



# MARKET WORKING GROUP

**Tuesday, 21st February, 2012**

**6.00 pm**

**Town Hall, Watford**

Publication date: 13 February 2012

**CONTACT**

If you require further information or you would like a copy of this agenda in another format, e.g. large print, please contact Rosy Wassell in Legal and Property Services on 01923 278375 or by email to [legalanddemocratic@watford.gov.uk](mailto:legalanddemocratic@watford.gov.uk) (Minicom available on 01923 278499).

Welcome to this meeting. We hope you find these notes useful.

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# COMMITTEE MEMBERSHIP

Borough Councillor: Mayor D Thornhill (Chair)  
N Bell, P Jeffree, A Lovejoy, H Lynch, A Mortimer and  
I Sharpe

Market representatives:  
Grant Adams  
Michael Davis  
Toni Davis  
Darrell Fyne  
Lynne Lawrence  
Michael Rockman

## AGENDA

1. **APOLOGIES FOR ABSENCE**
2. **DISCLOSURES OF INTEREST**
3. **MINUTES OF LAST MEETING** (Pages 1 - 6)  
To submit for signature the minutes of the meeting held on 19 July 2011.
4. **REPORT OF THE MANAGING DIRECTOR** (Pages 7 - 28)  
Managing Director's Report to the Market Working Group – 21 February 2012.
5. **DATE OF NEXT MEETING**  
To be Confirmed

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## **Market Working Group**

**19 July 2011**

Present: Mayor Dorothy Thornhill (Chair),  
Councillors Bell, Lynch, Jeffree, Lovejoy, Mortimer and  
Sharpe

Market Representatives:

Grant Adams, Chair of Market Traders' Association  
Michael Rockman, Vice Chair of Market Traders' Association  
Toni Davis, Secretary of Market Traders' Association  
Michael Davis, Treasurer of Market Traders' Association  
Darrell Fyne Market Trader  
Lynne Lawrence, Market Trader

Also Present: Mr A Schofield, Henry Boot Developments  
Mr D Anderson, Henry Boot Developments  
Mr J Gallagher, Valuation Office Agency  
Mr P Cupit, Valuation Office Agency  
Mr C Royal, Valuation Office Agency

Officers: Managing Director  
Property Section Head  
Market Superintendent  
Committee and Scrutiny Support Officer (RW)

1 **APOLOGIES FOR ABSENCE**

There were no apologies for Absence.

The Chair welcomed new Members to the Committee.

Market Traders introduced themselves to the meeting.

2 **DISCLOSURES OF INTEREST**

There were no disclosures of interest.

3 **MINUTES OF LAST MEETING**

The minutes of the meeting held on 25<sup>th</sup> January 2011 were submitted and signed.

4 **REPORT OF THE MANAGING DIRECTOR**

Rates

Mr Gallagher introduced himself and the two other attendees from the

Valuation Office Agency (VOA).

He advised that the VOA had been responsible for the review of rates at the Market and explained the process of assessment. He gave details of methods for the calculation of rates for market stalls and advised that Watford Market fulfilled the criteria for separate assessment for individual stalls rather than assessment of the market as a whole.

Mr Gallagher then advised that there would be discussion with Market Traders prior to changes in rates. He said that it was considered important that Traders had time to challenge the calculations and to query the ratings. He added that staff from the VOA would be willing to meet with Traders to discuss individual assessments.

Members of the Committee noted that the charges would be almost three times the previous amounts and asked how these charges had been calculated.

Mr Royal assured the meeting that where the calculation was found to be incorrect they could be altered. A period of time would be allowed for discussion in order to address Market Traders' concerns and to ensure that the calculations were correct. Mr Royal considered that there was an increase of approximately 50% and noted that the sum for the Market as a whole was greater than the aggregate for individual stalls. He explained that in other markets in the country there had been mitigation by the council concerned whereby rents had been reduced and the rates had been subsidised. He added that traders could apply for small business rates relief if appropriate.

The Chair pointed out that the Market was currently running at a loss for the Council. It would be necessary that rate relief would come from the Council Tax 'fund' which would impact on savings.

Grant Adams advised that indications were that the Rateable Value for each stall would be £950 which would impact on the occupancy rate of the Market. He acknowledged that the market was running at a loss and noted that this move would worsen the deficit since the Council was liable for void stalls. Were Traders to ask for a reduction in Rates, the Council would be doubly affected.

Mr Gallagher explained how calculations were determined. He advised that rates were based on the net rental figure for stalls. He added that where separate assessments were in place, councils had no liability for payment. Individual stall holders, however, could be eligible for rate relief if certain requirements or conditions were met. He counselled that traders must apply for the relief and that it was not granted automatically.

