

**Decision Maker:** **RENEWAL AND RECREATION POLICY DEVELOPMENT AND SCRUTINY COMMITTEE**

**Date:** **Tuesday 18 November 2014**

**Decision Type:** Non-Urgent Executive Non-Key

**Title:** **REVIEW OF BROMLEY TOWN CENTRE MARKETS**

**Contact Officer:** Martin Pinnell, Head of Town Centre Management and Business Support  
Tel: 020 8313 4457 E-mail: martin.pinnell@bromley.gov.uk

**Chief Officer:** Executive Director of Environment & Community Services

**Ward:** Bromley Town;

---

1. Reason for report

At the September R&R PDS Committee Members were minded to request a review of the current operation of the Bromley town centre markets and to develop proposals for the future development of this key feature of the town centre. The report provides some suggested options for Members of the R&R PDS Committee to comment upon and requests the drawdown of some initial seed funding to assist with the development of the market.

---

2. **RECOMMENDATION(S)**

**The Portfolio Holder is asked to approve the expenditure of up to £25k from a section 106 agreement which earmarked £50k for Town Centre improvements to assist with development, planning and design costs in support of the changes which are proposed.**

### Corporate Policy

1. Policy Status: Existing Policy:
  2. BBB Priority: Vibrant, Thriving Town Centres
- 

### Financial

1. Cost of proposal: Estimated Cost £25k
  2. Ongoing costs: Non-Recurring Cost
  3. Budget head/performance centre: Section 106 Funds
  4. Total current budget for this head: £50k
  5. Source of funding: Funds obtained under Section 106 of the Town and Country Planning Act 1990 (Land south of Ringer Road Development)
- 

### Staff

1. Number of staff (current and additional): 1 Markets Administrator
  2. If from existing staff resources, number of staff hours:
- 

### Legal

1. Legal Requirement: Non-Statutory - Government Guidance
  2. Call-in: Applicable
- 

### Customer Impact

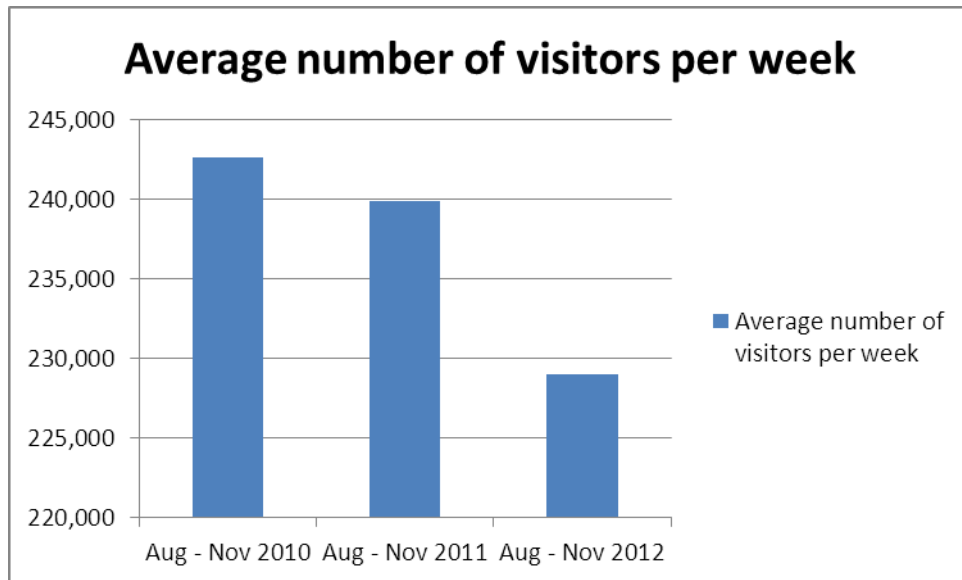
1. Estimated number of users/beneficiaries (current and projected):
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Ward Councillor views have been sought but had not been received before the report was finalised. Any views subsequently provided will be reported verbally at the Committee Meeting.

