

WEST NORTHAMPTONSHIRE COUNCIL CABINET

16 APRIL 2024

PORTFOLIO HOLDER FOR ECONOMIC DEVELOPMENT, TOWN CENTRE REGENERATION AND GROWTH: COUNCILLOR DAN LISTER

| | |
|---------------|---|
| Report Title | Northampton Markets Development Plan |
| Report Author | Simon Bowers, Assistant Director Assets & Environment Simon.Bowers@westnorthants.gov.uk Charlie Childs, Markets & Urban Activities Manager Charlie.Childs@westnorthants.gov.uk |

List of Approvers

| | | |
|-------------------------------|---|------------|
| Monitoring Officer | Catherine Whitehead | 16/04/2024 |
| Chief Finance Officer (S.151) | Martin Henry | 16/04/2024 |
| Other Director | Stuart Timmiss, Executive Director Place, Economy & Environment | 16/04/2024 |
| Head of Communications | Becky Hutson | 16/04/2024 |

List of Appendices

Appendix A – Draft Markets Development Plan

1. Purpose of Report

- 1.1 To seek approval for a Development Plan for Northampton Markets and to propose a clear statement of the basis on which the Council operates its Northampton markets.

2. Executive Summary

- 2.1 Recognising the importance and timeliness of the newly regenerated Northampton Market Square, which will open later this year, a Northampton Markets Development Plan (the ‘Plan’)

has been prepared. This seeks to provide a clear future direction to the markets, supporting a vibrant and engaging Northampton town centre.

- 2.2 The Plan proposes measures to secure the quality and attractiveness of the regular markets, alongside creating new event and specialist markets, and programme of events. It seeks to assist the market traders from the existing market to make a successful transition to the 'new' markets.
- 2.3 It is proposed that the future operation of the market allows flexibility to respond to change in circumstances, trends and consumer demands; the ability to do this is a benefit of market operation. This is a key tool to address risks identified and to be addressed by the Plan.
- 2.4 Whilst inevitably difficult to predict, the Plan and modelling suggests that the net cost to the taxpayer of market operation would fall over time, reaching around break-even by 2029/30. The Plan however acknowledges the uncertainty involved in market operations; it is therefore proposed the financial implications are reviewed again once it is in operation and any necessary adjustments to the Council's financial planning be made then.
- 2.5 Alongside adopting the Plan, it is proposed the Council formally records the basis on which it operates its markets in Northampton.

3. Recommendations

- 3.1 It is recommended that Cabinet:
 - 3.1.1 Approves the Northampton Markets Development Plan attached at Appendix A.
 - 3.1.2 Grants ongoing approval for procurement of specialist and event market operators.
 - 3.1.3 Resolves to acknowledge that without prejudice to the Council's existing market rights, howsoever acquired (including by charter, letters patent, or otherwise) the Council continues to operate its Northampton markets under the Food Act 1984 as applied by the Northampton Act 1988.

4. Reason for Recommendations

- 4.1 To maximise the potential for creating successful Northampton markets, building on the opportunities created by the regenerated Market Square and the wider series of investments in central Northampton by the Council and the private sector to bring more footfall to the town centre, encourage inclusive growth and see more people utilising the space and facilities that are being developed.
- 4.2 To comply with the Council's legal obligations as a local authority and market authority.

5. Report Background

- 5.1 Northampton's markets are an intrinsic part of the identity and character of the area, serving both the town and its hinterland. The current regeneration of Market Square, from which the

markets have largely operated since 1235, creates an opportunity for the markets to, once again, form a vibrant part of central Northampton. A Market Development Plan has therefore been prepared. It sets out the ways this will be achieved, with the aim being to create and sustain Northampton markets which support a flourishing and active central Northampton¹.

- 5.2 Whilst historically important, Northampton's markets entered a decline in the 1980s, as changing social, economic, and technological factors provided alternative ways of retailing and occupying time. The markets ceased to be financially valuable and became a cost to the Council, and, as public surveys have shown, increasingly did not offer goods and services attractive to many people. However, experience from Northampton and elsewhere has shown it is possible to draw people back to markets, and make them a vibrant and attractive part of a thriving centre. Using those lessons is central to the approach proposed, as is responding to public views. In surveys, people called for a range of quality products and events, including specialist markets.
- 5.3 The regenerated Market Square is central to the rejuvenation of the markets, but they will also benefit from, and support, a wide range of changes in the town centre, including the renewal of the Grosvenor Centre, the introduction of STACK in Market Walk, the regeneration of Greyfriars, and wider residential, retail and office developments.
- 5.4 It is therefore proposed to:
 - a) Procure specialist and event markets to work alongside the regular markets and expand its attraction, footfall and public visibility.
 - b) Continue actions already underway to ensure the environment is welcoming to market customers.
 - c) Invest in the existing traders, helping them to move into the 'new' market with confidence and the right approach.
 - d) Adopt a new approach to management of the regular markets, seeking to ensure that traders present are making a positive contribution to the whole, and there is a perception of quality.
 - e) Develop and implement, with partners, an events and animation strategy.
 - f) Explore developing indoor or semi-indoor markets as an additional level of attraction to Northampton.
- 5.5 Overall, these changes are expected to result in a step change in the experience of visiting the markets, drawing more people into central Northampton. They should also, over time, reduce the net costs of operation.
- 5.6 The Plan has been based on careful assessment of the factors which make for successful markets, looking at examples both nearby and across England. It has also drawn on work previously commissioned by the Council, including the Market Viability Study prepared by Quarterbridge, a leading market consultancy.

