



Lichfield City Council

Donegal House, Bore Street, Lichfield, Staffordshire, WS13 6LU

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Town Clerk: Anthony Briggs

10 July 2020

To: Members of the Markets Working Group

Councillors J Checkland (Chairman) and P McDermott, D Robertson, J Smith, C Spruce and M Warfield.

Also to:

LCC Markets Officer (Jordan Appleyard)
LCC Deputy Town Clerk (Sarah Thomas)
LCC Civic Officer (Lucy Clarke)

Dear Councillor

Markets Working Group

You are invited to attend a meeting of the Markets Working Group to be held via 'Zoom' at **10:00am on Friday 17 July 2020** for the transaction of the following business. Any Councillor unable to attend should forward their apologies to the Town Clerk.

A link enabling members to join the meeting will be circulated separately, and the Zoom 'waiting room' feature will be enabled. Any member of the public wishing to view the meeting should email the Town Clerk (tony.briggs@lichfield.gov.uk) to advise of their intention to attend; the link to the meeting will then be provided by return.

Yours sincerely

Tony Briggs
Town Clerk

AGENDA

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST AND REQUESTS FOR DISPENSATION

3 MINUTES AND MATTERS ARISING

To confirm as a correct record the Minutes of the MWG meeting held on 17 December 2019 (copy attached) [*Minutes adopted by Council on 27 January 2020*] and to consider any matters arising from those Minutes

4 PRODUCER'S MARKET REVIEW

To note that the recommendations of the MWG as adopted by Council required a review of the partnership with CJ Events following the June 2020 Producer's Market and that the meeting of the MWG to consider this matter was scheduled for 16 June 2020. Unfortunately, the Market was held on only one occasion prior to lockdown.

The Producer's Market returned on Sunday 5 July and was very well received with a considerable number of positive comments from Traders and customers alike. 21 stalls were in attendance and the market was well organised and incorporated all the necessary COVID-19 guidelines.

RECOMMENDED: In light of the COVID-19 pandemic, the Markets Working Group to review the partnership with CJ Events following the November 2020 Producer's Market and to make recommendations to Council regarding future arrangements as soon as possible thereafter.

5 REVIEW OF MARKET RENT INCENTIVES

To consider the Town Clerk's report at **APPENDIX 1**

RECOMMENDED:

- a) The Markets Working Group, utilising delegated authority from Council, to decide whether to cease, extend or vary the current rental incentive as resolved by Council at its meeting of 15 June 2020; any decision to extend/vary the incentive would be in place until 15 September 2020 at the latest***
- b) The MWG to make a recommendation to Council as to the status of the incentive following the expiry of the decision made under delegated authority at (a) above.***

6 DATE AND TIME OF NEXT MEETING

To be decided by the Working Group.

ANY OTHER BUSINESS AT THE DISCRETION OF THE CHAIRMAN.

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Lichfield City Council

Minutes of the Meeting of the Markets Working Group (MWG) held in the Ashmole Room, Guildhall, Lichfield on Tuesday 17 December 2019 at 11.45am

PRESENT: Councillors J Checkland (Chairman), P McDermott, D Robertson, C Spruce and M Warfield.

IN ATTENDANCE: J Appleyard (LCC Markets Officer),
A Briggs (Town Clerk)
S Thomas (Deputy Town Clerk)

APOLOGIES: Councillor J Smith

7. DECLARATIONS OF INTEREST AND REQUESTS FOR DISPENSATION

None

8. MINUTES

RESOLVED: That the Minutes of the meeting held on 18 November 2019 be confirmed as a correct record [minutes adopted by Council on 2 December 2019].

9. MATTERS ARISING FROM MINUTES

None that are not considered at Minute number 10 below.

10. CJ EVENTS, WARWICKSHIRE

The Working Group discussed the meeting with CJ Events Warwickshire that was held immediately prior to this meeting of the Working Group in order to discuss options for the City council's Farmers' market. This follows the resolution by Council on 2 December 2019 to discontinue the previous arrangements.

The credentials of CJ Events were found to be very satisfactory; it was agreed by all that the meeting had been positive and that the Working Group is keen to progress the relationship with CJ Events further.

The discussions with CJ Events had been wide ranging, including recommendations that the date of the Market should be altered from the first Thursday of each month to the first Sunday of each month, with the possible exception of January. Given that half of the Square is occupied on most Sundays by ad-hoc hirers and bookings are in place for Sundays in 2020, it was agreed that the other half of the Square could be made available for the Market initially in order that demand can be gauged.

It was also suggested that the current Farmers' Market should be renamed as a 'Producers Market'. The Working Group discussed the financial benefits of working with CJ Events and that the company would assist with design and marketing of the new market, notably via their social media channels. CJ Events would pay to the Council a proportion of the earned income from stall rental, the income to the Council would therefore be variable depending upon the number of Traders present at each Market.

