

**Draft Scrutiny Review of Burton Market Hall by the  
Value for Money Council Services Scrutiny Committee  
May 2016**

**DRAFT**

**1. Scope of the review**

- 1.1. The Market Hall reopened to the public in June 2014 following an extensive refurbishment and in February 2016 the Scrutiny (VALUE FOR MONEY COUNCIL SERVICES) Committee began a review of this service.
- 1.2. A scoping paper was adopted (appendix A) by the committee in order to provide an initial focus for the review with a non-exhaustive list of questions.

**2. Initial Findings**

- 2.1. Using the initial set of questions, the support officer spoke with colleagues from the Markets Team to get an understanding of the markets operation and gave a verbal update the Scrutiny Committee meeting on the 16<sup>th</sup> March 2016.
- 2.2. During this meeting further discussion took place around the scoping questions.
- 2.3. Since the last meeting and after further investigation with the markets team, the findings to the review are provided below:

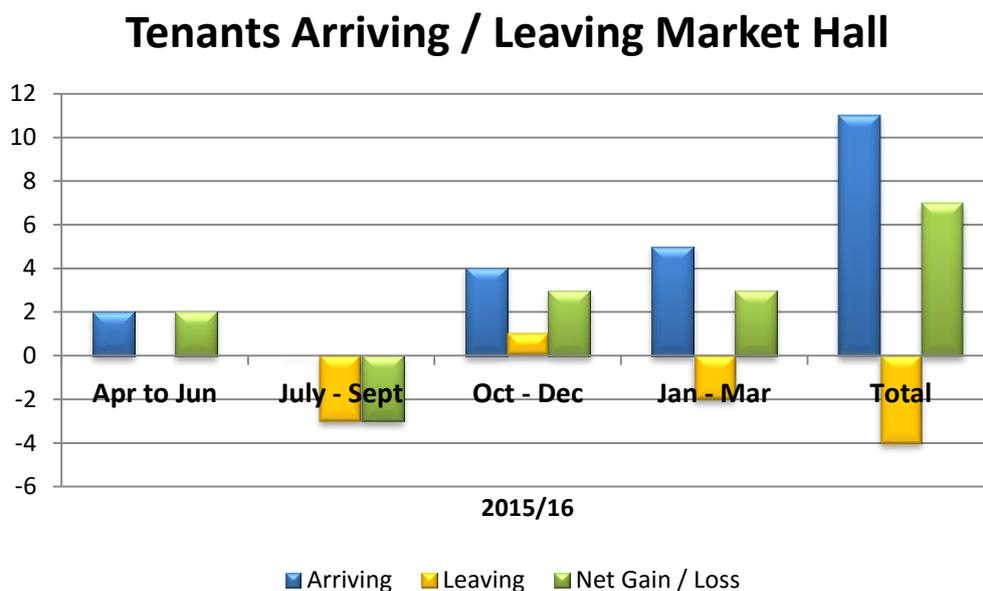
**1. Of the original traders who opened when the Market Hall re-opened after refurbishment how many are still trading?**

Of the original group of nine traders who resumed business within the newly refurbished Market Hall in June 2014. Two of these remain (Kandy factory and Magpie's Nest).

**2. What has the 'churn' been for traders at the Market Hall?**

The number of traders who have arrived at and left the Market Hall during the last financial year is depicted in Figure 1.

Figure 1.



### 3. Do we know why traders have left the Market Hall?

There have been a number of contributing factors leading to traders either seeking new premises or ceasing to trade. A number of traders have felt the need to relocate to larger or more specific retail establishments due to company expansion or change of business model.

The Market Hall has seen some businesses flourish and move to larger premises whilst there have also been some traders that have struggled to maintain business and as such have not been able to maintain the level of turnover necessary to meet overheads attributed to full rent amounts following an introductory period. Sadly some traders have felt it necessary to terminate their tenancy with the council. Personal reasons and the dissolving of partnerships have also been cited as reasons for termination. As with all businesses which involve tenancy agreements there is a possibility of agreements not being upheld and as such tenancy has to be revoked such as in the event of non-payment of rent. This has happened on several occasions.

### 4. What are the current trader occupancy levels for the fixed shop units?

Trader occupancy is shown in Appendix B. The trader occupancy for the Market Hall as at May/June 2016 is shown at Table 1:

Table 1.

Total Units	29	100%
Occupied	22	75.86%
Ceased trading but still paying rent	1	3.45%
Under Offer	1	3.45%
Leaving	0	0.00%

The target occupancy level is 80% and above. Following the latest targeted trader initiative several leads are currently being followed up and may well result in new traders entering the Market Hall i.e. Sports clothing and women's clothing and accessories.