¹ The markets in Daventry and Brackley, whilst important to those towns, are currently operated by the respective town councils and serve smaller areas. These are not addressed in this plan.

- 5.7 Inevitably the impact of these proposals is uncertain. Operating a market, especially in current economic, technological, and social conditions, is subject to a wide range of factors outside of the market operator's control or knowledge. However, it is considered they are as well-founded as can reasonably be achieved.
- 5.8 The Plan emphasises the desirability of helping those who traded substantially on the 'old' Northampton market to make a successful transition to the 'new' market. It makes a series of proposals in that respect, including offering a six months' rent-free period to all eligible traders.

6. Issues and Choices

- 6.1 The choices for the Council are to:
- 6.1.1 Option 1: Not adopt the plan.
 - 6.1.2 Option 2: Modify the draft plan.
 - 6.1.3 Option 3: Consult on the plan, either as now drafted or as modified.
 - 6.1.4 Option 4: Adopt and implement the plan.
- 6.2 Not adopting the plan (Option 1) would leave the future direction of the markets unclear, and fail to take the opportunities created by the Council's regeneration of Market Square and wider works across central Northampton. This is therefore not recommended.
- 6.3 It is always possible to amend a plan (Option 2). Given the draft plan has been prepared drawing from both the Quarterbridge and other studies carried out by expert consultancies, and additional research into market success factors, it is suggested that at present there is little it would be worth changing at this point. However, one advantage of markets is that it is relatively easy to make changes to their operation (whilst retaining its character as a market as recognised in law), allowing adjustments to reflect prevailing conditions. For this reason, it is proposed that a degree of flexibility in setting market charges is provided (see Recommendation **Error! Reference source not found.**); other aspects of market operation are generally already able to be operated flexibly, having regard to the content of the strategy.
- 6.4 Consultation (Option 3) is often desirable on strategies and policies before they are applied. However, in this case the issue is running what is, on one level, a commercial business (albeit one with an important social role) and therefore in that respect evidence is more useful than consultation. Additionally, as mentioned above, it is possible to 'flex' the details of operation to respond to actual public views, as expressed in their desire to use the market or parts of it. It is considered this provides the best process for public engagement.
- 6.5 It is therefore recommended that the Plan is adopted and put into effect, commencing from the re-opening of the Market Square. This will allow the Council to prepare for the re-opening of the Market Square with maximum effect.

7. Implications (including financial implications)

7.1 Resources and Financial

7.1.1 The draft Development Plan identifies likely costs and income from the markets. For these purposes the costs and income do not allow for inflation, as future inflation is unknown and merely confuses the presentation. With costs taken as £329k pa (including £40k pa for daily erection and dismantling of the demountable stalls), the net loss of £73k in 2025/26 would fall to £18k in 2029/30. The effect is shown in Table 1 (which is based on Table 9 in the Plan with the addition of information on the current MTFP assumptions).

Table 1: Projected market net income compared to MTFP assumptions

| Type | Year | | | | |
|-----------------|---------|---------|---------|---------|---------|
| | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
| Total income | -256 | -275 | -288 | -302 | -311 |
| Costs | 329 | 329 | 329 | 329 | 329 |
| Net position | 73 | 54 | 41 | 27 | 18 |
| MTFP assumption | 149 | 69 | 73 | N/A | N/A |
| Difference | -76 | -15 | -32 | N/A | N/A |

Note: The MTFP assumption excludes £14k pa for licenses for the footfall measurement system, which are properly public realm costs and not reflected in the market costs shown in the lines above.

7.1.2 At this point no change to the Council’s budget or medium term financial plan is proposed, as the costs and – to a greater extent – income are sufficiently uncertain it would not be useful to do so. Once the markets are re-established in Market Square and the Development Plan beginning to operate, a review will be undertaken to see if any financial planning assumptions require adjustment.

7.1.3 The costs of initial support measures, which are outside of these figures, are proposed to be taken from the Council’s allocation of UK Shared Prosperity Fund (UKSPF) and other existing approved budgets and therefore would not affect the Council’s general budgets.

