

PART A

Report to: Outsourced Services Scrutiny Panel
Date of meeting: 2 November 2017
Report of: Section Head Property and Regeneration
Title: Performance of New Watford Market

1.0 Summary

- 1.1 The report provides a summary of the current performance of New Watford Market and sets out future steps for further improvement

2.0 Risk

2.1

Nature of Risk	Consequence	Suggested Control Measures	Response <i>(Treat, tolerate, terminate, transfer)</i>	Risk Rating (the combination of severity and likelihood)
Dirty and dated market stalls	Negative public perception	Purchase new canopies	Treat	6
Confused branding with the WBC logo on the parade stalls and the New Watford Branding used in the covered market	Visitors to the market not understanding that the parade and covered market are part of the same market	Include New Watford Market branding in the new gazebos	Treat	4

3.0 **Recommendations**

3.1 OSSP is asked to note the report.

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Report approved by: Deputy Managing Director

4.0 **Detailed Proposal**

4.1 **Background Information**

4.1.1 New Watford Market was developed out of the need for market traders to move out of the old Watford Market to enable the redevelopment of Charter Place. As such it functioned as a relocation opportunity for a range of traders. As part of the move in October 2014 to the new build market, the decision was also made that the management should be outsourced. The Council is not a market specialist and would not have been able to draw on wider experience of markets as a specialist market management company can. Town & Country Markets (TCM) was appointed to manage the market following a competitive open tender. The term of the agreement with TCM is 10 years and expires on 16 October 2024. There is also a break clause in May 2019. TCM are responsible for the day-to-day management of the market.

4.1.2 Since the opening a range of improvements have been taken place that include the wrap around the market, graphics on the shutters of the units, additional signage as well as the recent addition of little seating areas in the market.

4.2 **Governance Structure**

4.2.1 The day-to-day operation is monitored by the contract manager on a regular basis. Formal reporting is done at the Market Steering Group that meets on a quarterly basis to review performance against KPIs. Strategic decisions are made at the Strategic Market Board which meets twice a year.

4.3 **Partnership Working and BID**

4.3.1 TCM is currently considering whether to become a voluntary levy payer and join the BID. Partnership working is already established with traders having participated in the Food & Drink Week in September 2017 as well as "little" events put on in the market complementing the Council's Big Events.

4.4 **Occupancy & Trader Mix**

4.4.1 The move of the market to a new location was always anticipated to be difficult and in the first 2 years of trading TCM focused on increasing the occupancy rates and raising the quality

of the products and services. New Watford Market now has an occupancy rate of 94% with only 2 vacant units. The covered market continues to operate predominately four days a week (Tuesday, Thursday, Friday and Saturday) with increasingly more traders opting to open on a Wednesday.

- 4.4.2 Efforts on trader recruitment have concentrated on bespoke services and food & beverage traders, which tend to act as anchor stalls and complement the existing offer. Recruitment has been achieved through social media advertising, onsite promotion, and targeted sales calls. As such TCM has focused on “destination” trades such as the beauty and hair salon. The top floor is fully occupied with food traders with one or two additional food traders on the ground floor level. Along the parade there are a range of regular traders with the number of traders fluctuating between 8 and 18 depending on the season and weekday. When comparing occupancy rates with other markets it becomes evident that New Watford Market is well above the national average of occupancy rates which fluctuate between 70% - 80%.

4.5 Future Steps

- 4.5.1 TCM are looking to improve the look of the Parade stalls by working with traders to improve the display and merchandising. The Council together with TCM is also looking to replace the existing gazebos which are now dated and worn. The new gazebos will include the New Watford Market branding which will visually tie the parade stalls to the covered market. Working with partners will continue to achieve a vibrant and well-presented market that ties in with the wider High Street improvements and the opening of the Intu extension at the end of 2018.

5.0 Implications

5.1 Financial

The Head of Finance comments that the planned expenditure is already included in the budget and there are no other direct financial implications.

5.2 Legal Issues (Monitoring Officer)

The Head of Democracy and Governance comments there are no legal implications in this report.

5.3 Equalities/Human Rights

N/A

5.4 Staffing

N/A

5.5 Accommodation

N/A

5.6 **Community Safety/Crime and Disorder**

CCTV is in operation throughout the market and monitored.

5.7 **Sustainability**

N/A