Michael Rockman asked how calculations would be made were a trader to regularly add to or decrease his number of stalls.

Mr Gallagher confirmed that separate assessments would be made on each of the stalls. The Council's Business Rates section would make the necessary changes to occupancy and inform the VOA. Mr Royal added that this was not usually an issue and would be easily identifiable.

In reply to a further question, Mr Gallagher advised that stalls designated as 'trestle table stalls' would not be separately assessed as in these cases there was a degree of transience in contrast to Watford Market which was a permanent site.

Mr Gallagher then addressed the issue of cost per unit. He advised that in Watford the value was relatively low compared to some other areas of the country. He noted that values were typically between £2,500 and £3,000 with some areas as high as £4,000 per stall. He said that consultation with Watford Borough Council and Market Traders was scheduled to close on 12 August 2011 although this was not proscribed and could be held a little later.

In reply to a question from a Member, the Property Section Head advised that the letter from the VOA had been received five days previously and consequently there had been insufficient time to consider the implications. He said that rating was a sensitive issue and reflected occupancy levels.

The Property Section Head explained that the Market was operated by the Council who was responsible for administration and operating costs. Referring to the relocation of the Market due to Charter Place redevelopment, he said that the Council could then be liable for the vacant rates.

Mr Gallagher assured the meeting that, due to the considerable degree of permanence for the existing market, it would be some time before the site was vacated. This was why the change in rating basis was sought to be effected now. He advised that the period for discussion could be extended but that in this event traders could be disadvantaged were they to delay applications for Small Business Rate Relief.

The Chair then addressed the time scale for discussion. She said that it was imperative that this was not delayed for a long period as there was a considerable amount of work to be accomplished. The financial positions of both the Market Traders and the Council needed to be considered and suggested that the 12 August 2011 be accepted as the deadline date for conclusion of the discussion period. She added that were more time required then this could be extended with an opportunity for reconsideration.

Mr Gallagher advised that after discussion, Market Traders and the Council would have the chance to appeal. He said that quick action was required and counselled that neither the Council nor Traders should delay making an appeal until the last opportunity.

The Chair thanked the members of the VOA for their input and for their reassurance on time scales. She confirmed that work on this subject would start imminently.

#### Charter Place Development Partner

Mr Anderson introduced himself as the Managing Director at Henry Boot. He advised that the company were familiar with this type of scheme; that all legalities had been completed and that work on design and concepts would begin shortly.

Mr Schofield, the Regional Manager, then explained that the company wished to deliver a transformational design which would achieve links with both the Harlequin Centre and the High Street. He advised that the site would comprise 350,000 square feet of retail space to include a cinema, restaurant and a sustainable market. He confirmed that work would proceed in three stages:

Firstly a predominantly retail area would be reconfigured under the existing Charter Car Park. It was anticipated that plans for this were likely to mean a start on site around Easter 2013 allowing the market two Christmas trading periods: Christmas 2011 and Christmas 2012.

Secondly the area from Charter Place to the High Street would be built. This would contain the main retail space as well as a cinema. Completion was anticipated in 2014/15.

Finally the YMCA building would be refurbished and extended.

Mr Schofield indicated that these phases would at some points run concurrently.

Mr Schofield said that the technical team had targeted the end of July 2011 to complete the initial survey work and September 2011 to appoint an architect.

Mr Anderson affirmed that the company wished to create a sustainable market which would be integrated into the scheme as a key feature. It was hoped that the Market's decline would be halted and that increased footfall would be generated. He reiterated that trading at the Market would not be affected until January 2013 and that it was the intention that continuity of trade would be maintained.

Mr Anderson said that consultation on the scheme would be held by the end of the current year and that the planning application would be processed early in 2012. He advised that no design had so far been determined and that consideration would be given to meeting the requirements of the Market Traders and to placing the Market on a stable financial basis.



In reply to a question from Grant Adams, the Chair replied that the scheme would seek to include a covered market. She said that the current market would not be sustainable in 10 years time and that benefits accrued from passing trade was a necessity.

The Chair noted that Watford's position in the retail league tables had slipped and that it was important to address this.

Mr Anderson advised that it would be wise to attract nationally known stores as well as to retain local companies. He reminded the meeting that there had been no retail development in Watford for 20 years and that some top stores were noticeably absent.

Michael Rockman asked whether the options for an indoor market had been explored. He explained that it would not be possible for some traders to work outside.

Mr Anderson said that Henry Boot would need to be aware of Traders' operational requirements but that it was currently too early to offer an opinion.

Michael Rockman stressed that it was imperative that the market move straight from the present location to the new area as continuity was vital.

Mr Anderson agreed that temporary accommodation was not an option. He confirmed that the Market Traders would be invited for discussion with the architects.