7.2 Legal

7.2.1 The Council provides and operates its Northampton markets under powers provided by the market charters, customary and prescriptive rights, the Northampton Act 1988, and the Food Act 1984 (collectively, the Council’s ‘market rights’).

7.2.2 In light of the proposed Plan it is recommended that the Council makes a declaration of market powers. The benefit of making such a declaration is threefold. It would provide the Council with (a) a reference point for appointing market days and hours, fixing charges and making byelaws as Part III of the Food Act 1984 (as applied by the Northampton Act 1988) has specific powers relating to all of these matters, (b) the declaration will also be important if as part of implementing the Plan the Council considers any existing market licensing policy and (c) if the Council was to be subject to a challenge made by any of the traders or other market operators the information regarding the powers exercised by the Council with respect to its market rights are at hand and it will provide the Council with a firm basis on which to proceed in light of any challenge. This is provided for in recommendation 3.

7.2.3 It is noted at paragraph 5.4(d) above that it is proposed that a new approach be taken in with respect to the management of the market. The Council has the powers required in its capacity as

landowner and market franchise holder to grant such rights of occupation, as may be necessary to support the delivery of the proposed Plan.

7.2.4 In considering the proposals with respect to markets in paragraph 5.4, it will be key in order to protect the Council's existing market rights that the Council keeps in balance at all times the concept of an open concourse of buyers and sellers and that any market regulations and letting policy with respect to fixed and demountable market stalls developed in connection with the Plan reflect that approach. By undertaking such an approach, it may help to mitigate the risk of any potential future challenge to exercise by Council of its market rights under the proposed Plan.

7.2.5 Although the markets are referred to as 'new', this reflects the change in character it is intended to achieve; legally, they remain the same markets, operating under the Council's historic and statutory rights, as they were in Market Square before the regeneration started, and during their time at Commercial Street.

7.3 Risk

7.3.1 As noted in 5.7, operating a market is inevitably risky. The success of the market only partly depends on the actions of the market operator such as the Council. Key risks in this case are as follows.

7.3.2 Risk 1: It is not practical to attract the type of additional traders sought. This would leave the market in a similar condition to that prior to the Market Square regeneration. The actions in the Plan are designed to minimise this risk.

7.3.3 Risk 2: The private sector operators it is proposed to engage to provide event and specialist markets are not sufficiently interested (despite their informal expressions of interest) or having tried such markets in Northampton find they do not work well. This would limit the benefit of the new arrangements. Mitigation may be possible in the Council organising such markets itself.

7.3.4 Risk 3: Even with co-ordination with Northampton BID (Business Improvement District) and Northampton Town Council it is not practical to deliver a sufficiently attractive events programme. This would feed into Risks 1 and 2, as footfall from events will help attract traders. This risk seems low, given the effort the Council is putting into events planning now.

7.3.5 Risk 4: Due to factors outside the Council's control, costs increase or income decreases. This would result in a higher net cost of market operation to taxpayers. Given the multiple potential issues which could cause this risk to arise, little specific mitigation can be proposed. However, the overall approach of the Plan should minimise the impact of whatever such issues did occur.

7.3.6 Risk 5: The Council is unable to secure the ongoing maintenance and care of Market Square and its surroundings to the level required to support a successful market. This could feed into Risks 1 and 2. This risk seems low, given the priority the Council is giving to the regeneration of its town centres, including Northampton.

7.4 Consultation and Communications

- 7.4.1 Feedback from key stakeholders and residents from the public consultation which took place in 2019 have helped shape the strategy, ensuring that this is based on the requirements of local communities and traders.
- 7.4.2 During the preparation of the Plan, engagement has taken place with private sector market operators to understand their perspectives and potential interest in operating in Northampton. Discussions have also taken place with other local authorities which operate markets. Dialogue with existing Northampton market traders has also informed the proposals.
- 7.4.3 As noted in 6.4, a further form of public engagement will come occur once the 'new' market or parts of it open This will provide continuous feedback on how the markets are functioning and allow changes to be made accordingly.
- 7.4.4 A comprehensive communications strategy has been developed to engage with existing traders, potential traders, and local residents on the reopening of the market at the regenerated market square, as well as the future events to be held here. This will include promotion across online and offline channels, including the dedicated social media channels for Northampton's market.

7.5 Consideration by Overview and Scrutiny

- 7.5.1 None.

7.6 Climate Impact

- 7.6.1 The Markets Development Plan is unlikely to have a material impact on carbon emissions, either positively or negatively. However, a well-functioning and attractive market should cause some people to travel, typically more locally, to central Northampton rather than travelling elsewhere. This may have a modest beneficial effect on net carbon emissions.

7.7 Community Impact

- 7.7.1 The rejuvenation of Northampton's markets will be beneficial for civic pride and identity in the town and its hinterland. Well-managed market operations should also benefit those living and working in the town centre, as it would provide an attractive backdrop to their living and working in the area.

8. Background Papers

- 8.1 None.