Cabinet

16 January 2013

Revitalising Markets within County Durham



Key Decision NH/06/11

Report of Corporate Management Team Terry Collins, Corporate Director, Neighbourhood Services and Ian Thompson, Corporate Director Regeneration and Economic Development. Councillor Bob Young, Cabinet Portfolio Holder for Strategic Environment and Councillor Neil Foster, Cabinet Portfolio Holder for Economic Regeneration

Purpose of the Report

- 1 To present the findings of the public consultation on the draft strategy for 'Revitalising Markets' within County Durham and seek Cabinet approval of the revised strategy
- 2 To inform members of the outcome of soft market testing exercise and next steps in delivering the key priorities set out within the revised strategy.

Background

- 3. On 30 May 2012 Cabinet considered a report on the findings of the Durham Markets Review which highlighted the significance of local markets and their future provision within the context of town centre regeneration plans and the employment / business growth potential markets provide.
- 4. The outcome of the market review indicated that the current sustainability of markets operating across the County based upon the current management and operational arrangements is extremely limited and in order to revitalise markets and get the best market offer for County Durham it was concluded that the current management of the market provision would also need to change.
- 5. The Cabinet report presented a draft strategy for the 'Revitalisation of Markets within County Durham to support and enhance the growth of markets as well as options for the future management and operation of markets across the county.
- 6. It was proposed at that time to undertake a two stage approach to the development and implementation of the Market Strategy with the first stage involving the commencement of a consultation exercise and further soft market testing in relation to the options available for the management of markets within County Durham.

7. Cabinet agreed to consider a further report on completion of the proposed public consultation and soft market testing exercises which would inform development of the final market strategy and consideration of the next steps in its implementation.

Consultation process

- 8. The draft strategy was made available on the Council website from 26th June 2012 to 23rd August 2012 and all consultation responses have been collated within a consultation report which has been made available in the Members room.
- 9. The consultation period was extended until the 15th September 2012 for Town and Parish Councils only. This extension allowed those organisations more time to respond to the consultation because part of the consultation period was during summer recess.
- 10. In addition to the on-line consultation, officers carried out a series of public consultation events, including presentations to some Area Action Partnerships and Town Councils. At these events, officers engaged directly with market stall holders, the public, their Council representatives and many other interested parties. Further details of the consultation process and the results are available in the Markets Review Consultation Results Report, a copy of which will be made available in the Members Library.
- 11. Overall the number of respondees and responses to the consultation was very low in comparison to the potential number of both individuals and organisations having a vested interest in the County's markets. The findings of the consultation should be considered carefully with this in mind and any figures that are presented as percentages or any references made to the percentage of the responses received should be interpreted accordingly.

Consultation responses to key elements of the strategy

- 12. The strategy itself contains eight key themes. The consultation survey questions were therefore based around important issues and various aspects of market management, provision and use relevant to these key themes. The experience and opinions of both traders and consumers were extorted using the questionnaires.
 - Structured, Effective Management
 - Engaging Partners
 - Supporting Our Town Centres all questions
 - Place Shaping
 - Supporting Micro-Businesses
 - Supporting Communities
 - Supporting Local Produce and Speciality Goods

- Marketing and Public relations
- 13. The key themes of the strategy illustrate how our markets should function and what they should look like in order to grow in a sustainable fashion and to best support town centre economies.
- 14. The outcome of the consultation exercise was intended to inform the future development of the strategy and has highlighted the importance placed by market traders, market users and others on local town/city centre markets and their aspirations for an improved market offer.
- 15. The consultation confirms the opinion that County Durham's markets should be well-managed, integrated components of successful town centre economies, offering good quality and good value local produce and speciality goods in support of our communities. Respondents agreed that shopping in County Durham's markets should be a pleasurable experience, characterised by high quality, accessible stalls, and an excellent mix of well-trained and passionate traders with links to retail stores and town centre events and attractions.
- 16. A synopsis of key points from the markets consultation provided by the Principal Research and Consultation Officer shows that broadly, views and opinions differed slightly between traders and users. The following summary gives an indication of the main observations and gives some interpretation of the results in support of the key themes. Again, many of the percentages quoted relate to a relatively small numbers of respondents. Reference should therefore also be made to the original data in the consultation results report.
 - Only 46% of market users and 66% of traders were satisfied with the current level of provision in County Durham. The views of market users are particularly significant in that this response would suggest that the majority of market users are not satisfied with the current level of provision and clearly supports the need for change to both improve existing customer satisfaction as well as attract new customers to our markets.
 - The majority of trader and user respondents felt all aspects of the new vision for markets in County Durham were important. A large majority of traders felt strongly that markets should be of benefit to the local economy (88.9%) and offer good value for money. Market users also felt strongly about markets benefiting the local economy (79.3%) but to a lesser extent. Users also felt strongly that markets provide local produce (70.2%). The majority of respondents who commented felt that markets should provide a variety of goods to attract people.
 - Around nine out of ten respondents said they have shopped at least one of the ten markets supported by DCC in the last two years. In terms of users, by far the most used market was Durham City (61.3%) followed by Stanley (29.6%), Chester-le-Street (28.2%), Consett (24.6%) and Bishop Auckland (23.9%). The three markets with the smallest proportion of users were Seaham (2.8%), Stanhope (4.9%) and Spennymoor (7%). However very small numbers of people said that any markets should close.

