

Corporate Policy & Resources Committee

Monday 27 November 2023



Title	Management of Staines Market
Purpose of the report	To make a Key Decision
Report Author	Jackie Taylor - Group Head Neighbourhood Services Francesca Lunn - Service Monitor
Ward(s) Affected	All Wards
Exempt	Appendix 1 of this report is exempt
Exemption Reason	Appendix 1 is exempt in accordance with paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) because it was likely to disclose information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in being able to undertake even-handed negotiations and finalising acceptable contract terms:
Corporate Priority	Community Recovery Environment Service delivery
Recommendations	Committee is asked to: <ol style="list-style-type: none">1) Authorise the Group Head Neighbourhood Services to commence a tender exercise for the procurement of the management of Staines Market for a period of 3+1+1 years.2) The committee is asked to delegate the selection of the contractor to the Group Head Neighbourhood Services in consultation with the Chair of Corporate Policy and Resources Committee.3) Authorise the Group Head Corporate Governance to enter the contract with the selected supplier.4) Authorise an increased annual budget to cover additional contractual costs of the market provision. Appendix 15) Delegate authority to the Group Head Neighbourhood Services to authorise charging of ad hoc market rents 1.7
Reason for Recommendation	Staines upon Thames market contract is due to expire in April 2024. We therefore need to commence the procurement exercise and appoint a contractor to undertake the management and operation of Staines upon Thames market.

1. Summary of the report

- 1.1 This report seeks authority to tender for a Market Management Contractor to operate the Wednesday, Friday and Saturday markets in Staines upon Thames High Street, the current contract is due to expire on 25th April 2024.
- 1.2 Staines upon Thames (SUT) market is held on the main high street on every Wednesday, Friday, and Saturday throughout the year. The general retail market provides a variety of items from fruit and vegetables to plants and fashion along with telephone products and food stalls, the diversity of stalls increases during the Christmas period and other unique events. The market is held in the pedestrian area of SUT High Street.
- 1.3 This supports the Councils Strategy by promoting a sustainable economy, enables small new scale employment opportunities to be developed, delivers revenue for the Council, and helps to make SUT a destination to visit.
- 1.4 The current market management company have continued to deliver a successful market despite the general decline of markets across the country, some of this general decline should be attributed to Covid and the changes in peoples shopping habits.
- 1.5 Maintaining the market income generates an income to the Council which contributes positively towards the overall budget. The market has been situated in the main high street for over 20 years and generates footfall for the town.
- 1.6 Across the UK, particularly for low-income communities, retail markets function as vital social infrastructure, providing places to meet, enhancing local resilience, and generating much needed vibrancy for local economies. The high street marketplace represents much more than a place to buy and sell and is therefore especially important for our communities and attracts a diverse range of users.
- 1.7 This procurement exercise was last undertaken in 2018 and we would anticipate that returned tenders will exceed current budget. If this is the case additional budget will need to be agreed and allocated to cover increased costs.
- 1.8 Ad-hoc requests for a stall on the market outside of the general market are regularly received. To avoid turning away potential income the Group Head is seeking continued authorisation to agree ad hoc rental charges.

2. Key issues

- 2.1 Spelthorne continues to advocate a market trade within its primary shopping centre which aims to achieve a market that:
 - Provides and enhances the local economy.
 - Offers optional and everyday shopping needs for the local community.
 - Supports small business and provides opportunities for entrepreneurs.
 - Creates employment.
 - Increases footfall to Staines town centre.
 - Provides a hub for independent retail in the town.

- Working together to create services for the future of Spelthorne.
- Reducing environmental impacts, by eliminating excessive packaging, waste, and transport.

2.2 SUT market generates an annual income for the Council. Although Covid took its toll on the market income in the same way that retail shops have suffered. **Appendix 1** (exempt) shows that income from rent collected from the traders has been steadily increasing year on year.