#### **5. How are rents calculated for the Market Hall?**

All rents were originally set following recommendations from a report produced by Quarterbridge in 2012. These were adopted by Cabinet in August 2012. However, the council has had to adapt to ensure participation from businesses and as such the markets team evaluates each application on an individual basis offering rent reductions or rent free periods as incentives. A Cabinet report (June 13<sup>th</sup> 2016) has also recommended a review of trader unit charges with a view to bringing these into line with similar trading units in Burton upon Trent.

#### **6. Are rents comparable with other markets and shopping environments?**

A detailed rent comparison has been included at Appendix C comparing both stalls and units in Derby, Shrewsbury and also Burton upon Trent town centre.

#### **7. What is being done to market and advertise the Market Hall and Market Place both for customers and traders?**

The Council has formulated a Marketing Plan (Appendix ??) and has increased its investment in electronic marketing through the use of social media and stall finder websites. Market officers have visited other markets locally to ascertain methods in improving awareness of both the market hall and individual traders.

The Council has updated the website to include traders' web pages and specific offers and runs a prize draw with prizes redeemable within the market. A significant investment has been made on signage through an external signage company. A newsletter to traders-informs traders of events and activities taking place in the Market Hall and provides an opportunity for feedback.

A Newsletter to Market Hall customers-informs customers of upcoming activities and events taking place. Each holiday season the sports development team hold activity sessions in the hall to attract potential new customers. The Council ran a high profile

marketing campaign in the 'run up' to Christmas 2015 including the use of bus stop advertising and advertising hoardings.

In January 2016 targeted trader recruitment was attempted through the use of Rushton Hickman data base this resulted in over 11 leads with 2 converted into new tenants. A second email 'drop' took place in April 2016.

Since its reopening in June 2014, the Markets have also obtained Membership of the National Association of British Market Authorities which permits joining the 'Love Your Local Market Campaign'.

A Market Hall 'Lettings and Events' booklet has been launched.

### **8. Is any additional support given to traders at the Market Hall?**

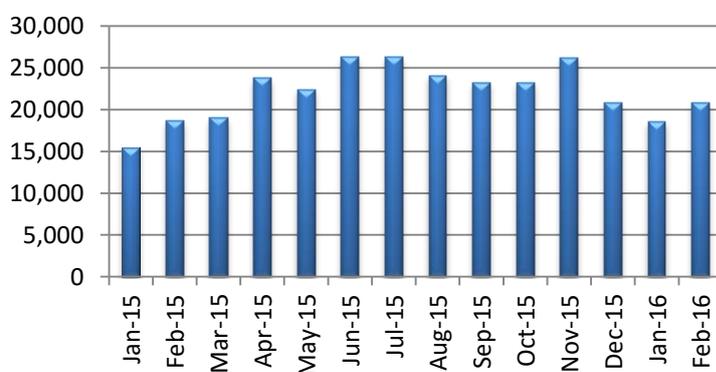
As covered in question 5 rental agreements and rent amounts are negotiable and the Council has endeavoured to support retailers to ensure that trade continues. The council has also invested in providing workshops and advice for small businesses as well as the marketing strategies employed the council has signed up to the Market year book and other promotional tools with a view to bring in a varied and sustained clientele. Examples of which include:

- The revised ES News
- Co-promotion of activities-traders have the opportunity to market promote their business in ESBC literature e.g. Candy Factory during October 2015 half term.
- The Market Times (feature article appeared in April 2016)
- Market Trade News
- The Market Trader
- The Markets Year Book
- Embedding trader websites into the ESBC main Market Hall website.

### **9. What are footfall figures for the Market Hall?**

Footfall figures are illustrated in Figure 2.

*Figure 2.*



## **10. What is being done to attract stallholders and traders?**

As in Q8 there has been improved lead generation via the website and Rushton & Hickman.

Improved advertising to prospective traders and stall holders via stall finder and national markets magazines.

New trader rent offers.

Efforts to improve footfall and number of events held in the hall, to drive increased business.