### 3. COMMENTARY

- 3.1 The Bromley Market first received its Royal Charter in 1205 during the reign of King John. This provided for a Tuesday market but the Charter was subsequently revised in 1447 – to move the market day to Thursday. The market was first held at Bromley Manor and then moved to Market Square where it stayed until 1933, when it then moved to Station Road car park. In July 2012 it was relocated again to the pedestrian area of Bromley High Street. The farmers and craft market has run on Fridays and Saturdays in the same location since the late 1990's. Since the relocation of the Charter Market the town's market has operated as a 3-day market from Thursday to Saturday.
- 3.2 Although markets have featured in Bromley and many other town centres for hundreds of years, in recent years these have come to the fore as one of the levers which can be used by Local Authorities, town centre partnerships and BIDs to help revitalise the fortunes of flagging High Streets. This was highlighted in the Portas Review of 2011 and was taken up by the Department of Communities and Local Government (DCLG) as one of the strands of its Future High Streets programme, and also led to the establishment of the Love Your Local Market fortnight – which has run annually since 2012. According to research commissioned by the London Development Agency in 2010 retail markets are significant contributors to the London economy - the estimated turnover of all markets in London being valued at £430m per annum, and they support approximately 7,300 full time equivalent jobs. In addition there is a multiplier effect for the spending of customers that attend markets – with an estimated £1.75 being spent in town centre shops for every £1 spent on the market. Therefore markets, if done well, can play a key part in a town centre's retail offer and local economy.
- 3.3 Markets are highly-visible and, as such, central to town promotion initiatives. Staging food and drink festivals, speciality markets and Christmas Fayres can bring an enormous boost to visitor numbers. Markets can stimulate social integration and community engagement, with revenue derived from them being recycled into competitions, contests and entertainment and other initiatives to promote and regenerate an area. Markets also represent a key element in the wider proposals for area planning and an improved public realm.
- 3.4 However, it is important to understand the impact of the Bromley Charter market as it is being operated and benchmark this against the best examples around London and the South East. Although town centre footfall has been in decline across London for a number of years – due to a range of factors – it is clear that fostering a successful market is one of the levers that a Council or town centre partnership should be using to grow visitor numbers and town centre vibrancy. Whilst the current market does impart a liveliness to the town centre on its operational days, footfall data shows that there was no significant increase in the footfall in the town centre after the Charter market had been relocated during July 2012 (see figure below).



Source: Springboard

- 3.5 It is possible that other factors such as inclement weather may have played a part in this trend and this is against a background of a general decline in town centre footfall across the UK, but it is clear that the move of the Charter market to the current location did not pay any dividends in terms of additional footfall.
- 3.6 There are a number of aspects of the market operation which need to be reviewed in order to increase its impact as a net contributor to the town centre economy. These are summarised as follows:
- Mix of goods sold: There are currently between 24 and 42 stalls occupied on each market day – with a maximum of 31 traders in occupation on the busiest days. Approx. 30% of the offer on the market is food – i.e. fruit / vegetables, other fresh food and cooked food. The majority of the remaining stalls are taken with fashion and accessories, home wares, materials / haberdashery and jewellery. The current product mix arises in the main from historical trends, which meant that the Charter market catered to the value end of the market, whilst the Friday and Saturday originally had a clear remit to deliver a local produce farmers and craft market. With the merging of the two markets into one, some blurring of the definition has occurred. Policy therefore needs to be reviewed and strengthened in this area. The current market attracts a loyal customer base and is busy enough to sustain full occupancy and nearly full occupancy on 2 out of three days of operation. However, any review of the product mix needs to examine whether the range and nature of goods currently sold can attract the full range of customers that could be hoped for within Bromley’s very affluent catchment area and whether a different mix could be more successful in this respect (see 3.10 below).
  - Layout: The physical layout of the market appears to be too linear in its configuration to provide an interesting aspect to potential users, and funnels visitors to the area through a single channel which blocks sight lines to shops on either side. Although it is acknowledged that the pop up gazebos in use as market stalls are of good quality, these are starting to age and could do with replacing with branded stalls which will help to provide an identity which can be more consistent with town centre branding. It is also noticeable that the policy of retaining the demountable stalls in situ between Thursday and Saturday means that on the days with low occupation (e.g. Fridays) the empty stalls are obvious and do not provide an attractive visual aspect to the market.

- Marketing: Although there have been some efforts to promote the market (e.g. lamp column banners), it is noticeable that within the overall direct costs of £215k only £8k is dedicated to advertising the market each year. The market suffers from a lack of distinct identity and is poorly represented online – with one static page on the Council website, and with only occasional posts on the Council’s corporate Facebook and twitter channels. It is noticeable that successful markets often have a dedicated web page and social media campaigns (e.g. [www.boroughmarket.org.uk](http://www.boroughmarket.org.uk)). In any future operation – working in conjunction with the proposed BID – the market should be part of an integrated town centre marketing strategy.