- A large majority of both users (88.1%) and traders (78.6%) support the use of market places for activities other than market trading. The most popular frequency for these events was monthly.
- The most popular speciality markets for both traders (71.4%) and users (91.5%) were local food and produce. This confirms the demand for a range of markets offering speciality goods and/or local fresh produce. There were strong levels of agreement that there should be more advertising for markets in the county as both traders and users they are not well advertised currently.
- Traders were also asked which option they preferred for the future management of markets. The most popular choice was option 1 to continue to operate the markets as now which creates different management models and agreements with some markets operated under licence and others maintained by the council.
- 17. Feedback from traders at consultation events suggested that whilst they recognised the need for new and diverse types of retail operations in the markets, there was also need for supporting existing traders e.g. through advice, guidance and networking.
- 18. Promotion and advertising of markets was also raised as an important concern amongst market traders. It was generally felt that traditional methods of promoting the market were out dated. Traders recommended more up to date methods of promotion including use of the Council website and other social media sites.
- 19. Traders stated that they would also welcome links to each other's sites and the creation of networks with other market traders through social media sites. They advocated a dedicated markets web site or web pages managed by the Council which could host these links and that could also promote other events that were happening in the County's market towns.
- 20. The results of the consultation broadly supported the strategic aims and many useful comments and suggestions were recorded during the exercise. There were several of the responses which were of a more specific nature and relevant only to individual markets. Although welcomed and operationally useful, such information was not considered as relevant to the overall strategy for County Durham.
- 21. In addition the draft strategy contained a lot of background information about markets and reasoning behind the creation of the strategy. Whilst this information was useful for Members to agree within the draft form, much of this information has now been removed within the revised version as shown in Appendix 2, to enable it to be more effectively used as a 'live' document going forward.

Delivering the Strategy

22. In delivering the strategy the council needs to continue to consider fully the wishes and aspirations of all parties involved in markets, town centres and

surrounding communities and to respect the historic market rights that exist across the county.

- 23. It has been identified that there may be existing market rights held by current market providers and that these rights may have an impact as to the future delivery options for markets.
- 24. In addition it is also known that there are some unestablished markets taking place across the County. Such markets are subject to street trading controls where they exist. To safeguard their continuation these markets will need to be established in law thereby exempting them from street trading controls.
- 25. As set out within the strategy the Council must seek to design and implement a more effective management model, fully reflecting local circumstances and respecting the character of individual centres, to deliver the following strategic objectives:
 - Affording the council the ability to continue to perform its functions effectively, provide strategic direction and to facilitate the effective management of markets across the county.
 - Providing a structured, efficient and transparent management model which is purpose-designed for County Durham and allows markets the opportunity to operate at peak performance.
 - Affording the council the opportunity to work with market operators to maximise the performance of markets but also to deliver the council's other strategic objectives in terms of wider economic impact, business start ups and growth and support for communities.
- 26. It is proposed therefore that the most appropriate management arrangements for each individual market will be determined on the basis of efficiency and effectiveness as well as the potential for future growth and enhancement of the market offer.
- 27. Should the proposed management arrangements for any market involve the transfer of management and operational responsibilities to a third party, the Council will need to seek prospective partners.
- 28. A 'soft' market-testing exercise has already been undertaken which has identified levels of interest from both local and national operators in the management of each of the County Councils markets.
- 29. Subject to Cabinet agreement of the final strategy (Appendix 2) and determination of the future management arrangements for each individual market, these expressions of interest cannot be confirmed.
- 30. Furthermore as part of any selection process, it will be for each third party provider to demonstrate how they would operate each market in accordance with the key themes of the Strategy.

Legal and Procurement Implications

- 31. Markets can be created in a number of ways, including by grant, prescription or statute. The different methods of creation may result in differences in the standing and rights attached to each Market. It has been recommended by Legal Services that in order to formalise the status of each market and clarify their position that each market is designated under the Food Act 1984.
- 32. Owing to the complexities surrounding market rights and relevant law, this may impact upon any future agreements and affect or delay the ability of the Council to deliver the strategic aims in their entirety. In particular the situation in respect of the market in Durham City is complex due to the ancient origin of the same and therefore discussions will need to take place with Durham Markets Company as to the future of markets in Durham City."

Financial Implications

- 33. It was identified in an earlier report to Cabinet in May 2012 that the Council's existing management arrangements are not sufficient or sustainable to deliver the objectives as set out within the proposed strategy due to current pressures on budget, staff resources and limited ability to invest in publicity, marketing, and business support services.
- 34. Without further investment to support the future management of markets in line with the strategy, the Council will need to consider alternative management arrangements for those markets currently under their operational control.
- 35. Whilst any revised management arrangements will seek to promote better market performance across the County, it is likely that a more realistic income target will need to be established to reflect any sums payable under any contractual agreements.

