NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 24 SEPTEMBER 2013

Title of report	**INVESTMENT IN COALVILLE INDOOR MARKET**
Key Decision	a) Financial Yes b) Community Yes
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Purpose of report	To seek Cabinet approval for a change of strategy for the Coalville Market by retaining the management and development within the Council and investing up to £168,000 in improvements and service enhancement works.
Reason for Decision	To agree to capital investment and service enhancement works.
Council Priorities	Value for Money
Implications:	
Financial/Staff	The working arrangements for the employees currently employed at the Coalville public conveniences will be reviewed if these proposals are agreed.
Link to relevant CAT	None
Risk Management	The investment is based on preliminary cost estimates. A contract will not be entered into unless the contractor can fix at a price within the investment agreed by Cabinet.
Equalities Impact Assessment	None
Human Rights	None

Transformational Government	None
Comments of Head of Paid Service	Report is satisfactory.
Comments of Section 151 Officer	Report is satisfactory.
Comments of Monitoring Officer	Report is satisfactory.
Consultees	Coalville Indoor Market Traders, Legal Services, Property Services, Human Resources
Background papers	None
Recommendations	**CABINET ARE ASKED TO:** **1. NOTE THAT A PRIVATE SECTOR PARTNER IS NO LONGER SOUGHT FOR THE DEVELOPMENT AND MANAGEMENT OF THE INDOOR MARKET;** **2. APPROVE THE INVESTMENT OF UPTO £168,000 FOR THE DEVELOPMENT AND IMPROVEMENT OF THE INDOOR MARKET AND ITS SURROUNDINGS AS SET OUT IN PARAGRAPH 2.3 WITH FUNDING CONTRIBUTIONS AS SET OUT IN PARAGRAPH 3.1.** **3. DELEGATE AUTHORITY TO THE DIRECTOR OF SERVICES TO AWARD THE CONTRACT FOR THE DEVELOPMENT AND IMPROVEMENT OF THE INDOOR MARKET AND ITS SURROUNDINGS.**

1.0 BACKGROUND AND UPDATE

1.1 Although the Council had been reviewing options for the re-location of the indoor Coalville Market, in December 2012 it was agreed that the market should remain in situ to improve the trading offer of the Town Centre and the ongoing regeneration efforts. It was recognised however, that ideally the market would require significant capital investment and expertise to improve its trading performance. Cabinet therefore agreed in December 2012 that a private sector partner be sought to share the risk of investing and developing the Market and to an allocation of £100,000 funded from the value for money reserve (£47,430) and an existing reserve (£52,570).

1.2 Whilst “soft market testing” exercises had suggested there were a number of operators interested in partnering with the Council over the development and operation of the Market, these interests have fallen away with the adverse and worsening retailing conditions which prevailed last year.

1.3 As it became apparent that a private partner could not be sourced, the approach has switched to an in-house driven solution to improving the performance of the Market. A successful Market, in terms of attracting footfall to a range of retail and other services and attractions, is regarded as a key contributor to the ongoing regeneration of Coalville Town Centre.

1.4 Since the decision was made to retain the market in its current location there has been an improvement in trading conditions. Generally the traders have reported that takings have improved since April 2013 and certainly compared to last year. Three new traders have been attracted to the market, including a fresh fish trader and a plot has been leased to a hot food van on the forecourt. A series of events and promotions have also been organised to raise the profile of the Market and attract new customers.

1.5 The reasons for the relative improvement of trading conditions in the Market are attributable to a number of factors:

- General improvement in retail trading conditions since April 2013.
- Appointment of a Market Manager with considerable experience.
- Recovering footfall levels as customers are attracted to the market from the promotional work of the Council.

2.0 WHAT ARE THE PRIORITY INVESTMENTS WHICH WILL ENHANCE THE INDOOR MARKET'S TRADING PERFORMANCE AND CUSTOMER/TRADER CONFIDENCE?

2.1 In consultation with the Traders and the Market Manager a range of improvements have been prioritised which will enhance trading confidence and the customer experience. An opportunity has also been identified which will result in a service enhancement by re-location of the public toilets into the market. The improvement and development works can be summarised as follows:

- The highest priority identified was the need to improve the appearance and visibility of the Indoor Market. It is proposed to improve the forecourt, entrance and approaches to the Market, designed in conjunction with the proposed car park resurfacing contract. Improving the visibility and appearance of the market can best be achieved with the demolition of the toilet block and enhancement of the forecourt area. The opportunity exists to relocate the public toilets into the Market and form a new access to the side of the building which would also be used to access the popular Market cafe. The access to the side would also provide the public access to the market toilets which would also be open on non market days.
- A cleared, enhanced forecourt space would not only create an open, attractive approach to the market which would attract more footfall but would also be used for events and new traders, generating additional income .
- A range of internal improvements and alterations to improve trading conditions and improve the customer experience including re-configuration of toilets, waste collection and storage and re-location of the manager's office.
- Improvements and repairs to the fabric of the building including roof work, lighting and heating improvements.
- Improved advertising signage.

2.2 In addition to these physical improvements a promotional campaign is underway which seeks to attract new customers, events and activities to the market.

2.3 Using the East Midland Council's construction framework, a suitable contractor has been engaged to explore the feasibility of the proposed works and prepare a preliminary costing plan. The cost estimates for the improvements are described in the table below.

Improvement works to the Indoor Market and surrounding environment.	**Preliminary Cost Estimate (including contingency)**
Demolition of public convenience and environmental improvement of the forecourt area and approaches to the market.	£33,000
Environmental improvements to create new access for the toilets and cafe to the side of the market.	£25,000
Alterations and improvements to the existing toilets in the Market to make them accessible to the public.	£50,000
Improvements to the Market building; including roofing repairs and new entrance canopy.	£60,000
Total	**£168,000**

2.4 If approved by Cabinet it is proposed that the improvement works would be undertaken in phases from October 2013 to March 2014 to minimise disruption to traders at peak trading times. The works to the forecourt improvement would also be undertaken in conjunction with the car parking resurfacing contract.

3.0 FINANCIAL IMPLICATIONS

3.1 The estimated cost for the improvement works is £168,000. It is proposed that funding for the improvement works are agreed with an increase in the Value For Money Reserve contribution of £25,000, in addition to the £100,000 agreed by cabinet in December 2012, and contributions from Planning s.106 sources, and a grant secured from the Leicestershire County Council's Better Places Fund. The funding breakdown is shown in the table below.

Funding Source	**Funding Amount**
Council value for money reserves	£72,430
Existing reserve	£52,570
Planning S.106 contributions for Coalville Town Centre Regeneration	£30,500
Leicestershire County Council – Better Places Grant Fund	£12,500
Total	**£168,000**

3.2 The operational staffing and management arrangements for the toilets will be subject to a service review which will consider how best to deliver this service following the investment.