## **11. Have the social and economic benefits that were cited in the original business case been delivered with the refurbished Market hall?**

The purpose of the review is to ascertain if the initial targets set in the original business case have been met. A copy of the August 2012 Cabinet Report is provided at Appendix D

## **12. Is the Market Hall being utilised to its full potential in terms of events?**

There have been a number of successful events and an event calendar is provided as Appendix E. Issues arise when providing events as research indicates that provision of a core type of event is very successful however interests in diverse events as outlined in the initial proposal have been negative. Efforts have been made to transfer suitable events from the Brewhouse and leisure centres with a degree of success. During 2015/16, the Market Hall played host to a number of events including:

- St Georges Day Parade
- Murder Mystery
- Yarn Bombing
- Free Bouncy Castle
- College Exhibition
- Gardening Festival
- Co-Op Learning Trust Choir event
- Summer Holiday Activities
- Autumn Festival - Sale of plants and produce
- Tai Boxing Event
- Xmas Lights Switch On
- Business Event for Traders
- Easter Festival

Planned future events include:

- Boxing events
- Further Festival type events
- 'Sport in the Hood' activities
- Barn dances
- Love your Local Market fortnight
- Festival of Gardening
- Quarterly Craft Markets
- Cultural Services Festival events
- Seasonal themed Markets

In order to supplement 'normal' trading a number of other specialist 'markets' have also taken place in the Market Hall in order to generate additional interest and footfall into the facility. Examples of these are shown below:

- Farmers Market Event
- Christmas Craft Market
- Antiques Fair
- Halloween Market
- Car Boot
- Market Bazaar (including live music and classic cars)
- Angling Fair
- Victorian Market

### **13. What and how many events have been held at the Market Hall since its reopening?**

As in Q12 an events Calendar is provided as Appendix E.

### **3. Further investigations and questions from the Scrutiny Committee**

3.1. On the 16<sup>th</sup> of March 2016 the Scrutiny Committee convened and following the initial verbal account provided by the support officer, further questions were raised.

#### **1. Information was requested regarding the number and letting arrangements for the "pop up stalls".**

There are a total of 30 "pop-up stalls available to rent.

Pop up stalls are let on a casual daily basis Thursday – Saturday inside the Market Hall. Since opening the price per stall has been set at £10 a day.

A number of incentives have been offered to try and increase pop up numbers including 'buy one get one free', or trade on Thursday and get Friday or Saturday free in the same week. Incentives like this were trialed to try and maintain trader numbers across the three traditional market days with offers evaluated and rotated to spark new interest. Trends started to show that Thursdays were busy, however

dropped off on Friday and Saturday. However, in the past 12 months Saturdays have now become the busiest 'pop up' day.

A number of casual pop up traders have become 'regulars' and trade every week on specific days. Table 2 below shows the average sale of pop up stalls for the past four months:

Table 2.

	Thursday	Friday	Saturday	Total	Average
<b>November 2015</b>	7	6	10	91	8
<b>December 2015</b>	9	7	15	91	10
<b>January 2016</b>	8	5	7	74	7
<b>February 2016</b>	9	8	13	123	10
<b>March 2016</b>	7	4	7	78	6

From the table it is apparent that the average number of 'pop ups' began to increase in the lead up to Christmas, and naturally January is a quieter month in the retail sector. Encouragingly, February figures started to improve again.

In March two of the regular pop up traders expanded their business into a fixed unit having a negative effect on pop up numbers. Since opening, 10 traders have begun their business on a 'pop up' stall in the Market Hall. Due to their success they took the decision to expand to a fixed unit. However, as all of these traders were regular casual 'pop up' traders there has been a 'knock on' effect in some months with resulting 'pop up' trader numbers.

**2. Information was requested with reference to the rent comparison with other shopping centres within the borough and also comparative Markets.**

Appendix B shows the comparison for similar units within Derby, Shrewsbury and Burton Town Centre.

**3. It was suggested that the committee visited the Market hall**

A visit was arranged for the 26<sup>th</sup> of April 2016. Catherine Malkin, SSC Team Leader, met members, guided them through improvements and handed out literature explaining the current and proposed methods used to attract footfall and traders. Unfortunately, only two members of the committee were able to attend.

**4. Concerns were raised that the events held at the Market hall were in direct competition with the councils other facilities.**

Since the appointment of Mark Rizk to Head of Service a restructure has taken place to bring the authorities assets under one team. This enables the team to distribute activities and events according to the suitability of the venue. For example, the St Georges day parade has been moved to the Market Hall due to the additional capacity required for the event. During the recent World Snooker tournament at Meadowside Leisure Centre, exercise classes were moved to the Market Hall.

**5. In the initial proposal for the development of the Market hall it was suggested that the venue would be used in the evening for various activities. Members of the Committee requested additional information on this area of the Market Hall.**

Whilst a number of evening activities and events have been held at the Market Hall (as shown in the response to question 12), the transition between daytime trading and the setting up of the evening activities has proven problematic to facilitate. Future programming in connection with the Brewhouse/Town Hall will look at the option of attracting 'performance events' where a seating capacity above 400 is required.