

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Charlotte Paine – Environmental Services Manager

To: Policy Development Panel Tuesday, 15 September 2020, Cabinet Tuesday, 27 October 2020

(Author: Charlotte Paine Environmental Services Manager)

Subject Market Trader Fees

Purpose: To propose a new fee structure for Spalding market traders

Recommendation:

- 1) That the proposed new market trader fees come into effect from 1st December 2020 following Cabinet approval

1.0 BACKGROUND

- 1.1 The cabinet report of 16th June, outlined the re-opening of markets with significant changes to arrangements post the Covid lockdown and introduced the recommendation to review the fees traders paid in Spalding. In the following weeks, the report went to PDP, Cabinet and lastly Council in July.
- 1.2 As the original report suggested, due to the change in arrangements a review of the fees, which were higher in Spalding due to the previous stall provision, would be required. The original report referenced some benchmarking that was undertaken to establish a suitable charge for Spalding market by comparison to charges at other local markets.
- 1.3 The changes that were proposed in the original cabinet report (16th June) were to move from £17.40 that was charged for a 2.4m stall, as previously provided by SHDC, to £11.20 for an equivalent size 2.4m stall that traders would supply themselves (£14.00 for a 3m pitch).
- 1.4 We have undertaken benchmarking work to understand charges in other local markets and establish whether the fees proposed should be reviewed further.
- 1.5 Below is the benchmarking that was undertaken which does show that the proposed fees remain competitive.

Market	Casual	Regular
Spalding - Proposed 16 th June	£1.90 per foot	£1.40 per foot
Kings Lynn Tuesday	£2.23 per foot	£1.52 per foot
Kings Lynn Saturday	£1.92 per foot	£1.31 per foot
Wisbech	£2.03 per foot* (or less if 6m or bigger pitch)	£1.22 per foot* (or less if 6m or bigger pitch)

- 1.6 It is worth noting that Kings Lynn provide the option for traders to purchase a parking permits whereas in Spalding we have provided traders car parking permits for free, equivalent to £3 per market day.
- 1.7 Taking the above into account, you can also see that Kings Lynn Charge differently for their Tuesday and Saturday markets which provided some thought as to whether it may be appropriate to consider altering the charges for Spalding Tuesday and Saturday markets, in a similar way. This is because we are aware that there are differences in the footfall and trader numbers on these days.

2.0 OPTIONS

- 2.1 **Option One – reconsider the market fees for Spalding** in line with the above benchmarking exercise that has been undertaken. This option allows us to make the fees the most competitive to current market conditions, for example to reduce the fees on Saturdays whilst the Market Towns Programme works to make Saturdays more attractive to traders and competitive with other markets. This is the recommended option of this report.
- 2.2 The recommended fees would therefore be;

Market	Casual	Regular
Spalding Tuesday	£1.40 per foot	£1.20 per foot
Spalding Saturday	£1.30 per foot	£0.90 per foot
*Long Sutton/ Crowland/ Holbeach	£0.61 per foot	£0.51 per foot

- 2.3 **Option Two – do nothing and leave fees at the rate agreed** at the original cabinet meeting on 16th June. This option provides static charges for Tuesday and Saturdays and is still competitive when parking fees and permits are considered.

3.0 REASONS FOR RECOMMENDATION(S)

- 3.1 The earlier meetings that discussed the market and stall provision raised the issue regarding the equity of the fees and previously, where stalls were provided, the fees were required to be higher as we looked to recoup some of the cost of stalls provision.
- 3.2 Now that stalls are not being provided, the fees require a review to ensure they are a competitive and attract traders to our markets. Alongside this, the differences in our markets must be acknowledged. Spalding can attract a higher footfall on a Tuesday than our other markets but on a Saturday we have seen reduced traders and footfall.
- 3.3 The recommended option is to consider these differences and charge appropriately for them, as observed in other local markets and how they set out their fees.
- 3.4 Another difference in our markets is the availability of parking for traders. In Spalding regular traders are provided a permit for free parking on market days as part of their offer with SHDC. Therefore, the charges in Spalding should reflect some form of payment towards this. The recommended option provides a payment for subsidised parking permits within their regular trader fees.

