

Area West Committee – 21st August 2013

8. Chard Street Market

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Purpose of the Report

To request that Area West Committee recommend to District Executive the formal transfer of the Market Charter for Chard from SSDC to Chard Town Council.

Public Interest

Chard Town Council has been operating Chard market under licence from SSDC since September 2012. The transfer of ownership of the Market Charter has been requested by Chard Town Council. It will give the Town Council the right to operate and control markets in Chard.

Recommendations

That Area West Committee recommends to District Executive the formal transfer of the Market Charter for Chard from SSDC to Chard Town Council at no cost which is less than best consideration.

That Area West Committee recommends to District Executive that the revenue savings to SSDC resulting from the reduction in Markets Management costs are used to offset the reduced income and budgets are adjusted accordingly.

Background

In November 2010 Area West Committee supported the setting up of the Markets Improvement Group with the remit to reinvigorate the SSDC markets in Area West and help create a vibrant market town atmosphere. At the time it was envisaged that a joint approach between the three towns would bring about improvements. The detailed work that followed uncovered a variety of issues that differed with each town, highlighting the need for a more local approach to be taken with each individual market.

Chard Market

Chard market is run under a Charter that was originally granted to the town in 1683. The Charter empowers the town to hold three annual fairs and three weekly markets (on a Tuesday, Thursday and Saturday). The Charter was passed from Chard Borough Council to the newly created South Somerset District Council in 1974. South Somerset District Council has since operated a market in Chard on a Saturday for a number of years in various locations.

The work of the Area West Markets Improvement Group looked at a number of successful markets to establish what elements make a vibrant lively market. Evidence from good

practice elsewhere, for example Honiton, Bridport & Ludlow, shows that local ownership, management and control encourages the development of attractive and successful markets.

When the SSDC Markets Supervisor expressed interest in reducing her hours, discussions were held with representative market traders and Chard Town Council to explore ways to manage the Saturday market more locally. Chard Town Council were keen to take on the market and in September 2012 it was agreed at Area West Committee, that the Town Council would manage the Saturday street market under licence to SSDC. At the time it was also agreed that discussions should take place regarding future arrangements for the Charter and its transfer to the Town Council.

Chard Town Council has now been successfully running the Saturday market for 10 months. During that time they have been able to increase the size of the market and have organised additional indoor markets and other Saturday events in the Guild Hall, which is adjacent to the street market, which helps attract more people. There is no strategic need for SSDC to retain the Charter, and transferring it to Chard Town Council fits in with the Localism agenda of supporting communities to do more for themselves.

Legal implications

To make a legal transfer of the Charter from SSDC to Chard Town Council, it will be necessary to instruct our Legal Services.

Financial implications

In September 2012, advice sought from District Valuer indicated a notional market value of £9,000 for the Charter in certain circumstances. A capital receipt of £9,000 would yield annual interest of £270.

It is felt unlikely that such a value could be achieved through sale or tender and it is therefore proposed that the Charter be transferred to Chard Town Council at no cost.

In practice, as previous reports to Area West Committee have shown, it has been many years since SSDC was able to achieve a break even position, let alone a net surplus. Future projections gave no reason to believe that this situation would improve.

As the table below shows, the cumulative annual loss over the 4.5 years to September 2012 was itself more than £9000.

	2008/09	2009/10	2010/11	2011/12	2012/13 (Part)
Costs	10,411	10,575	9,964	9,735	3,671
Income	7,053	7,553	8,017	8,209	3,854
(Loss)/Profit	(3,358)	(3,022)	(1,947)	(1,526)	183

SSDC's costs were based on the salary of the Markets Supervisor, wages for relief cover, travel costs, business rates, advertising and equipment.

When Chard Town Council took over the operation of the market at the end of September 2012, it was on the understanding that SSDC would also look favourably on the Town Council's request to transfer the Charter to them free of charge. The operational advantages of the Charter being held by the Town Council have already been noted and are supported.

It should be noted that Chard Town Council are able to operate the market with much lower overheads, which makes the market more viable in the longer term. It is in everyone's interests to keep overheads to a minimum and not impose additional costs

It is therefore recommended that the Charter be transferred to Chard Town Council free of charge, that is "at less than best consideration".

As a result of the agreed changes to the management of Markets in Area West there will be revenue savings to SSDC. However, these be entirely offset against the lost income and budgets will be adjusted accordingly.

Corporate Priority implications

Ensuring the continuation and future growth of Chard Markets will give people the opportunity to start up new businesses or expand into existing markets, this fits in with Focus One of the Council Plan to have a strong economy which has low unemployment and thriving businesses.

Carbon Emissions & Adapting to Climate Change Implications (NI188)

Markets provide the opportunity for local products and produce to be sold and bought, thus reducing food miles.

Equality and Diversity Implications

Markets have the potential to promote diversity, they enable all sections of the community, especially those on a low income to shop and set up a business.

Background Papers: *Area West Committee September 2012*
District Valuer report September 2012
Area West Committee October 2011
Area West Committee June 2011 agenda and minutes
Area West Committee November 2010 agenda and minutes
Audit Committee August 2010
JAC West October 2009 – agenda and minutes