2.3 Despite the general decline of markets across the country the current market management company has continued to be successful in sustaining a lively and vibrant market meeting the needs of our residents and visitors.

3. Options analysis and proposal

3.1 Option 1

Directly employed staff-this option would give us more direct control of the market operation and the interface between other parties such as the Elmsleigh centre, Two Rivers, Business Improvement District (BID) and the High Street shops.

This option does however have the potential to create operational and management issues within Neighbourhood Services during periods of staff absence. There is also the issue that any potential directly employed market manager may have little knowledge of wider market operations and limited access to more widespread market traders.

3.2 Option 2

Preferred option-Tendered Contract-The current contract is based on a fixed annual management fee. This has the advantage that it allows an elevated level of control by the Council through the contract specification, with the day-to-day operational management of the market remaining with the contractor. The contract would provide us with the expertise that we need to help us maintain levels of income and the general day to day services of market management: -

- Contractor staff to put up and take down on stalls & associated equipment every market trading day.
- Be on site from the start to end of every market trading day to ensure equipment is safely stored.
- Deal with all day-to-day market issues and traders.
- Collect and bank money on every market day.
- Advertise the market and introduce new traders.
- Supervision of trading licences, certificates & insurances.
- Deal with all issues relating to the sale of counterfeit or illegal goods.
- Move rubbish away from the market during the day.
- Follow H&S regulations and procedures.
- Event organisation to encourage footfall.
- Arrange and manage specialist markets.

- 3.3 This contracted out approach to operation of the market ensures that peak periods are managed without additional costs to the Council along with complete management of trader fees.
- 3.4 Direct management of the SUT market was undertaken for approximately 18 months which evidenced the need to Spelthorne officers to have the market operation managed externally by a suitable contractor who was experienced in the market trade.
- 3.5 Given that the Council now owns the Elmsleigh Centre a more joined up approach can be achieved with our partners on the Two Rivers and the BID.
- 3.6 If the existing supplier does not prove to be the successful tenderer, there is a risk that the links forged with Traders, Retailers and the BID will take time to recreate. This can be mitigated by allowing time for a planned contract mobilisation ensuring at change over, these links are maintained.

4. Financial implications

- 4.1 Income received from market rents has been increasing over the last 3 years. Income and expenditure associated with the management of the market can be seen in **Appendix 1** (exempt)
- 4.2 If the tendered prices for the new contract come in higher than budgeted CPRC will need to allocate additional budget to cover the increased costs. Should the increase in costs exceed £x per year a further report will come back to CPRC seeking the additional budget.
- 4.3 The fees and charges for standard market stalls are agreed and set each year as part of the budget setting exercise. We do however receive ad-hoc requests for stalls, units, and promotions outside of the market trading days. As these requests are varied, costs are adjusted to suit individual requests and agreed by the Group Head Neighbourhood Services.

5. Risk considerations

- 5.1 There is a mix of both permanent and casual traders who take pitches on SUT market which has the potential to affect the income generated, it therefore needs to be recognised that income from the market will fluctuate during the year. To mitigate this, we will encourage more traders to take permanent pitches.
- 5.2 There is a financial risk that the future cost of managing the SUT Markets will increase. There is a risk that a new market operator will not be as successful in securing traders for the market, putting the business at risk and reducing the number of visitors to the town. Careful evaluation of the submitted tenders will mitigate this risk.
- 5.3 The tender exercise will examine the record of accomplishment of the operators in securing traders, the quality and range of the traders offer and their experience in managing and growing a market in a prime retail location. And is an opportunity for the Council to test the Market to ensure that the Council does not pay above the market price for the services of a Market Operator.

6. Procurement considerations

6.1 Procurement is aware of the forthcoming exercise and will continue to support the tendering exercise for a suitable contractor to meet the Council requirements, ensuring value for money is achieved from a compliant tender process.

