

Key Decision Required:	No	In the Forward Plan:	No
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CABINET

25 JANUARY 2012

REPORT OF FINANCE AND ASSET MANAGEMENT PORTFOLIO HOLDER

A.6 LEASE OF MARKET SITE AT WALTON ON THE NAZE ESSEX

(Report prepared by Andy White)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To consider in principle whether to give approval for the granting of a lease for the running of the market at High Street Walton on the Naze Essex. The full extent of the site is shown edged bold on the plan attached at Appendix A.

EXECUTIVE SUMMARY

Frinton and Walton Town Council seeks a five year agreement to allow it to continue to run the market in Walton Town Centre. The site is established on the High Street Car Park and the current licence arrangements allow markets can be run one day per week and on fourteen other Mondays.

The Town Council has run the market for nearly three years following the inability of the previous private sector operator to continue. Terms proposed are in line with existing arrangements. The financial consideration proposed is considered in a further report in part B of this agenda.

RECOMMENDATION(S)

That Cabinet agrees in principle the granting of a new lease to allow the continued operation of the market.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The Corporate Plan identifies priorities relevant to the matter:

- Build a thriving local tourism industry.
- Promote sustainable economic growth.
- Regenerate the District and improve deprived areas.
- Promote healthy and active lifestyles.
- Protect and enhance our environment, countryside and coast.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

Effective use of assets is in accordance with the framework set out in the Asset Management Plan and the Capital Strategy and supports the Council's Medium Term Financial Strategy. Leasing the site will yield an ongoing revenue income. Details of the potential income are included in the report in Part B of this agenda.

Risk

The alternative courses of action could be to cease to use the site for a market in order to concentrate on parking use and income or to seek bids for the running of the market from the private sector or other interested parties. The closure of the market would have a significant impact on the local economy and it is not recommended. Competitive bids could be invited but there is no guarantee that a higher rent would be achieved. The process would involve delay and costs.

LEGAL

Granting a five year lease is within the Council's discretionary powers. Section 123 of the Local Government Act 1972 requiring best consideration reasonably obtainable does not apply in this case because the lease is for less than seven years. The Council still has a general fiduciary duty to the public purse but it is able to consider the potential community benefits of the proposal without the procedures specified in the General Disposal Consent (England) 2003. The proposal from the Town Council is for a five year licence but it is considered that a five year lease excluding the provisions of Part II of the Landlord and Tenant Act 1954 would be more appropriate because of the increased certainty that it offers both parties. It would give the Town Council certainty of the use of the site (unless they default on their undertakings) for the full five years, but would not give a legal right to seek a further lease after those five years.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder/Equality and Diversity/Health Inequalities/Consultation/Public Engagement

Health Inequalities

Markets can represent one means of economic access to produce consistent with a healthy diet.

Ward

Walton

PART 3 – SUPPORTING INFORMATION**BACKGROUND**

Until 2007 the market was run by a private operator under lease from Tendring District Council (TDC). The company became unable to continue to run the market for commercial and logistical reasons. In November 2007 Frinton and Walton Town Council (FAWTC) took an underlease of the market in order to take on its running and prevent its closure. In September 2009 TDC granted a one year licence to FAWTC for it to run the market for a further twelve months. This was extended by twelve months in September 2010 and renewed for a further six months in September 2011. The current licence runs out at the end of March 2012.

FAWTC remain keen to continue to operate the market. Following discussions it has made a proposal seeking the grant of a new 5 year licence to run the market.

CURRENT POSITION

FAWTC has made a proposal seeking the grant of a new 5 year licence rather than a licence to run the market. A full copy of the proposal is attached at Appendix B. FAWTC points to a number of proposed benefits to its ongoing running of the market.

PROPOSED ACTION

It is proposed that the Council offers a five year lease excluding the provisions of the landlord and tenant Act 1954. A lease would offer both parties greater certainty. The main terms would be as set out in the proposal and as the existing licence. The level of rent is considered in the report in Part B of this agenda.

FURTHER HEADINGS RELEVANT TO THE REPORT

None

BACKGROUND PAPERS FOR THE DECISION

None.

