

AGENDA ITEM NO 6(A)

TAVISTOCK TOWN COUNCIL BUDGET & POLICY COMMITTEE TUESDAY 14TH JULY 2020

BRIEFING NOTE MARKET REEVE REPORT

1. INTRODUCTION

- 1.1 This report is being brought to members to outline current financial implications due to Covid-19, with the Pannier Market opening as of the 2nd July I enclose a breakdown of projected current and future income for consideration, safety measures that have been implemented and stakeholder engagement.

2. CURRENT POSITION

- 2.1 The Pannier Market is currently operating three days a week and on a reduced configuration to allow for the safe implementation of social distancing. Public, trader and staff safety has been a fundamental part of this phased return, whilst giving careful consideration to recognising the importance of rental income and providing the necessary support for traders as we start to rebuild.
- 2.2 The previous market configuration could generate income from 174 tables on a daily basis, this would equate to £1,566 per day and £7,830 per week based on 100% occupancy levels. Please note at the point of lockdown we were operating at approximately 92% of these totals.
- 2.3 With the current Covid-19 configuration we now have 111.5 rentable table spaces.
- 2.4 The support package that has been implemented for traders consists of two weeks trading at no cost as from 2nd July, only traders starting on this date would be eligible for this incentive, after the two-week period traders will be charged at half rate of the normal £9 per table, this would generate income of £501.50 per day and £1,505.25 per week based on a three-day trading week. Once charging returns to the full rate this would generate income of £1,003.50 per day and

£3,010.50 per week based on the same three-day week. I am pleased to report that all 111.5 table spaces have been allocated.

- 2.5 Please note, the above figures are not inclusive of the two year leased lock-up units. Based on the equivalent support package, each lock-up will generate £108 per month at half rate and £216 per month at full rate based on a three-day trading week, normal price £360 per calendar month. The current lock up occupancy is, two out of the seven are currently vacant, one is being occupied as a temporary Market Office, another has moved out and has been written to in relation to their lease obligation, it is also likely that another will be moving out over the coming months as they have just secured a lease on a perimeter shop.
- 2.6 The current configuration for Bedford Square trading is that permit 5 traders per day in pre-allocated pitches, this gives the potential for £100 per day, there is also the inclusion of one of the wooden huts that was previously purchased for the Market re-roofing works, this will be charged at £25 per day. This will be under regular review and has the capacity to be increased dependent on Government guidelines and social distancing measures. With the latter part of the week tending to be a more favourable trading option, an anticipated weekly occupancy would likely be around 50% of the maximum figure.
- 2.7 Turning back to the Pannier Market annual income based on an occupancy level of 92% and with the regular 174 table spaces available would generate income of £368,184, this figure is inclusive of the reduced winter rate of £8 per table for the months of January and February.
- Annual income based on 3 days trading per week with the current configuration at half rate would generate - £76,935.
 - Annual income based on three days trading per week with the current configuration at full rate would generate - £153,870 or £117,744 for the remainder of the year.
 - Annual income based on five days trading per week with the current configuration at full rate - £256,450 or £196,240 for the remainder of the year.
 - This would give an annual shortfall of around £171,944 based on operating the current layout five days a week, a shortfall of £250,440 would be estimated based on three-day trading per

week. Please note that these figures are based on income for the remaining 9 months of the year. The overall figure of £368,184 normal income is based over an average 12-month period, comparative figures are shown over an annual and 9-month period due to no income in the first quarter of the year.

- 2.8 Risk Assessments have been completed for all areas and have been read and signed by all of the Markets and Events Staff, we also have displayed a five point Covid-19 compliant poster. Extensive social distancing compliancy measures have been implemented, with customer and trader feedback being very positive around the safe guarding measures that are in place. Traders have also signed up to Covid-19 specific Terms & Conditions as an addition to their Market Rules & Regulations. Traders have been communicated with throughout the lockdown period inclusive of, general communication, initial and future plans/operating schedules and all information on claims such as the Discretionary Grants Scheme. Before we went into lockdown we created a Covid-19 trader representative group of six that have been communicated with throughout the process, they have provided key stakeholder input in thought processes and re-opening options.

3. OPTIONS

- 3.1 It was agreed with trader representatives that the phased return measures that have been implemented, would remain unchanged for an initial six-week period, at this point management would undertake a review and fortnightly thereafter.
- 3.2 At this point we have the option of how best to move forward whilst considering how we reconfigure to allow maximum capacity in line with trader appetite to return, Government guidelines and use of Town Council ancillary buildings such as Butchers' Hall.
- 3.3 Three key options that will form the fundamental basis for moving forward will be, the timing of the decision to increase from the current three-day trading, the utilisation of Butchers' Hall and Bedford Square to accommodate traders as their desire to return becomes apparent and when to safely add to the current interior layout to increase occupancy/income.
- 3.4 In conclusion comparing the 3-day restricted opening (if it were to continue for the remainder of the financial year and after discounting free and reduced charging) the anticipated difference between projected Market 'normal' income and revised equates to the difference between £306,240 and £117,744 in other words a

reduction of £188,496 to a figure of £117,744 for the remainder of this financial year (excluding lock ups).

4. RECOMMENDATIONS

- 4.1 The Council endorse the interim proposed charging structure on the basis of current configuration as follows; A rent free two-week period from the opening date of the 2nd July, then half rent for a four-week period, this to be fully reviewed after the second week of half rate.
- 4.2 The Reeve undertake an extensive review after a six week trading period to ascertain the necessary next phase, this will be determined by trader's appetite to return and the availability of accommodating safely with any implemented Market configuration.
- 4.3 At the point of the six week review the Reeve ascertain how trade/footfall is and decide timescales of returning to full rent and whether there is a legitimate case for an increase in trading days, or whether we utilise other Council assets to facilitate the next stage of returning traders.

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MARKET REEVE & DESIGNATED PREMISES SUPERVISOR
JULY 7TH 2020