Staff Implications

36. The implementation of any new management arrangements may require further consultation with both affected staff and their Trades Unions. This will be managed appropriately and in accordance with current guidance and protocols.

Conclusion

- 37. County Durham's markets should be well-managed, integrated components of successful town centre economies, offering good quality and good value local produce and speciality goods in support of our communities. Shopping in County Durham's markets should be a pleasurable experience, characterised by high quality, accessible stalls, an excellent mix of well-trained and passionate traders and links to retail stores and town centre events and attractions.
- 38. It is recognised that in taking a long-term strategic approach to the revitalisation of markets the council will need to change the manner in which it manages, supports and promotes local markets across the county.

- 39. The purpose of the strategy is to establish the broad economic and policy justification for managing County Durham's markets and it is intended that this will provide further opportunity for other market providers within the County to work with the Council to support the growth and enhancement of all markets within the County.
- 40. Whilst the aspirations and actions contained in the strategy cannot necessarily guarantee a marked improvement in the overall performance of each market, by delivering the key actions, each market would be given an opportunity to maximise their potential against the existing and emerging factors that are contributing to their apparent decline.
- 41. The key themes of the strategy essentially, illustrate how our markets should function and what they should look like in order to grow in a sustainable fashion and to best support town centre economies.
- 42. The strategy agreed by members in May 2012 has been subject to full public consultation exercise with relevant views incorporated into the new proposed strategy.
- 43. The results of the consultation exercise support the adoption and implementation of the agreed strategy as set out in Appendix 2.

Summary and Next Steps

- 44. All existing contracts and or licences currently in place will be extended until 30 June 2013 and may be extended for a further period of time subject to any new contractuals arrangements being made.
- 45. We will seek to designate all existing markets under the Food Act 1984 subject to any existing market rights.
- 46. Subject to Cabinet approval of the strategy in Appendix 2, and following the Council's procurement rules and framework, it is proposed to confirm any expressions of interest in managing and operating each individual market.
- 47. As a matter of priority consideration for determining any future contractual arrangements will be given to those markets already managed by independent market operators.
- 48. All confirmed expressions of interest will be assessed as part of a selection process and new contracts will be awarded in accordance with the council's procurement rules and framework
- 49. In addition, it is proposed to review current management arrangements of those markets directly under the Council's control and based upon any confirmed expressions of interest, the most effective management arrangements for the delivery of the key tasks outlined within the strategy for each market will be determined.

50. Any revised management arrangements will be implemented in accordance with the Council's current policies and procedures and may be subject to further Staff and Trade Union Consultaion as necessary. A suggested project timeline with key milestones is attached in Appendix 3.

Recommendations

- 51. Cabinet consider and agree the proposed the final draft strategy (Appendix 2) for the 'Revitalisation of Markets within County Durham.
- 52. Cabinet are advised of the next steps in delivering the key priorities set out within the revised strategy.
- 53. Cabinet agree to give delegated authority to the Corporate Director of Neighbourhood Services and Corporate Director of Regeneration and Economic Development in consultation with the Cabinet portfolio holder for Strategic Envionment and and the Cabinet portfolio holder for Regeneration and Economic Development strategic for the determination and implementation of any revised management arrangements for each market, as deemed appropriate.

Background Papers (Copies available in Member's room)

- Markets Review report
- Mary Portas Review report
- Revitalising Markets Cabinet report 26 May 2012
- Markets review consultation results report

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Appendix 1: Implications

Finance

The base budget target for markets income in 2012-13 is £131,000. The cost of staffing for existing market provision is circa £80,000. There are additional costs with operating the markets including repairs, promotions etc, however there is no set budget set aside for this and is currently dealt with within EHCP. There are also associated costs relating to NDR which totals £39,579

Staffing

There are three FTE posts within the current establishment covering market duties. There is currently one vacancy. The current level of staff resources has already placed significant demands on the service and contingency arrangements have been put in place to meet service demands. These current arrangements are not sustainable in the longer term without further investment.

Transferring the management and operation of the markets may have TUPE implications.

Risk

A comprehensive risk assessment has been completed and the reportable risk are shown in Appendix 4

Equality and Diversity/ Public Sector Equality Duty

An Equality & Diversity Impact Assessment screening was carried out at the beginning of the process and has been reviewed since the completion of the consultation period and is available as Appendix 5. It is not envisaged that the proposed changes to the delivery of a markets across County Durham will create any disproportionate impact on the protected equality groups as the level of provision experienced by customers should not change. However, the need to ensure maintenance of current levels of service provision for the protected groups, in-particular through physical access standards, will be addressed within the licence / contractual agreement to be made with the future provider

Accommodation

The costs associated with the existing market accommodation are met by EHCP. Any outsourcing of this function would pass this responsibility over to any third party operator.