Taking all into consideration then the Bromley Charter Market, whilst performing on a par with many other local authority run street markets across London, is perhaps not benefitting the wider town centre as much as it could. This is down partly to positioning within the market sphere – should the Bromley Charter Market aspire more to provide an offering on a par with examples such as Kingston Ancient Market, Lower Marsh Market (Waterloo), Greenwich Market and Borough Market?

3.7 Another area that needs to be reviewed is around the cost of the operation and administration of the market together with the level of fees and charges, as historically the costs of the market operation have not been fully recovered;

- Operational and Administration costs: The review needs to look closely at the costs of the market operation which include three separate but interlinked contracts with a total cost of £150k - one to manage the day to day operations on market days, one to install and de-install the pop up stalls and another to manage overnight security. The contracts should be combined into a single contract and tendered, which could generate savings through economies of scale and be more efficient in terms of the officer time required to monitor the contract.
- Fees and Charges: For a single stall the current rents range from £45 on a Thursday or Friday to £89 on a Saturday, with discounts applying to traders booking multiple stalls. The fees and charges need to be reviewed with the aim of recovering all costs including recharges, however, benchmarking data should be used to determine the maximum charges that the market will bear so that demand is not affected. Reducing the operational costs would help to maintain fee levels at a competitive level.

3.8 Any discussion of the Bromley market needs to be seen in the context of the wider regeneration agenda – which has been guided by the Bromley Area Action Plan. Improvements have already been made to the public realm in Bromley North Village and around Bromley South and the new St Mark’s Square development is now well advanced. Also on Part 2 of this agenda Members are considering a programme of physical upgrade for the now tired pedestrian area. It is therefore an opportune moment to consider how the development of the market can be achieved in the context of overall improvement works, and any physical improvements to the town centre should be done with the accommodation of a revamped market in mind.

3.9 Another area of development which is in prospect and which will have a bearing on the future of the market is the potential development of a Bromley Business Improvement District (BID). The working group of business people representing a wide range of business types and locations across the town has been formed and a grant agreement is in place to provide up to £90k from the Council to assist with the project. The working group has appointed a delivery partner and with their assistance is aiming to see a successful BID ballot in October / November 2015. Assuming the success of this ballot, the BID would be established in April 2016. Following practice elsewhere (for example Kingston First BID runs the Kingston town centre markets) the emerging BID may well have an interest in taking over the management of the Bromley market – although it is not expected that they would be in a position to do so until a year or two into their initial five-year term – so potentially from 2018/19 onwards. Therefore, from the outset,

any proposals for the Charter Market should be discussed and developed in conjunction with the BID Working Group.

- 3.10 A review of the best examples of market practice across London and the South East and in discussions with a leading market operator and consultant has revealed that the best performing markets have a strong preponderance of food – with a mixture of both retail food stalls and specialist street food purveyors. There is also a mix of pop-up structures (similar to the ones currently used by the Charter Market) and also permanent kiosks – allowing for some pitches to be operating on a seven day a week basis – with some trading hours extending into the evenings. An example like the newly refurbished Ancient Market at Kingston shows that if designed well these permanent structures can enhance a market space and can be complementary to surrounding architecture even when not in use.
- 3.11 With the newly refurbished space in Market Square providing a much more open and pedestrian-friendly aspect – with the installation of some additional underground services (electricity and running water) this could form the heart of a revamped and revitalised Charter Market. An initial assessment of the potential for this area to accommodate market stalls suggests that up to 40 units could be placed here, with some of these of a more permanent nature. Additional kiosks could also be incorporated into a refurbished pedestrianized section of the High Street. Although a market could operate on a smaller scale basis, it is recognised that to be attractive to a professional market operator and to provide sufficient economies of scale to generate a surplus income the Charter Market should aim to have a minimum of 40 stalls, the majority of these trading at least 5 days per week (which could incorporate different specialist markets), with some of the permanent pitches trading for longer.
- 3.12 A possible vision for a revamped and revitalised Bromley Charter Market could therefore see a market which looks something like this:
- 6 or more fully serviced and sensitively designed kiosks located in Market Square and the High Street which would house traders delivering specialist street food – along with adjacent space for tables and chairs for outdoor dining. The quality of these permanent stalls would be such that they will remain attractive even when unoccupied on non-market days or overnight. Examples of similar structures in other town centres are shown in APPENDIX 1.
  - Up to 34 high quality pop up 3m x 3m Bromley Charter Market branded gazebos which would also benefit from adjacent services. The location of these would mainly be around Market Square but the positioning of the stalls would be carefully designed to ensure a satisfying and tempting customer experience, whilst reducing blocked sight lines to neighbouring shops and restaurants, and maintaining the legally required emergency access path.
  - The market would have a preponderance of food in the mix of offerings – with more than 75% of the stalls selling high quality and varied food to cook at home or to eat on the go. This is a distinct change from the current market mix, which only has around 30% of the stalls dedicated to food. However, this would not necessarily be 5 days per week, and depending upon demand one or two days of the week could be dedicated to other types of trade – for example antiques and collectables or plants and flowers.
  - Within the design of the market place there would be sufficient space allowed for a varied programme of entertainment to take place – e.g. buskers and street theatre.
  - The operation of the market should be fully at ‘arm’s length’ from the Council – so that all the various aspects of managing the market, from installation and de-installation of pop up stalls, security, sourcing traders, vetting and booking stall holders, billing and fee collection, day to day management of stall holders through to promotion and marketing,

