

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

Cabinet

3 December 2019

TITLE:	Markets Terms and Conditions
PORTFOLIO HOLDER:	Councillor Edwin Wain - Portfolio Holder for Planning, Development and Property
CONTACT OFFICER:	Sarah Porru – Head of Regeneration
WARDS INVOLVED:	Leek East

Appendices Attached – Appendix 1 Markets Terms and Conditions

1. Reason for the Report

- 1.1 The purpose of this report is to recommend proposed changes to Leek Market's rules and regulations to improve the efficiency and cost-effectiveness of the market operation. These changes include the withdrawal of free or reduced stall rents, withdrawal of cash payments and introducing an administration charge for issuing or amending market traders concessionary parking permits.

2. Recommendation

- 2.1 That Cabinet is recommended to:

- 1) Remove the annual two free trading weeks for regular traders in the Leek Trestle Market.
- 2) Remove the concession whereby Charter market traders pay only half of the stall rent if they do not attend a pre booked market.
- 3) Move all regular stall holders to a direct debit payment method.
- 4) Introduce a £10.00 administration charge to issue or amend parking permits for market traders.

3. Executive Summary

- 3.1 Leek markets have a number of practices covering free trading weeks, trader absence, issuing and amending concessionary parking permits and

collecting/amending trader's payments and invoices that are labour intensive, inefficient and costly. As part of the project to modernise and improve the markets operation this report sets out a series of proposed changes to these arrangements to bring improved efficiency, reduce intervention from the markets and finance staff and improve profitability.

3.2 The recommendations contained within this report are expected to save the council approximately £3100 per annum. If approved the changes will be implemented from April 1st 2020.

3.3 A summary of the proposed changes is attached at Appendix 1

4. **How this report links to Corporate Priorities**

4.1 This report supports the principles of the Staffs Moorlands Corporate Plan: 2018-2019

- Effective use of financial and other resources to ensure value for money

5. **Alternative Options**

5.1 Option 1: Do not implement the proposals

Under this option, the council will not approve the proposals and traders arrangements and payment methods will continue, increasing the administrative burden on the market and finance teams. **Not recommended.**

5.2 Option 2: Agree implementation of proposals to ensure that the arrangements are cost-effective and consistent with the practice in the other markets and car parking. **Recommended.**

6. **Implications**

6.1 Community Safety - (Crime and Disorder Act 1998)

None

6.2 Workforce

Reduced administrative burdens which will allow staff resource to be directed to developing and marketing the public markets.

6.3 Equality and Diversity/Equality Impact Assessment

None

6.4 Financial Considerations

- Increased income to the council by removing free weeks and half rents.
- Savings by reducing administration involved with amending invoices and liaising with traders.

- Savings by removing expensive cash and cheque processing charges.
- Increased income implementing an administration charge for concessionary car parking permits.

The above savings/additional income total approximately £3,000. A full breakdown is attached at Appendix 1

6.5 Legal

The provision of 2 free weeks for the Trestle Market traders is included in the market terms and conditions and can therefore be amended by giving traders notice in writing.

The 50% charge to traders for absence is a clause in the current outdoor market licenses. This requires notification to be given to the traders and a request that they accept a written amendment. Alternatively, the current license can be terminated with one months notice and then be reissued with the clause removed. It is not proposed to implement these changes until 1st April 2020 in order to allow a satisfactory notice period and ensure trader engagement.

Similarly, changing to Direct Debit only payments would require some leases and licenses to be updated to reflect this change. Again, traders can accept an addendum to their license or it can be terminated and reissued with the new payment option included in the terms of the license.

6.6 Sustainability

None

6.7 Consultation

Changes if approved will be implemented April 1st 2020 and traders will be consulted

6.8 Risk Assessment

None

Dai Lerner
Executive Director (Place)

Web Links and Background Papers

Contact details

Sarah Porru
Head of Regeneration
sarah.porru@staffs Moorlands.gov.uk
07904 288370

7. Detail

- 7.1 The trestle table hire rate for a regular stall is £14.77 for the Saturday trestle market and £17.50 for the Wednesday trestle market. Leek trestle market traders are given two free weeks trading per year on dates nominated by the council. With 26 out of 32 stalls occupied the average annual net cost of two free weeks trading to the council is £1,678. This benefit is not extended to any other council markets so removal would bring the trestle market in line with the prevailing practice. The withdrawal of the free weeks of trading means income to the council is increased and the administrative cost of managing the free weeks is removed.
- 7.2 Outdoor market traders pay half rent (£10.00) if they are not able to attend the Wednesday outdoor charter market due to illness, vehicle breakdown or compassionate grounds. The cost to erect and dismantle a 3x3m pop up gazebo by the contracted provider, City-B group, is currently £18.50. The net cost for the stall being erected for an absent trader is £8.50. There are an average of 20 trader absences annually which costs £170.00 and additional staff time.
- 7.3 Traders are invoiced either quarterly or monthly depending on the market with options to pay the invoice by bank transfer, direct debit, credit/debit card online via the council's website or pay cash/cheque at Moorlands House reception. Cash/cheque payments are costly compared to the alternative payment methods (appendix item 4). If traders do not use the correct invoice reference the payment cannot be allocated to their account, incurring additional staff time to resolve and occasionally triggering overdue payment letters. Payment by Direct Debit ensures the payment is allocated to the correct account, payments are all collected on the 15th of the month reducing administration and we know within two days if a payment has not been collected. Changing to Direct Debit would require some leases and licenses updating to reflect this change in payment method. Traders can accept an addendum to their license or it can be terminated and reissued with the new payment option.
- 7.4 Leek Market traders receive a concessionary parking permit which allows them to park for extended stays or with no charges in council car parks. Frequent requests are made to amend the pass for other vehicles. In the region of 85 passes are issued annually with around 50 being reissued or amended. The proposed administration charge of £10.00 to issue or amend the passes brings the market traders concessionary passes into line with other council issued parking permits.