Crime and Disorder None

Human Rights None

Consultation

A full consultation process has been carried out. A summary of the results of this consultation is available within the body of this report and the full response information and tabulated data are available in the Markets Review Consultation Results Report, a copy of which will be made available in the Members Library

In terms of the future management arrangements, should TUPE apply, the council has a duty to consult with any affected employees. The Council will also follow all statutory and internal procedures in the event of possible redundancies

Procurement

The granting of any licence agreements for the delivery of the market management arrangements is not considered to be a procurement exercise. However, any selection the process must be fair, open and transparent it is recommended that the procurement process is followed. Due to the nature of the decision and its implications, advice given is that this should be realistically completed by the 30th April 2013. It is therefore recommended that all existing contracts currently in place be extended further until 30th April 2013.

Disability Issues

None

Legal Implications

Markets can be created in a number of ways, including by grant, prescription or statute. The different methods of creation may result in differences in the standing and rights attached to each Market.

The legal status of the existing markets within County Durham will differ depending on their history and the manner in which they were established. Therefore, the implementation of any option or strategy of necessity may differ depending on the status of each market.

Any decision to transfer management and day to day operation of the markets provision should ensure that the Council does not lose, compromise or infringe any rights in relation to markets.

Revitalising Markets

A Strategy for Supporting the Growth and Enhancement of County Durham's Street Markets



1. Background and Existing Provision

- 1.1 Markets were the birthplace of towns and cities across the world and many of the UK's major retailers started life in markets. In 2009, work for the Retail Markets Alliance indicated that the markets industry supports over 100,000 jobs and 45,000 businesses in the UK.
- 1.2 Durham County Council plays a significant role in the governance and management of a range of markets throughout the County's major centres. The council is therefore in a position where it is empowered to make key decisions to shape the future of markets' provision across the county and to determine the contribution that markets can play in supporting the revitalisation and sustainability of our town centres.
- 1.3 Durham County Council currently has an interest in the management and operation of ten markets in major settlements across the county. Further details of the markets, their location and days of operation are provided at Table 1.
- 1.4 Nationally markets have experienced a steady decline in activity over the past decade. This is probably linked to similar declines in activity on the UK's high streets, characterised by falling expenditure in high street retail outlets, increased property voids, the dominance of superstores, a shift to out-of-centre retail parks and increased volume of purchases over the internet. This has led to a displacement of high street economies which in turn has affected markets.
- 1.5 Within the group of markets under DCC control, performance is mixed.
- 1.6 The ten markets are the responsibility of DCC's Environment, Health and Consumer Protection Department within Neighbourhood Services. In February 2011, the County Council completed a review of market provision in order to highlight risks and opportunities to inform options for future service delivery. The review involved the collection of baseline information on the current market offer and consultation with shoppers, traders and licensed operators.

This work has enabled a picture to be formed of the current characteristics and performance of the individual markets to give a position from which to work. The key characteristics are summarised at Appendix 3 and illustrate that whilst markets (in common with high streets) face a number of threats, there are significant opportunities to work with markets to enhance town centres, economic development, entrepreneurship, tourism, health and diversity and the sustainability of our major centres.

1.7 Research into the visitor economy shows that market towns have the ability to draw people into rural areas for day trips and longer stays and to act as service centres for tourists on rural holidays and short breaks. A market in a market town is an integral part of market towns fulfilling both of these functions. Stabilising and growing the market offer in the county's market towns is therefore consistent with delivering on the county's tourism management plan that identifies market towns as critical to the success of a rural visitor economy. Markets also have the ability to promote distinctiveness. Understanding distinctiveness and experiencing it in a

practical way is a main benefit that tourists are looking to gain from their leisure decisions and spend

- 1.8 Currently, the markets are held on the days that are prescribed or have become established over the years which presents some degree of <u>competition</u> particularly amongst those markets operating on a Saturday.
- 1.9 Whilst there may be no statutory requirement to hold markets, there are legal considerations as to the Charter status of markets and of the common law practice of prescriptive markets, which may dictate when markets are to be held and their location. In addition, once a statutory market has been established and has gained planning permission, there will be a statutory reason for holding that particular market on that particular day at that particular location. This may be changed, but to do so would be subject to legal processes including consultation, advertisement and change of planning permission.
- 1.10 As the markets authority, the council is also the primary regulator for the county under Part IIA of the Food Act 1984.
- 1.11 In addition to the various powers available under charter, prescription, custom and practice and local legislation, it is also possible to utilise the provisions of Part III of the Food Act 1984 under which a local authority can:-
 - s.50 Establish or acquire a market
 - s.52 Appoint market days and hours
 - s.53 Demand charges
 - s.60 Make byelaws
- 1.12 The current management arrangements for markets across County Durham presents two different management models to market provision, with different operators continuing to operate each market under the terms and conditions contained in their agreements which were inherited following local government reorganisation.
- 1.13 Sustainability under the current management and operational arrangements is extremely limited and, in order to revitalise markets and get the best market offer for County Durham, the arrangements for market provision would need to change.
- 1.14 The review recommended that the council should develop a strategic approach to improve the performance of markets and take appropriate steps to promote market activity within town centres and maximise opportunities for economic growth.
- 1.15 Markets have been an integral part of town centre economies and, with strategic planning, innovation, quality of offer and integrated management they have the potential to continue to play a significant role.
- 1.16 Taking an approach based around support for town centres and markets is entirely consistent with central government policy, acknowledged best practice and the council's own economic policies and regeneration focus.