6.2 The procurement documentation shall clearly set out what the Council requires for the management of the Market under a new contract which includes the following key points:

- Organising the erection of stalls at agreed locations in the High Street with due regard for pedestrian flow, access to retail shops and access for emergency vehicles.
- Liaising with the retailers and the BID in consideration of their requirement regarding the siting of the stalls.
- Deal with all applications for pitches on the market with the objective of supporting the vitality and viability of SUT as a retail location and visitor destination.
- Ensure that Food traders comply with Food safety & Health and Safety legislation and comply with robust procedures for food traders providing all necessary certificates and evidence of public liability insurance before being allowed to trade.
- Maintain high quality markets which contain a variety of stalls selling a range of high-quality goods and produce and customer focused stallholders which will encourage members of the public to visit the town.
- Ensure that stalls are provided to local traders where possible.
- Market Manager on site always.
- Work with stakeholders to accommodate events with due regard for safety which require access to the High Street and make reasonable adjustments to the operation and layout of the Market, as necessary. This may include the early closure of the market, adjustment to the positioning of stalls, marshalling pedestrians through the high Street.
- Liaise with the Fire Service and always have due regard for Health & Safety, ensuring that a route for emergency vehicles of not less than 4m wide is maintained through the High Street pedestrianised areas and ensure that no stall shall obstruct a means of escape from adjacent premises.

7. Legal considerations

7.1 The current market contractor manages markets seven days a week across the country and has indicated that TUPE would not apply to their directly employed Staines upon Thames market staff as they would not meet the TUPE criteria. This will be followed up during the tender process.

8. Other considerations

8.1 We will consider options for the market contractor to offer a variety of markets such as Farmers, Christmas, Artisan, and Antiques. Options for delivering a World Food Festival in SUT would also be considered as an option at the procurement stage.

- 8.2 The potential to hold Antiques & Collectibles Markets relate directly to the Council Strategy by providing residents with the opportunity to become engaged in cultural and creative activities. This type of market generally helps to meet the economy objectives by helping residents to enhance their skills and ambitions by running a micro business, make the best use of the Councils estate to support the local economy and helps meet the High-Quality Environment objectives by reducing greenhouse gas emissions by making products available locally which might otherwise require residents to make a trip to another town or shopping centre.
- 8.3 The SUT market reflects the Councils Corporate Plan and overarching priorities through delivering an efficient service to our residential and business communities. We take account of the 'CARES' priorities in the operation of the market, most recently the 'Recovery' from the effects of the COVID-19 pandemic.
- 8.4 The existing Market Management Contractor is aware of the forthcoming tender exercise and once the procurement is authorised it is intended to formally write to them enclosing a standard letter to give to the stallholders advising them of the process.

9. Equality and Diversity

- 9.1 The Council embraces equality and diversity by including individuals from all social and ethnic backgrounds in our communities within the borough.
- 9.2 The new contract for the management of Staines upon Thames market will require the contractor to evidence that services provided to visitors by market traders are appropriate, inclusive, accessible, and fair.

10. Sustainability/Climate Change Implications

- 10.1 SUT market offers a wide range of items which reduces the necessity to travel further to purchase goods and services.
- 10.2 Consumers shopping locally reduces their carbon footprint. Initiatives to build on this can lead the way to improve sustainability by recycling waste and offering organic fruit and vegetables. Evaluation of tenders received will be considered as to how these areas are focused on.
- 10.3 Consideration for current government legislation around single use plastics will be considered during the procurement stages and will align with Spelthorne's single use plastics policy.

11. Timetable for implementation

- 11.1 Dependant on the outcome of this report, we would aim to go out to tender in January 2024 with evaluation and award taking place in early March to enable us to have a seamless transfer from one contractor to another.

12. Contact

- 12.1 Jackie Taylor Group Head Neighbourhood Services
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Background papers:
Spelthorne single use plastics policy

[Single Use Plastics Policy - Spelthorne Borough Council](#)

Appendices:

Appendix 1 (exempt)