would be taken on by one experienced market operator, through one carefully specified contract – which would include both regular weekly market days and any seasonal markets. This could have in place break clauses, which may allow some form of transfer to the new BID, but should ideally run for at least 5 years. Contracting in this way will enable the operator to realise any economies of scale and realise any return on initial investment – to enable a reasonable income return to be made to the Town Centre Management function of the Council or to a future BID.

- A key ingredient for the Charter Market must be a core emphasis on quality, both in terms of the equipment used, the presentation of the stalls and the type of products sold. Councillors will be fully involved in agreeing the overarching guidelines and the mechanisms to be in place to ensure quality control is maintained, but the actual application of this process will be within the remit of the contracted market operator. The success of the market would drive demand for stalls, so that a waiting list would build up, which has happened at Kingston Ancient Market since its re-launch. This means that the market operator –led by pre-agreed guidelines, can be selective about which traders can be admitted to the market.
- As part of the administration of the new Charter Market, it would remain within the remit of the Council to undertake the necessary licensing and regulatory duties that it currently discharges. Part of this would be to start to assert the rights accorded by the Charter which means that the Council should have a say if any other market is proposed within 6 2/3 miles of Market Square – and could levy a charge on the operator of any such market if it so wishes.

3.13 If members are in favour of further exploration of this vision and for officers to work towards making this a reality, then the following will be required initially:

- Thorough market research to understand both the current users of the Charter Market but more especially residents within the catchment area that don't currently use it – to provide a solid evidence base for the development of a refreshed offer. We will also consult with existing 'bricks and mortar' retailers and other businesses in the town centre to understand their views of how the market could best serve the whole town.
- Specialist legal advice on the implications of making the change of emphasis from a market which is now predominantly non-food to one where food is dominant – this may necessitate some change to the existing tenants, although it is hoped that the best of the existing market traders can be retained and moved to the new location.
- Specialist support and advice to develop a specification which will enable the Council to go to market and find an operator which would be suitable and willing to partner with the Council in the process of developing a revamped and re-focussed market – and to take on the operation of the new market for a period once re-launched.
- Specialist design expertise to enable a revamped Market Square and High Street to facilitate a modern market and to design a configuration of both permanent and pop-up stalls within the Market Square and High Street spaces to optimise the use of the space.

3.14 In order to undertake the outlined programme of work, officers will need to draw on certain external expertise – for example, market research and specialist advice on market design. The one-off total project cost is expected to be a maximum of £25k. This report is seeking authorisation from the R&R Portfolio Holder to utilise part of the funding secured for town centre development through a section 106 agreement for a development in Ringers Road, Bromley (with a total contribution of £50k). The projected budget breakdown for this project is shown in

paragraph 5.3 in Financial Implications. Details of the section 106 and its proposed use are shown in the below table:

Planning Reference	Development	S106 agreement clause	Amount and how the money will be allocated	Justification
14/01590/M ATAMD	Land At South Side Of Ringers Road Bromley	<p>Contribution of £50,000 “shall be used by the Council solely for the works set out in the Town Centre Improvement Fund” (Schedule 3, clause 2.2)</p> <p>The Council will repay any sums not spent or contractually committed within the specified period which is 5 years from the date on which it is paid (Dec 2013),.</p> <p>(Schedule 3, clause 3)</p>	<p>Bromley Town Centre £25,000, for project work preparatory to town centre improvement works related specifically to the operation of the regular market. Use of this funding will provide the following:</p> <p>Market research and consultation to inform market development</p> <p>Legal advice related to terms and conditions</p> <p>Specialist design and procurement advice preparatory to contracting the market operation</p>	<p>The Contribution needs to be spent on town centre development before Dec 2018. The market is an integral part of the physical make-up of the town centre. In the light of proposals to undertake a major public realm upgrade for the centre section of the High Street, which is likely to be implemented during 2016, the project to specify and re-position a revamped town centre market needs to be initiated in early 2015.</p>

3.15 It is expected that this initial project will be completed by April 2015. officers will bring a further report back to Members in spring / early summer 2015, with a view to requesting funding for the capital expenditure required to purchase and install the necessary equipment and infrastructure for the market and also authorisation to seek a contractor for the development and operation of the market.

#### 4. POLICY IMPLICATIONS

4.1 Proposals are in support of developing and maintaining the vibrancy of Bromley Town Centre, enabling both retailers and market stall holders to thrive.



## 5. FINANCIAL IMPLICATIONS

5.1 A breakdown of the latest budget position for the Markets service is shown below:

<u>Markets Budget</u>	2014/15	2014/15	2014/15
	Budget	Projected Outturn	Variance
	£	£	£
Employees	35,320	35,320	0
Electricity	4,150	4,150	0
Purchase & repair of equipment	18,000	18,000	0
Other hired & contracted services	150,000	150,000	0
Advertising	8,000	8,000	0
Income - Market Charges	Cr 214,420	Cr 224,420	Cr 10,000
<b>Total Controllable Expenses</b>	<b>1,050</b>	<b>Cr 8,950</b>	<b>Cr 10,000</b>
Insurance	200	200	0
Repairs and Maintenance	8,050	8,050	0
<b>Total Non-Controllable Expenses</b>	<b>8,250</b>	<b>8,250</b>	<b>0</b>
<b>Recharges</b>	<b>61,890</b>	<b>61,890</b>	<b>0</b>
<b>Total Net Budget</b>	<b>71,190</b>	<b>61,190</b>	<b>Cr 10,000</b>

5.2 This report is seeking approval to spend £25k of S106 contributions on the following project costs listed below: -

<b>Bromley Market Development project costs</b>	2014/15
	£
Market research / consultation	10,000
Legal advice	5,000
Design and specification advice	10,000
<b>Grand total</b>	<b>25,000</b>

5.3 The S106 funds available to fund these project costs relate to a legal agreement concerning the development on land South of Ringers Road, Bromley, with a value of £50k. This money is specifically for the Council's Town Centre Improvement and has to be spent within 5 years of the date of receipt, which is 24<sup>th</sup> December 2018. Any sums not spent or contractually committed by this date, will have to be returned to the developer.

5.4 It should be noted that it is expected that further resources will be required to fund the purchase and installation of new equipment and infrastructure for the market.

## 6. LEGAL IMPLICATIONS

6.1 Implications for moving the Charter market physically are not expected to present significant legal issues. This operation has already been done relatively recently. The changes will not involve moving the market day from a Thursday, although it is possible that additional days could be introduced.

6.2 The status of existing licences/ agreements with traders will need to be examined. Issues may arise around the physical move of individual stalls or termination of licenses. Independent legal

advice will be sought at the next stage of the project – to ensure that any changes impacting existing tenants are appropriately handled.

- 6.3. The proposed expenditure accords with the requirements contained in Schedule 3, clause 2.2. of the aforementioned section 106 agreement.

## 7. PERSONNEL IMPLICATIONS

- 7.1 In the event that Members decide to explore the options outlined in this report a further report would be taken back to Members setting out the proposals for the future development and operation of the market. Any subsequent report would need to include any emerging personnel implications arising from the proposals which are likely to become clearer as the proposals are developed further.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	London's Retail Street Markets – Draft Final Report by Regeneris Consulting