1.17 The purpose of this strategy document is to establish the broad economic and policy justification for managing County Durham's markets in a more efficient, innovative and structured way in order to better link with wider town centre and tourism initiatives in support of our major centres. In turn, this will secure stronger and more sustainable town centres benefitting retailers, traders, other town centre occupiers, shoppers and residents. It will also point to some suggested next steps towards delivering an integrated approach.

2. Our Vision for County Durham's Markets

- 2.1 It is important to establish what functions our markets should serve, what we want them to do and what we want them to look like, in order to understand how we can best support them.
- 2.2 Supporting the enhancement and growth of markets can be viewed as part of the council's role under the Regeneration Statement of "adopting a 'Whole-Town' approach to creating vibrant and successful towns encompassing the economy, housing, health and the infrastructure to make it work".
- 2.3 The development of this strategy follows on from the Markets Review of 2011 and seeks to establish vibrant, dynamic markets that provide access to quality, affordable food and other goods, have significant economic benefits both for the county and for local market towns, that promote and sustain enterprise and community and that contribute to a positive, inspirational sense of place and belonging.
- 2.4 In purely physical terms, markets can play a significant role in adding to a sense of place and engendering a sense of belonging, identity and common ownership. To be effective, the market needs to be located in a sensible position and offer traders uniformity of quality in pitches but with a degree of flexibility built in. The first element of our vision is that County Durham will seek a structured, weekly cycle of markets, each sensibly located within a major centre and offering a well-planned, efficiently-managed, quality trading environment to be readily accessible to all and to offer a range of quality/value goods with a complementary mix of proactive traders and the active support of local retail interests and shoppers.
- 2.5 In economic terms, well run, well supported markets have the ability to enhance a town centre's appeal and to offer a significant draw to visitors and (in some instances) tourists. The second element of our vision is that County Durham's markets will, as part of a wider impetus for town centre regeneration and economic development, become noted for their ability to increase footfall and customer spend in our town centres and will be hubs for entrepreneurial activity, test grounds for small businesses, potential locations for new employment generation and the first port of call for buying local produce. The markets will be integral to the community, the benefits they bring will be obvious to all and they will operate in co-operation with local retailers and without protectionism from any quarter. Markets will be well integrated with festivals, events and other types of market and will tie in with town centre regeneration and tourism strategies to maximise footfall, local expenditure retention and job creation potential.

Vision

Our vision is that County Durham's markets should be well-managed, integrated components of successful town centre economies, offering good quality and good value local produce and speciality goods in support of our communities. Shopping in County Durham's markets will be a pleasurable experience, characterised by high quality, accessible stalls, an excellent mix of well-trained and passionate traders and links to retail stores and town centre events and attractions.

3. The Economic Case for Intervention

- 3.1 Wider research on markets has produced clear evidence of the contribution they make towards a wide range of economic and social policy goals. This includes benefits in regeneration, economic development, culture and tourism, food and health, community cohesion and the environment.
- 3.2 The ten markets operating across County Durham could make a significant contribution to the vitality of the county's town centres. In addition, they have the potential **to generate significant multiplier effects**, with market customers more likely to spend money in other shops in the town centre for every £1 they spend in the market.
- 3.3 This has the effect of **retaining expenditure in the local town economy**. The recent Portas Review highlighted the fact that spending in the out of town shopping developments and larger supermarkets led to the instant loss of expenditure from the local area, thus having less economic impact than spending on retailers with a localised supply chain.¹
- 3.4 Markets can also be of **particular importance to deprived communities** and most of the market town locations contain proximate areas of deprivation. Markets can offer good value for money on a wide range of convenience goods and this has the potential to support higher living standards among lower income groups due to their lower prices.
- 3.5 Markets provide important sources of employment and income generation for significant numbers of people. They also **create venues in which new business can be launched on a test trading basis at lower costs than in other premises**, and therefore have a role to play in promoting entrepreneurship and business start-up.
- 3.6 Retail markets remain an important part of the retail offer in towns and cities and local retailers are generally supportive of markets. Markets also provide an opportunity to **deliver business-led solutions to regeneration problems**.
- 3.7 Markets, with their associated food and cultural festival events have the potential to **strengthen County Durham's cultural offer** and image and, to support economic growth by co-ordinating and promoting cultural events and attractions. They also contribute to the County's economic identity by:

¹ The Portas Review – An Independent Review into the future of our high streets – page 12 – evidence provided by New Economics Foundation

- Improving the quality of place in specific sites across the county
- Increasing positive perceptions of the county
- Raising the profile of the county
- 3.9 The increased profile for the county's economic identity has the potential to be reflected in the proportion of the county's residents and businesses who feel that the market asset base increases local pride, visitors who cite markets as one of the reasons for their visit to the county and the generation of media attention.
- 3.10 There has been a clear growth in speciality markets in recent years, which demonstrates that a variety of **good markets remain popular with customers**.
- 3.11 At a retail level, there is great scope for markets to play a role in **ensuring that local communities have access to fresh produce**. They can offer ideal locations for providing information and learning/skills opportunities on a wide range of health issues including healthy eating, and food buying/cooking skills. They can also be used to market and promote healthy eating campaigns such as the 5-a-day and Change 4 Life initiatives.
- 3.12 In 2006, the Joseph Rowntree Foundation published research on the value of markets as spaces for social interaction². This concluded that:
 - Markets were important sites of social interaction for all groups in the community, but most significantly for older people, especially women. Markets also represent **important social spaces** for mothers with young children, young people, and families with children, particularly at weekends
 - Markets had a **significant social inclusion role**, as places to linger, particularly for older people and young mothers
 - The social life of traders played a significant role in creating a vibrant atmosphere in markets, and in forging social bonds and links in the trading community as well as with shoppers
 - For markets to function well as social spaces, various factors are significant. Essential attributes include: a large diverse range of products fitting well with local needs and tastes; café or food vans on site or nearby; good access to the site, especially by local transport; and an active and engaged community of traders.
- 3.13 In recognising the contribution that markets make to a range of economic, social and cultural factors, this strategy aims to create an environment for success and economic regeneration through:
 - Increasing footfall and customer spend
 - Attracting new traders and maximising the potential of existing traders
 - Improving the local trading environment and opportunities for the surrounding town centres
- 3.15 In line with the emerging national view of markets, the council recognises the mutual benefits that vibrant and dynamic markets can bring to town centres for local businesses and communities particularly in relation to:-

² Watson, S. et al (2006) Spaces of diversity: markets as sites for social interaction. Joseph Rowntree Foundation. The Policy Press

- Providing a sense of place and belonging
- Local employment and independent retailing
- Opportunities to promote entrepreneurialism and business start up.
- 3.16 In realising our vision for Durham County markets, the council will endeavour to deliver the very best offer for County Durham, whilst recognising the historic market rights that exist across the county. The need to revitalise markets, in order to provide jobs for local people and meet environmentally sustainable objectives, will be a stimulus for future action. The council recognises the role that markets play in adding value to the economic, social and cultural fabric of the county.
- 3.17 This strategy seeks to address the immediate challenges presented by the economic downturn whilst preparing the foundations for future success. It covers a range of priorities aimed at addressing the immediate challenge of the economic downturn, priorities aimed at building capacity and resilience within market towns and long term priorities aimed at building strong foundations for a prosperous future.
- 3.18 Key to these priorities is the aim to develop sustainable management solutions which transition emphasis away from regulation and enforcement toward investment and commercial management. The overarching objective is to develop the county's existing market asset base on a sustainable platform which drives up the provision of high quality goods and services and consistency across the county.

4 Key Strategic Aims and Themes

4.1 In formulating this strategy to revitalise the county's markets, several key themes have emerged. It is intended that future actions should address one or more of these key themes in order to secure a coherent and effective approach.

Key Theme 1- Supporting Our Town Centres

A market that is well-positioned, easily accessible, customer facing, sensibly laid out and offering a clean, tidy, well-maintained and uniform image with an appropriate mix of stallholders is an asset to a town centre. It is a key theme that we should strive to achieve such a facility in each of the county's major centres and that markets should form a component of the wider regeneration and economic development agenda to:

- Increase footfall and customer spend in town centres.
- Increase visitor numbers and dwell time in our market towns.
- Attract new traders and offer the opportunity for existing traders to maximise their potential.
- Form an integral part of the town centre retail offer and assist in meeting the challenges posed to the vitality of the high street in a climate of minimal, current economic growth.

Key Theme 2 - Place Shaping

For the longer term, it is essential that markets work with wider town centre interests to sign up to plans of action in support of the "business" of the high street. Town centres comprise a diverse range of interests of landlords, retailers, councils and others and that a lack of cohesion has exacerbated the decline in footfall and retail performance.

As a priority measure, we should seek to encourage markets which (as a first step) follow basic principles of good retailing with good quality, well maintained, accessible and uniform stalls, active frontages and welcoming signage to greet shoppers. There should be a logical mix of quality goods. Shoppers should be able to enter and pass through the market easily and gain ready access to nearby shops. Such basic steps will improve the local trading environment and provide opportunities for the surrounding area.