Following detailed discussion, the following recommendations to Council were agreed:

RECOMMENDATIONS TO COUNCIL:

- 1. The existing Farmers' Market as held on the first Thursday of each month be discontinued, with the final Market taking place on 6 February 2020***

2. *The Council resolve to establish a new 'Producer's Market' to replace the Farmers' Market; the Market to be established under the provisions of the Food Act 1984 part III, and take place on the first Sunday of each month as required; the first 'Producers Market' to be held on Sunday 1 March 2020.*
3. *That the City Council enters into a preliminary agreement to host the Producer's Market in partnership with CJ Events for a period of six months, with a break clause that can be activated by either party at any point after four months.*
4. *Delegated authority be given to the Markets Working Group to activate the 'break clause' referred to at recommendation 3*
5. *The Markets Working Group to review the partnership with CJ Events following the June 2020 Producer's Market and to make recommendations to Council regarding future arrangements as soon as possible thereafter*
6. *Delegated authority be given to the Town Clerk in consultation with the Chairman of the Working Group to agree with CJ Events the detail of the initial six-month agreement; to include logistical arrangements, stall price setting etc in readiness for the first Producer's Market on 1 March 2020.*

11. DATE AND TIME OF NEXT MEETING

10.30am on Tuesday 16 June 2020

THERE BEING NO FURTHER BUSINESS

THE CHAIRMAN DECLARED THE MEETING CLOSED AT 12.15pm.

REVIEW OF MARKET RENT INCENTIVES

At its meeting of 15 June 2020 and following discussions concerning incentives to be provided to Market Traders to help them re-establish their businesses following the relaxation of restrictions associated with the COVID-19 pandemic, the City Council resolved that:

- a) *That the current 50% reduction in prevailing rental charges be extended until Monday 10 August 2020, that being 8 weeks from the date of this meeting [the reduction in estimated income being in the region of £9,264, comprising £6,168 as a result of the revised market layout due to social distancing, and £3,096 as a direct result of this incentive]***
- b) *For reasons of VAT compliance, the prevailing service charge as applied to Friday and Saturday Markets to be £5.00 per pitch. This pricing structure to be reviewed on an ongoing basis in light of Government guidance and the provision (or not) of LCC owned Market Stalls. The 50% reduction at point (a) above does not apply to this charge.***
- c) *Delegated authority be given to the Town Clerk in consultation with the Leader of the Council to vary the service charge based on the ongoing review set out at point 2 above.***
- d) *No arrears to be charged to stall holders who are self-isolating, or those who confirm in good time that they will not attend. Arrears will be charged when a Trader, who has confirmed their intention to stand at a particular market, subsequently does not attend and has not provided at least 24 hours' notice (unless they are self-isolating).***
- e) *The Markets Working Group convene to review the appropriateness of ending, extending or varying the rental incentive no later than Wednesday 5 August 2020, with delegated authority to implement the outcome of those discussions with effect from 11 August 2020. Any further incentive agreed to be for a period of no longer than a further 5 weeks [thereby allowing the consideration of any further incentives at the September meeting of the Council if appropriate]***

In regard to point (e) above, the Markets Working Group is now asked to consider next steps regarding the rental incentive. Representations from Traders indicate their desire for the incentive to continue, but this is perhaps to be expected. This must be balanced against the cost to the Council, especially given the numerous budgetary pressures the authority faces due to COVID-19.

Though the lack of stall erection/dismantling fees has reduced overall cost to the Council, the social distancing measures on the Square and reduced rental income due to existing incentives and the adoption of the 'Tuesday' market model have reduced income considerably.

Anecdotally, the markets have been relatively busy, and Traders appear to be re-establishing themselves and their businesses well. These are still unprecedented times however, with the ever-present threat of local lockdowns or the possibility of restrictions on a wider scale.

The Markets Working Group has a relatively narrow window for any further incentive due to the limitations of the council resolution; any agreed further incentive would take place from 11 August 2020 and last for a maximum of five weeks (to 15 September 2020).

When the current incentive expires on 11 August, it will be a little over 10 weeks since outdoor markets were allowed to reopen after lockdown, and the 50% rent incentive has been in place for the whole of that period.

It may be that members of the Working Group wish to extend or end the incentive, or see this as an opportunity to introduce a gradual uplifting of rents to their normal levels, possibly 75% rent (rounded to the nearest 50 pence for convenience) for a period of five weeks, with a recommendation to council for either the continuance of any incentive for a period beyond five weeks or a return to a charge of 100% of prevailing pitch fees at that time.

To assist the Working Group in its deliberations, an extract from the Town Clerk's report to June Council detailing costs associated with the changes to the layout of the Square and charging rates is provided below:

*Figures are for guidance only, but a 50% reduction in rent, with social distancing in place and utilising the 'Tuesday' model, would lead to reduced income to the Council in the region of **£1,158/week when compared to 2019/20.***

When considering any incentive, members are therefore asked to bear in mind:

- *The likely income reduction due to social distancing measures for 2020/21 (i.e. 50% of 2019/20 capacity on the Square) is around **£771/week** and beyond the control of the council, this amounts to more than £40,000 (5% of precept) over a financial year*
- *The income reduction from a 50% rent incentive is approximately **£387/week in addition to the £771/week** detailed above*
- *The market/market square function did not generate a surplus in 2019/20 and is therefore highly unlikely to do so in 2020/21. The result being that the council will likely need to find this funding from its reserves.*

RECOMMENDED:

- a) The Markets Working Group, utilising delegated authority from Council, to decide whether to cease, extend or vary the current rental incentive as resolved by Council at its meeting of 15 June 2020; any decision to extend/vary the incentive would be in place until 15 September 2020 at the latest***
- b) The MWG to make a recommendation to Council as to the status of the incentive following the expiry of the decision made under delegated authority at (a) above.***