

| Report of                                    | Meeting                   | Date          |
|--|---------------------------|---------------|
| Director of Business, Development and Growth | Executive Member Decision | February 2018 |

## CHANGES TO MARKET RENTS & FEES

### PURPOSE OF REPORT

- To set out proposals for Market related rents and fees for 2018/19.

### RECOMMENDATION(S)

- To seek approval to waive the 3.9% increase applied to rents in relation to the operation of Chorley Markets.
- To seek approval to waive the 3.9% increase for fees and charges.

### EXECUTIVE SUMMARY OF REPORT

- In 2014 it was agreed by members to apply the September RPI to market fees and charges on an annual basis.
- Due to the affect the development works have had in the Town Centre which led to temporary disruption in particular to the main Flat Iron car park. As a gesture of the Council's commitments to its traders, many of which have been in Chorley for decades, a 4 week rent free period for Quarter 4, commencing Jan 2018 was given to traders.
- As the development works have been delayed and are now not scheduled for completion until late 2019 there will be ongoing disruption to car parks and accessibility to the Town Centre. Whilst this will be mitigated through the provision of temporary car parks and additional marketing support it is inevitable that trade will be disrupted.
- Measures within this report are proposed to sustain a thriving and vibrant market within the Town Centre

|  |     |           |
|--|-----|-----------|
| <b>Confidential report</b><br>Please bold as appropriate | Yes | <b>No</b> |
|--|-----|-----------|

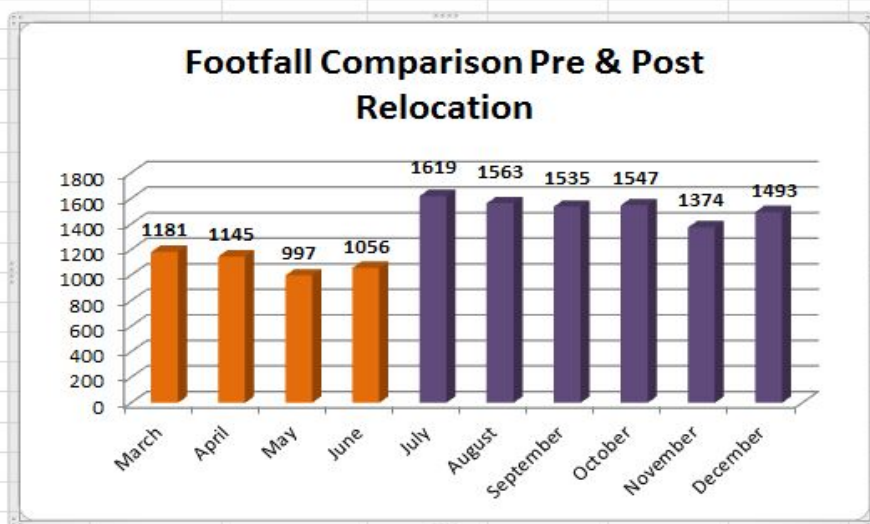
|  |     |           |
|--|-----|-----------|
| <b>Key Decision?</b><br>Please bold as appropriate | Yes | <b>No</b> |
|--|-----|-----------|

|   |   |   |
|---|---|---|
| <b>Reason</b><br>Please bold as appropriate | 1, a change in service provision that impacts upon the service revenue budget by £100,000 or more | 2, a contract worth £100,000 or more  |
|   | 3, a new or unprogrammed capital scheme of £100,000 or more                                       | 4, Significant impact in environmental, social or physical terms in two or more wards |

## REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

8. Chorley Markets has a reputation for having an attractive offer of stalls which brings in visitors from far and wide benefitting the whole Town Centre.
9. The footfall in the town centre has increased in the pedestrian zone since the relocation of the Tuesday market to the streets which in turn benefits the Town Centre businesses in those locations. See table below of figures from manual counts from March – December 17:



|                        | Month     | Avg footfall |
|------------------------|-----------|--------------|
| Pre Market Relocation  | March     | 1181         |
|                        | April     | 1145         |
|                        | May       | 997          |
|                        | June      | 1056         |
| Post Market Relocation | July      | 1619         |
|                        | August    | 1563         |
|                        | September | 1535         |
|                        | October   | 1547         |
|                        | November  | 1374         |
|                        | December  | 1493         |

10. The footfall taken from the Market Walk shopping centre counters shows proportionally that footfall on a Tuesday is the highest day of the week showing the beneficial effects to all businesses of having a successful market.

## ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

11. To increase the rents in line with the Retail Price Index as per agreed in 2014. (3.9% at September 2017). This might have a detrimental effect on the on-going success of the market and subsequently reduce footfall affecting all businesses within the town centre.

## CORPORATE PRIORITIES

12. This report relates to the following Strategic Objectives:

|  |   |   |
|--|---|---|
| Involving residents in improving their local area and equality of access for all | A strong local economy  | x |
| Clean, safe and healthy homes and communities                                    | An ambitious council that does more to meet the needs of residents and the local area | x |

## BACKGROUND

13. In 2014 it was agreed by members to apply the September RPI to market fees and charges on an annual basis.
14. Due to the affect the development works have had in the Town Centre which led to temporary disruption in particular to the main Flat Iron car park. As a gesture of the Council's commitments to its traders, many of which have traded in Chorley for a number of

decades, a 4 week rent free period for Quarter 4, commencing Jan 2018 was given to traders.

15. As the development works have been delayed and are now not scheduled until completion late 2019 there will be ongoing disruption to car parks and accessibility to the Town Centre. Whilst this will be mitigated through the provision of temporary car parks and additional marketing support it is inevitable that trade will be disrupted.
16. Taking the decision to not increase the rent for the covered market traders by the 3.9% will result in lost revenue of £13,590 and to not increase the rent for the street market traders a further loss of £1,927, a total of £15.5k.
17. By taking the decision to not increase the market charges and fees by the 3.9% will result in further lost revenue of ~£2k.
18. The table below shows a comparison of neighbouring outdoor market charges for similar pitch sizes.

| Town                  | Casual Price<br>(per 10ft) | Permanent Price<br>(per 10ft) |
|-----------------------|----------------------------|-------------------------------|
| Chorley Council       | £20.00                     | £16.72                        |
| Earlstown (St Helens) | £20.00                     | £20.00                        |
| Ormskirk (West Lancs) | £27.80                     | £25.30                        |
| Lancaster             | £19.25                     | £17.25                        |

## IMPLICATIONS OF REPORT

19. This report has implications in the following areas and the relevant Directors' comments are included:

|  |   |  |  |
|--|---|--|--|
| Finance                                  | x | Customer Services                      |  |
| Human Resources                          |   | Equality and Diversity                 |  |
| Legal                                    |   | Integrated Impact Assessment required? |  |
| No significant implications in this area |   | Policy and Communications              |  |

## COMMENTS OF THE STATUTORY FINANCE OFFICER

20. The 2018/19 Budget, as approved by Council on 27<sup>th</sup> February 2018, has assumed zero inflationary increase in Markets Rents, in keeping with the proposals outlined in this report.

At the same Council meeting of the 27<sup>th</sup> February 2018 an update to the corporate Fees and Charges Policy was ratified, in which, as part of the process of reviewing fees and charges the following statement states:

**“The annual review of charges should not just include an inflationary uplift; the full cost of providing the discretionary service, current market and other Council’s charges and cohesion with corporate strategy priorities should also be considered.”**

As such, the proposals outlined in this report are in cohesion with the Council’s corporate strategy priority of creating and supporting a strong local economy by way of encouraging the vibrancy of the local market.

## COMMENTS OF THE MONITORING OFFICER

21. The Council have the discretion to make reasonable fees and charges for the holding of markets.

MARK LESTER  
DIRECTOR OF BUSINESS DEVELOPMENT & GROWTH

| <b>Background Papers</b>        |               |                  |                                    |
|---------------------------------|---------------|------------------|------------------------------------|
| <b>Document</b>                 | <b>Date</b>   | <b>File</b>      | <b>Place of Inspection</b>         |
| Rent Review Consultation Letter | February 2014 | Planning Eco Dev | Market Walk, Markets & Town Centre |

| <b>Report Author</b> | <b>Ext</b> | <b>Date</b>   | <b>Doc ID</b> |
|----------------------|------------|---------------|---------------|
| Nicola Banks         | 260393     | February 2018 | ***           |

Following careful consideration and assessment of the contents of this report, I approve the recommendation(s) contained in Paragraph 2 of the report in accordance with my delegated power to make executive decisions.



**Dated 02/03/2018**

**Councillor Alistair Bradley**  
**Executive Member for Economic Development**  
**and Public Service Reform**