In the longer term, markets should be viewed as major players in the town centre and involved in town centre improvement proposals.

Key Theme 3 - Supporting Businesses

There are numerous examples from around the UK where local authorities and private operators have successfully encouraged the development of budding entrepreneurs.

- The national "Make Your Mark" competition, run by Enterprise UK in association with the Retail Markets Alliance offers prizes to entrepreneurs in the form of 6 months free trading, £1,000 to support the business, free marketing, free business starter pack and free NMTF (What does this stand for?) membership including public liability insurance.
- NMTF runs a First Pitch programme to enable starter businesses to test trade on a market stall.

Markets can be used as a low cost entry point to retailing for fledgling businesses with financial support for creative businesses. Markets offer an opportunity to help establish new businesses and to help engender a culture of customer care. It is recommended that start-up micro businesses who seek to trade through markets in County Durham be encouraged with appropriate incentives during their first few months of trading to support their business development.

Key Theme 4 - Supporting Communities

It is an aim of the strategy that markets do more to support both the business community and some of the county's more deprived communities which, in many cases, are "on the doorstep".

Ideas will emerge, dependent upon the character of each town and the opportunities arising, but potential activities that might receive support include:

- Promotion of healthy eating, healthy lifestyle, exercise and leisure activities.
- Activities to complement specialist markets and town centre events.
- Special events for schools and community groups.
- Initiatives to introduce young people to retailing and customer care.

Key Theme 5 - Supporting Local Produce and Speciality Goods

Activity under this theme will strive to enhance the distinctiveness of town centres and contribute to a number of objectives.

Generating more local produce and producing more local goods will help to diversify the economy, building on the existing local food sector and helping producers move into higher value added activities, such as food processing.

There are also important opportunities in developing niche sectors, such as the creative and cultural industries and crafts.

As shopping and the food and drink offer become increasingly important parts of the visitor experience, the development of local food and produce will increase the attractiveness of town centres.

Potential opportunities include:

- Developing a thriving local food sector.
- Encouraging farmers' markets.
- Promoting retail distinctiveness.

Key Theme 6 - Marketing and PR

The markets industry is characterised by a general lack of funding to support marketing and promotion. Similarly, the industry makes sporadic use of websites which are of varying quality, design and maintenance.

Taking a strategic overview of ten markets enables the pooling of potential funding and media to assist in marketing and promotion. HOW will we do this??

- The use of logos to show loyalty to local markets and local produce.
- Well-designed, easy to use and informative websites.
- Use of social media to link activities and traders to on Facebook or twitter sites

Key Theme 7 – Structured, Effective Management

In September 2010, the Department for Communities and Local Government published a guidance paper on management models for markets.

Whilst the paper points to a range of management structures that work across the UK, the successful models are geared to:

- Being accountable yet cost efficient in their operation and with minimal bureaucracy.
- Being focussed on the core business of promoting and running successful markets incorporating, where possible, economies of scale.
- Having the ability to access capital investment.
- Attracting and retaining market traders and ensuring that they have an increased sense of "ownership" in the operational details.
- Building closer links with local businesses and the wider community.

- Having the ability to share best practice and provide training and support for traders.
- Being integrated with town centre, business, event and tourism marketing and promotion activities.

It is recommended that the preferred, future management regime for the county's markets adopts these core principles.

There is a need for good systems which capture key data without being burdensome and bureaucratic. Such a system should be able to track all rents and other finances, trader contacts, attendance records, trader history and holidays and invoicing procedures to internal audit standard.

Key Theme 8 – Engaging Partners

Partnership working is one of the essential components in successful, sustainable markets.

This strategy recommends the promotion of enhanced integration between the key players, particularly:

- To contribute to existing forum/town centre boards.
- To take strategic decisions within the agreed management and goverernance arrangements.
- To co-ordinate marketing, promotions, events, training, access, safety in the context of whole town centre economic development and regeneration, business development and support, tourism and employment.

5 Delivery of the Strategy

- 5.1 It is clear that the council needs to continue to consider fully the wishes and aspirations of all parties involved in markets, town centres and surrounding communities and to respect the historic market rights that exist across the county.
- 5.2 It is recognised that in taking a long-term strategic approach to the revitalisation of markets the council will need to change the manner in which it manages, supports and promotes local markets across the county.
- 5.3 The Council must seek to design and implement a more effective management model (fully reflecting local circumstances and respecting the character of individual centres) to deliver the following strategic objectives:
 - Affording the council the ability to continue to perform its functions effectively, provide strategic direction and to facilitate the effective management of markets across the county.
 - Providing a structured, efficient and transparent management model which is purpose-designed for County Durham and allows markets the opportunity to operate at peak performance.
 - Affording the council the opportunity to work with market operators to maximise the performance of markets but also to deliver the council's other strategic objectives in terms of wider economic impact, business start ups and growth and support for communities.