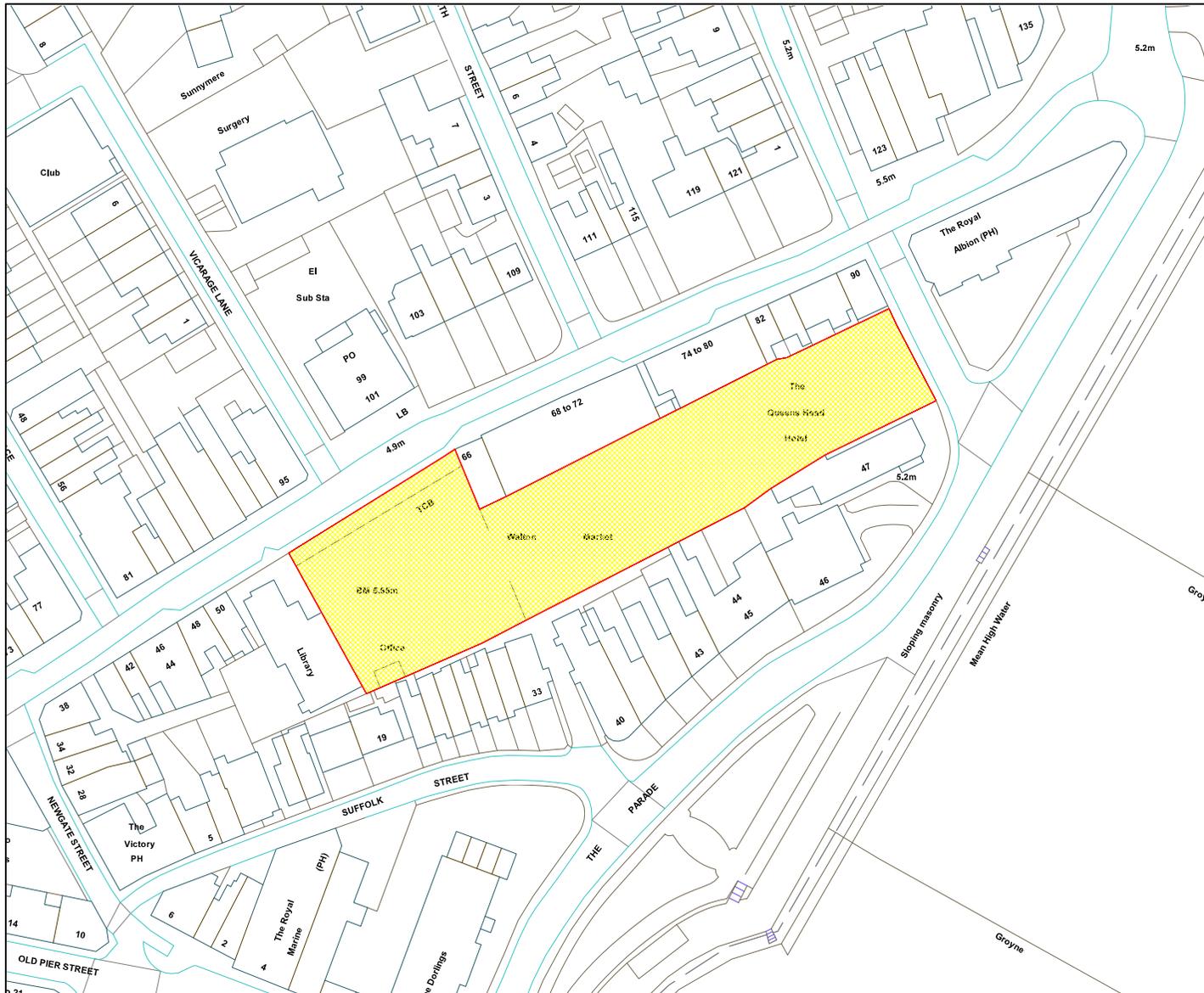
APPENDICES

Appendix A – Location Plan.

Appendix B – Town Council proposal.

Market site at Walton on the Naze

Location Plan



Legend	
Scale :	1:1250

Organisation	Tendring District Council
Department	Corporate Performance
Comments	
Date	16 January 2009
SLA Number	100018684, 2006

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TOWN COUNCIL OF FRINTON AND WALTON

Incorporating Kirby-le-Soken, Kirby Cross and Great Holland

Sister Town of Blaine, Minnesota

The Council House
Triangle Shopping Centre
Frinton-on-Sea
Essex CO13 0AU

Tel: 01255 676666
Fax: 01255 670349
Email: fawtc@btconnect.com
www.essexinfo.net/frinton-and-walton-town-council

CORPORATE
PERFORMANCE
TEAM

07 NOV 2011

DATE RECEIVED
CERTIFIED BY



Town Clerk
Mrs Deborah Milnes

2nd November 2011

Dear Andy

WALTON MARKET

Please find enclosed the Town Council's proposal document for a further licence to run a Market on the Millennium Square, Walton-on-the-Naze.

The Chairman of the Walton Market Working Party, Councillor Mark Cossens would be very happy to meet with you to discuss any aspect of the proposal and I would request that you contact this office to arrange such a meeting.

Please do not hesitate to contact me at any time in this regard.

Yours sincerely

Town Clerk

Mr A. White
Strategic Property Manager
Tendring District Council
Town Hall
Clacton-on-Sea
ESSEX

cc: Martyn Knappett, Acting Strategic Director, Tendring District Council



FRINTON AND WALTON TOWN COUNCIL



WALTON MARKET PROPOSAL





Executive Summary

Frinton and Walton Town Council have aspirations to build on the early success of its operation of Walton Market by investing more resources into its management.

