

Tuesday, 16 August 2022

Assistant Director - Growth & Regeneration

### Street Market Update

#### Exempt Information

None

#### Purpose

To update Corporate Scrutiny Committee on the operation of Tamworth Street Market during its first year of trading under the new contract.

#### Recommendations

It is recommended that:

1. Endorses and acknowledges the information presented in this report.

#### Executive Summary

In early 2021, the operation and management of Tamworth Street Market was put out to open market tender on a 5 year basis with the option to extend by up to a further two years. LSD Promotions Ltd, the incumbent supplier, won the tender and commenced the new contract at the start of June 2021.

This report aims to update the Committee on development to date, challenges facing the market and opportunities for the market on the horizon.

#### Market development since June 2021

Since the start of the new contract, LSD has made a significant number of changes to the market and the approach to developing it, summarised below:

- **Introduction of new stall infrastructure and covers.** All of the stalls have been changed with new covers provided, changing the colour scheme of the market to cream and blue, which are easier to keep clean and present a new image.
- **More stringent standards.** The Growth and Enterprise Officer, within the wider Economic Development and Regeneration (EDR) team has worked with the on site market manager to ensure standards are maintained, with regards waste, overspill in to public areas and presentation of stalls. Consistent and continued reminders of standards is starting to result in a much better approach by traders.
- **Young Traders Competition.** A National Market Traders Federation event was supported to encourage Young Traders, this was judged by the mayor with the winner going on to regional finals in Stratford Upon Avon.
- **Increased food offer.** Four weekend trial events have been showcased from summer 2021 with street food stalls in St Editha's square. This has since led on to the creation of a food festival on the lower lawn area of the Castle grounds, with stalls connecting to the Castle gateway area and existing market. Two of these events have been already held in October 2021 and in June 2022, with another planned for October this year. These larger events are purposefully designed to attract artisan and food

related businesses, and prove that there is demand for their offer in Tamworth. The ambition is twofold: to convert some of these traders into regular traders on the market or inspire others with similar ideas to start trading; and to create footfall and demand from residents with the local catchment area and show them what the wider Town Centre has to offer.

## Challenges

Despite the development of the market there still remain some key challenges to the market and its development as below.

- The automatic bollard system. This failure of this system continues to cause issues, as it does not operate correctly and when it does, it is erratic. Over the pandemic there has been an increase in people driving up the pedestrian areas and parking, even on market days. Many market operators have expressed their concern about the bollards not working as they do not feel safe. This has been raised with the relevant bodies on a number of occasions, but a successful, permanent solution has not yet been found.
- Town Centre footfall – Footfall across the town centre, is still 23% below figures from January 2019 and shows signs of sustained behavioural change in consumers. Tamworth has seen some positive signs of recovery, particularly around the investment of new food and drinks outlets such as Gloria Jeans cafe in Ankerside and the Peri Fino restaurant in George street. Further FHSF works will enable more improvement to the wider offer and support the return of footfall to the town centre.
- Market layout – the layout of the market, predominantly in George Street still remains a challenge as street furniture, access requirements and shop frontages restrict where market traders can go creating a sometimes-fractured arrangement of stalls. More successful “new” generation markets are often more compact in defined areas, with a clear customer flow. Proposed works to St Editha’s square as part of the Future High Streets Fund (FHSF) programme will help support a positive change in approach, addressing some of these challenges.
- Town Centre Redevelopment – it has been identified that some existing traders and some potential traders are nervous about the changes coming as a result of the town centre redevelopment through the FHSF. This concern is mostly based on disruption to their trade during the demolition and build process and not exactly knowing what trade will be like afterwards. Both the market operator and officers feel once most of these works are completed there will be a significant opportunity to grow the market and attract new and diversified traders to meet future demand.
- The pandemic – like many areas of the economy, the street market has seen the impact of the pandemic hit hard. Some regular market traders have reassessed opportunities and changed trades becoming lorry drivers, or going into careers with a more consistent and secure income. Some found success trading online during the pandemic and have made more income in this way than more traditional, stall focused sales. Being a market trader is a quite challenging profession based on the open conditions and start times, and as such does not appeal to everyone.

