made the following comments/suggestions:

General Point

Glossary of definitions to be provided and added to the document.

Section 1

- 1.3 Sick traders to be charged subject to fitness note
- 1.4 OK
- New 1.5 Introduce capability procedure for long term sick or compassion. Capability to consider down grading permanent to casual (although at high priority)
- New Clause Add holidays clause

Section 2

Casuals to have photo evidence of trader identity.

- 2.6 Need to ensure employer liability is covered when checking for attending Traders other than main stall holder.
- 2.8 No definition for numbers of stalls selling similar goods. Retain as it is but duplicate for permanents.

Section 3

New line for markets to be defined which stops stall creep into pedestrian area. Promote kerb line as the reference line.



- 3.2 Parking of vehicles is an increasing problem. Add "must be within yellow lines". Clive Thornton to discuss with North Yorkshire County Council.
- 3.15 Delete last sentence
- 3.17 Is age 16 still valid. Members wished to move to 18. Should add other goods if possible eg knives?

#### Section 4

Being considered by Legal Section to make more effective

- 4.4 Add Members

#### Section 5

Approach the County Council to relocate the pitches from the north end.

Clive Thornton to develop a revised charging formula based on frontage. Also need to accommodate depth.

- 5.2 Delete this service. This will require consultation with Traders.

Clive Thornton to put together an offer for Traders which covers revised fees, removal of litter service and desires of Traders to have holidays. This addresses the future cost of replacing refuse collection vehicle in 2013.

#### Section 6

- 6.2 £5.00 levy is too low, increase to £10.00
- 6.1(i) & 6.4 Delete "an authorised payment book"
- 6.7 Ensure this links up with 1.3 – 1.5

#### Section 7

- 7.2 Change Assistant Director to appropriate supervising officer

#### Section 8

Council's Legal Officer redrafting.

#### Section 9

No issues

The above is to be read in conjunction with the current Market Trading Conditions.

Meeting closed at 2.45pm

Following consideration of the Task and Finish Group's findings on the review of Market Trading Conditions, the Committee at its meeting on 7 February 2012 agreed that the issue of not permitting canvassing on market days should be investigated.