4.0 EXPECTED BENEFITS

- 4.1 Option one provides the benefit of reviewing the figures and aligning them closer to other local markets with the decision of the recent council meeting having been made. This ensures that charges are better aligned to the service that is now being provided.
- 4.2 The recommendation also provides, for the first time, fees that are reflective of the circumstances of individual markets, for example charging different rates on Tuesday and Saturdays and fees reflecting advantages such as parking permits.
- 4.3 The future of the markets will be considered in line with the ongoing Market Town Programme, the future of the fees would also continue to be reviewed as part of this work and the improvements made in the town centre.
- 4.4 Since the markets re-opened post lockdown, the market fees have been free and are currently due to remain free until the end of August 2020. Whilst we undertake the scrutiny of these recommendations and the approval at cabinet, the free period has been extended for 3 months, until end of November 2020.

5.0 IMPLICATIONS

In preparing this report, the report author has considered the likely implications of the decision - particularly in terms of Carbon Footprint / Environmental Issues; Constitutional & Legal; Contracts; Corporate Priorities; Crime & Disorder; Data Protection; Equality & Diversity/Human Rights; Financial; Health & Wellbeing; Reputation; Risk Management; Safeguarding; Staffing; Stakeholders/Consultation/Timescales; Transformation Programme; Other. Where the report author considers that there may be implications under one or more of these headings, these are identified below.

5.1 Financial

- 5.1.1 The recommendation will have a financial impact as it does reduce the fees further and therefore reduce potential income. However, this is deemed appropriate as the services have reduced and given the benchmarking work that was undertaken. In addition to this, the fees are looking to be set at a rate that also supports the traders and attracts new traders to the markets.
- 5.1.2 With the current trader numbers, assumptions have been made regarding potential income for the remaining four months of 2020/21 and for a full financial year as follows;

Market	Pitch Costs - £1.40	Pitch Costs - £1.20	Pitch Costs - £0.51
Spalding Tue (weekly)	£309.40	£265.20	£112.71
4 months estimated income	£4,950.40	£4,243.20	£1,803.36
12 months estimated income	£16,088.80	£13,790.40	£5,860.92

Market	Pitch Costs - £1.30	Pitch Costs - £0.90	Pitch Costs - £0.51
Spalding Sat (weekly)	£221.00	£153.00	£86.70
4 months estimated income	£3,536.00	£2,448.00	£1,387.20
12 months estimated income	£11,492.00	£7,956.00	£4,508.40

5.1.3 The above tables show the differences between each of the possible charges. It highlights that annually there are large differences on income that can be achieved depending upon the fees chosen. Saturday income in particular could be improved further by attracting more traders, which a reduced rate should help to do in hand with the Market Town Programme.

5.1.4 The benefits that can be seen by subsidising parking within the fees are detailed below. Without this subsidy, traders would see prices for parking each week 335%-669% higher yearly.

Car Parking Permits	Yearly All Day Charge (£3)	Yearly Permit within Proposed Fees	Yearly Saving for Traders
Spalding Tuesday	£156.00	£35.88	£120.12
Spalding Saturday	£156.00	£20.28	£135.72
Total	£312.00	£56.16	£225.84

5.2 Reputation

5.2.1 The markets are an important part of the heritage of Spalding and ensuring their ability to survive and thrive post Covid is important. Setting fees appropriately will support traders and enable the council to continue to deliver our markets.

5.3 Stakeholders / Constitution / Timescales

5.3.1 The traders have contacted via their representative and have expressed a desire to have fees in line with those charged at our other markets. These views have been considered and the fees proposed are reduced further due to this contact from traders.

5.3.2 The fees are not the same as the other markets given the benefits that Spalding traders get from free parking permits which we have greatly subsidised in the newly proposed fees.

6.0 WARDS/COMMUNITIES AFFECTED

6.1 All

7.0 ACRONYMS

7.1 SHDC – South Holland District Council

Background papers:- Cabinet Report 16th June

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Key Decision: N

Exempt Decision: N

This report refers to a Discretionary Service