Currently the Town Council has run the Market under a 1 year licence from Tendring District Council, but it is now considered that if more resources are to be invested then it needs to enter into a longer term arrangement.

An overview of the Market was recently commissioned using a nationally recognised market development company, who are likely to be working with us in the future if our proposal is accepted.

The proposals within this report outline the actions that the Town Council propose to take in adding value to the existing market and give both parties the confidence to enter into longer term agreement.

A number of reasonably simple and cost effective managerial and promotional recommendations, if implemented, should result in improved market vitality and footfall.

This would give the Town Council the confidence to negotiate a 5 year licence with Tendring District Council for every Thursday throughout the year, 14 Mondays, plus Bank Holiday Mondays at a passing rent of [redacted] per annum.

Introduction

The Town Council took over the licence from Town & Country Markets (Wellington Market) in November 2007 with the District Council until the end of that licence in September 2009. This action was taken when it became increasingly apparent that due to Walton's geographical location it no longer fitted Town & Country Markets portfolio and so they could no longer commit to the Market. They then indicated to the District Council that they wished to be released from their licence.

At this stage the Market was poorly attended by stallholders who appeared to become increasingly unhappy with the management.

Since then the Town Council has engaged in two 1 year licences and a further licence for six months up to 30 April 2012.

During the Town Council's tenure it considers that it has improved the Market and encouraged a broader range of stall holders and is committed and in a strong position to be able to offer a locally run Market for the benefits of the town, traders in the locality and the wider population.

Our commitment is demonstrated by the employment of a market professional to evaluate the sustainability of Walton Market and to outline a number of marketing and operational improvements.

Early budgeting suggests it will cost the Town Council in the region of 30-50% of the annual rental figure to implement.

The Town Council area has a high percentage of residents over the age of 60 and the demographics suggest a Market would be well supported; this is because the elderly are more likely to have free-time during the week when the market operates. In addition to this the traditional, local and communal aspect of a well-integrated market not only appeals to the older generations but is also in keeping with the heritage and history that surrounds Walton. The population swells with tourists during the summer months enhancing the sustainability of the additional proposals.

Improvement Plan

Since taking the Market over in 2007 the Town Council has incurred a small operating loss that has had to be funded by the tax payer. It is now considered, especially in the current economic climate, that Frinton and Walton Town Council wish to address this situation by investing in new initiatives.

The key to Frinton and Walton Town Council improving and adding value to the existing Market operation is to increase officer time into pro-active management. The current manager deals only with the day-to-day practicalities of operating the Market. An officer is required to spend a limited time per week promoting the market, issuing press releases and organising a calendar of events.

Management time will also be needed in the delivery of proposed improvements as outlined below.

- **Tenant Mix**

Whilst ensuring retention of current traders, additional traders are needed to increase the offering of fresh foods and to improve the mix of stalls and compete with supermarkets for the identified market.

- **Special Market Events**

In addition to the regular Thursday Market and seasonal Monday Market; initial investigations are being carried out into organising special events including:

- Christmas Market
- Farmer's Market
- Antiques and Collectable Market
- Continental Market – 3 times a year

Proposed additional rental sum and flexibility to be built into the new licence to use additional days.

- **Market Layout**

Consideration is being given to layout and positioning of stalls to ease the flow of shoppers and improve the sight-lines to aid in the presentation of goods.

In consultation with the relevant authorities some street furniture to be moved to avoid blocking aisles and improve the link between the Market site and the High Street.

Improved designed Market signage to be erected.

- **Website**

A simple 5 page, standalone web site to be commissioned with new branded logo.

- **Market Occupation**

To manage an incentive scheme to encourage loyalty of traders and the introduction of new traders.

A series of designed and branded adverts to appear in the local press and trade press recruiting new traders.

Two banners to be erected on the Market site advertising for new traders including telephone number of officer who will explain market trading terms.

In conclusion it is very evident from a recent publication of Market Times that many markets across the country are organised or run by the local authority.

The reason often put forward being that Communities value it as one of their local services.

Indeed within this publication the Business Minister, Mark Prisk MP is quoted "We know there are real problems in our High Streets, because of lower customer demand and the challenges of out of town retail and online shopping" the great benefit of markets is that they buzz which is such an essential attraction for the town centre".

Frinton and Walton Town Council believe that the Market currently provides an invaluable benefit to the Town and in particular the footfall in the High Street.

Market trade experts have evidence collated over years that on average frontage shops will see an increase of 15% in turnover where a street market is present. Conversely, if Walton Market were to cease, the neighbouring businesses would probably see a downturn in Thursday trade in the order of 15%

We believe if granted a longer term legal agreement that Frinton and Walton Town Council are committed and in a strong position to add value to Walton Market and take it forward as a locally run market for the benefit of the town, traders in the locality and the wider population.

The Town Council respectfully requests that the District Council look favourably on granting a further 5 year licence to run Walton Market situated on the Millennium Square in Walton-on-the-Naze.