## Opportunities

There are a number of opportunities arising specifically in Tamworth over the next 2 years that give considerable opportunity for the development of the market from an old style market into a more modern, new generation type market. These are as follows:

- **Future High Street Fund.** The FHSF represents a significant opportunity for the market to grow and develop into new areas. The programme not only redefines public space, making areas through the town more attractive and accessible, it will also offer a more flexible, practical space around St Editha’s for the market to be focused upon, improving pedestrian flow and public perception. The introduction of the College to the town centre, will also directly bring in new users with different demands who will provide an opportunity for new market traders and a stronger food presence. The retail offer will also be diversified by the introduction of new small retail start up units, that give successful traders somewhere to move on to should they see that as appropriate.

- **Continued development of food and drink offer.** LSD, the Council and other providers, such as Ankerside are successfully delivering consumer focused, well received activities around food and drink. As mentioned above, LSD has already ran two food related extensions to the market with a third planned. In addition the Arts and Events team have successfully attracted Digbeth dining club to the Castle grounds and Ankerside are running with the support of the market operator a vegan and vegetarian festival. There is considerable scope to expand these activities into more regular provision at the market.
- **Focus on local heritage and culture.** There is a significant opportunity to generate trade and additionality to the market through focusing on artisan type trades, that focus on local heritage and culture. Officers from the Castle and the EDR team are actively engaging with the market operator and other local organisations to deliver artisan craft markets from the town centre adding to the current market offer.

### **Resource Implications**

Market income has been naturally unstable over the past 2 and half years and at this point in time is hard to compare against previous years. Over the past year there has been a considerable amount of uncertainty around covid related rules and regulations, particularly between the start of the contract in June 2021 and Christmas 2021. This has now settled and income seems to be gradually increasing, as does the number of stalls and number of regular / casual traders. This is monitored by the operator and officers on a quarterly basis and as time progresses a clearer pattern will emerge on the impact of all wider changes on the street market.

### **Legal/Risk Implications Background**

The operation and management of street markets is very niche and a bespoke service. Markets across the country are seeing a general trend towards decline, as competition increases from retailers such as Aldi, Lidl, Homes Bargains, B&M and the Range. Consumer shopping habits are also changing at an accelerated pace. As a result of these market changes, the number of market operators with the skills required to deliver services to the required standard is also slowly shrinking. This was further evidenced during the tendering process when there was only one tender submitted.

There is an emerging risk that the Council may struggle in future tendering rounds to procure an operator that meets its needs and ambitions for the street market. The current contract has a full possible duration of 7 years with just under 6 left to run and has targets in place to address decline and develop the market so it is fit for the future. However, it should be noted that future delivery options for the market should be considered in depth at an early stage, with a full evaluation of options examined within the first 6 months of operating year 4, between June 2024 and November 2024. This approach will help mitigate any risk of the Council not being able to successfully procure another operator.

### **Equalities Implications**

There are no equalities implications arising from this report.

### **Environment and Sustainability Implications (including climate change)**

There are no environment and sustainability implications arising from this report.

### **Background Information**

The operation of Tamworth Street Market has been tendered to open market delivery since 2011, with LSD Promotions Ltd being the service provider since this time. LSD take all operational responsibility for every aspect of the market on Tuesdays and Saturdays. LSD must comply with all relevant local and national rules and regulations, pertinent to running a market. In return for granting sole permission to LSD to run the street market on these days, the Council receives a fixed annual payment.

Following a national pattern, the market has declined over the last decade with the change in shopping habits, general wider decline of town centres and the significant competition within

the budget shopping offer. The market as a result has less traders than it used to, occupying less space. In more recent years many markets are starting to reinvent themselves in different ways appealing to a broader range of customers, diversifying their offer into such things as street food, vegan and vegetarian offers, antiques, collectibles and artisan crafts. It has been identified that there is a strong opportunity in Tamworth to take advantage of such changes and the wider regeneration of the town centre.

**Report Author**

Matthew Fletcher – Head of Economic Development and Regeneration

**List of Background Papers**

Market Tender – April 2021

**Appendices**

None.