- 5.4 The most appropriate management arrangements for each individual market will be determined on the basis of efficiency and effectiveness as well as the potential for future growth and enhancement of the market offer.
- 5.5 Any management model should enable the council to use its influence and resources to invest in the future of markets, direct strategic policy and implement initiatives, as part of wider town centre regeneration strategies, to maximise the economic effectiveness of markets. Specific objectives are:
 - Increasing footfall and customer spend in our town centres.
 - Achieving a more structured approach to the location, frequency, style, quality and operation of the county's markets.
 - Attracting day visitors and tourists and increasing dwell time.
 - Promoting markets as drivers for improved town centre management and regeneration.
 - Encouraging markets to become involved in business start-ups, entrepreneurial activity and local speciality goods, arts and crafts.
 - Attracting new traders to underpin the sustainability of markets for the future.
 - Encouraging links between street markets and private indoor markets where appropriate.
 - Further developing links with local produce, healthy eating and healthy lifestyle promotion.
 - Establishing better links with schools and communities.
 - Modernising and improving the promotion of markets as part of the branding and image of the county.
 - Implementing reduced packaging and recycling initiatives.
- 5.6 Should any management arrangements involve the transfer of management and operational responsibilities to a third party, the Council will need to seek prospective partners. As part of any selection process, it will be for each third party provider to demonstrate how they would operate each market in accordance with the key themes of this Strategy.
- 5.7 The management arrangements must allow for input from a wide range of parties with interests in our town centres if consensus is to be reached and step changes made. They must also act as a tool for performance management and review.
- 5.8 The council needs to keep all interested parties informed and involved in the continuing development of markets as part of the town centres' agenda.
- 5.9 In the longer term, the council should work with all interested parties to utilise markets to help shape our town centre places and to form an integral part of physical regeneration initiatives.

Location	Operator	Market Day	Times	Stalls	Land Asset
Barnard Castle	DCC	Wed	9am - 4pm	Trader owned	DCC Freehold
Bishop Auckland	DCC	Thurs and Sat	9am - 4pm	Trader owned	Adopted Highway
Chester-le- Street	DCC	Tues, Fri and Sat	9am - 4pm	DCC owned. 100 fixed stalls	DCC Freehold
Consett	Trader Consortiu m	Fri and Sat	10am - 3pm	Trader owned	Adopted Highway
Crook	DCC	Tues and Sat	9am - 4pm	Trader owned	DCC Freehold
Durham City	Durham Market Co.	Sat	9am - 4pm	Trader owned	Adopted Highway
Seaham	Private Operator	Friday	9am - 4pm	Trader owned	Adopted Highway
Spennymoor	DCC	Sat	9am - 3pm	Trader owned	DCC Freehold
Stanhope	DCC	Mon (April – Sept only)	8am - 3pm	Trader owned	DCC Freehold
Stanhope (Farmers' Market)	DCC	4 th Sat each month	10am - 3pm	Contracted in by DCC	DCC Freehold
Stanley	Private Operator	Thurs and Sat	9am - 4pm	Trader owned	Adopted Highway

Stalls at Chester-le-Street are fixed and owned by DCC.

Stalls at Stanhope Farmers' Market are uniform and are hired in by DCC.

Stalls in other locations are owned by traders and vary in size, colour, construction and state of repair.

Appendix 3: Project Timeline / Key Milestones

Step	Milestone	Start date	End date
1	Extend all existing contracts and or licences currently in place.	January 2013 April 2013	April 2013 (with potential for further extension up until Oct 2013)
2	Seek further legal opinion on the status of each individual market and any market rights that may exist.	January 2013	June 2013
3	Seek to designate all existing markets under the Food Act 1984 subject to any existing market rights.	February 2013	June 2013
4	Confirm and assess any expressions of interest in managing and operating each individual market in accordance with the key themes of the Strategy	June 2013	August 2013
5	Review current management and operational arrangements of those markets currently under contract.	June 2013	Oct 2013
6	Review management and operational arrangements for those market directly controlled by the Council and determine most effective management arrangements for the delivery of the key tasks outlined within the strategy	April 2013	June 2013
7	Consider HR implications and commence consultation with affected staff and TUs in accordance with Council's change management toolkit.	June 2013	Oct 2013
8	Implement any changes to current management and operational arrangements as appropriate.	Oct 2013	Dec 2013

Appendix 4:Reportable Risks

Risk Description	Potential Impact	Measures to mitigate the risk (if not already in place state implantation date)	Risk Owner
Council will have to operate all markets	Not able to deliver the revitalising markets strategy due to lack of funding and skill set of existing staff. Reputational damage. Significant investment would be required.		O Cleugh/J Waller
Council will have to operate some of its markets	Not able to deliver strategy due to lack of funding and skill set of existing staff. Reputational damage. Significant investment would be required.		J Waller/O Cleugh
Adverse reaction from the Market Traders.	Reputational damage,		J Waller/O Cleugh
Legal challenge to decision	Significant legal costs. Reputational damage.	Seeking Counsel's opinion.	J Waller/O Cleugh