One Member agreed that Watford's retail space needed a transformation and refurbishment and asked whether it was deemed possible to introduce other national retailers to the town.

Mr Anderson confirmed that the company had good knowledge of the retail sector and were confident that they could introduce large retailers to the development. He added that a small format supermarket could possibly be installed.

In reply to a question from a Member, Mr Anderson said that the market would not survive if rents were to increase. He advised that the market should be treated as a discrete item to be run either by an operator or by the Council.

The Chair thanked the representatives from Henry Boot for their presentation and input.

#### Initiatives, Void Levels and Budgets, Lettings

The Managing Director referred to items 3, 4 and 5 in his report and advised that results reflected partnership working. He advised that financial issues were being addressed.

Advertising and Promotion

The Managing Director noted the advertisements and promotions and agreed the timetable for development as detailed by Mr Anderson.

5 **DATE OF NEXT MEETING**

The next meeting would be held on Tuesday 11 October 2011.

The meeting started at 6.00 p.m.  
and finished at 7.30 p.m.

Chair  
Market Working Group

F – 2777

## **Managing Director's Report to Market Working Group 21 February 2012**

### **1. Consultation with Market traders on their requirements for a redeveloped Charter Place (CP)**

GL Hearn, on behalf of Henry Boot will be undertaking an audit of market trader needs this spring. This will be done through face to face interviews to build relationships and consider trader's issues. The audit is intended to establish the nature of the various businesses so as to inform the design proposals. GL Hearn will attend the MWG to present their approach.

After the results of the audit have been reviewed, MWG will then be presented with the design options for the future of the market, after which there would be a meeting with all the traders on the proposals.

The development work for CP has progressed well. Officers have agreed a detailed vacant possession strategy with HB and are in positive dialogue on the detailed heads of terms for the development agreement. Joint financial appraisals of the scheme have been undertaken and retailer mix discussions have progressed well as has initial dialogue with the Planning department on preliminary design work.

MWG will receive a presentation on the design proposals in May, once the audit work has been taken account of.

#### Recommendations:

The MWG is asked to approve the audit proposal.

### **2. Review of Guest market and indoor market improvements**

The first Guest Market took place on the 15<sup>th</sup> October 2011 and was themed around Food & Crafts and additional markets took place in the weeks to Christmas on the following basis: .

Saturday 5<sup>th</sup> November  
Saturday 19<sup>th</sup> November  
Saturday 03<sup>rd</sup> December  
Saturday 17<sup>th</sup> December

The footfall was increased by the event and the atmosphere in the market made much more attractive, so the objectives were achieved. Income for a number of traders was also improved.

Since September, Watford Market has been opening a 4<sup>th</sup> Day on Thursday with a review to take place at the end of 2011. Whilst this has not in itself produced a substantial increase in footfall or takings, the increase in trading days is important for the viability of a new market in a redeveloped Charter Place. It would now be counter-productive to revert to a 3 day week.

Physical improvements (signposting, floor painted, stalls redecorated) have also been made to demonstrate to the public that the market is important and to improve the trading environment.

The costs of the above initiatives ( balanced against the income from additional traders and the guest market income plus a £5k contribution from traders) are being finalised and will be reported separately at the meeting. It was also envisaged that this investment would improve the attractiveness of the market to new traders and hence reduce void levels. The economic climate makes this difficult to achieve but new traders continue to be successfully sourced.

The full year costs of the 4 day week will also be reported to the meeting. The MWG should note however that no new expenditure will now be made on the indoor market given these costs and as we approach redevelopment commencing from 2013.

Grant Adams review of the various initiatives is attached at **Appendix 1**.

Recommendations:

The MWG is asked to consider the success of the various initiatives and agree to the continuing 4<sup>th</sup> day of opening providing there continues to be a substantial (60%+) number of traders participating.

The MWG is asked to note that no new expenditure will now be made on the indoor market given the recent investment and as we approach redevelopment commencing from 2013.

**3. VOA changes to Market rates**

The Valuation Office Agency (VOA) has advised that Watford Market fulfilled the criteria for separate assessment for individual stalls rather than assessment of the market as a whole.

The small business rate relief scheme can be applied to the benefit of a number of traders and the Council has briefed and supported traders in this regard.

A recent Q&A sheet for traders has been produced (**appendix 2**).

Recommendations:

MWG is asked to note the position

**4. Market standards and contractual requirements.**

The Head of Property is issuing clear advice to traders to ensure that contractual obligations and requirements are being complied with. The draft letter and new stallage rates are attached as **Appendices 3a & 3b**.

Recommendations

The MWG is asked to support the full implementation of these requirements.

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## Market Improvements

### Update Report

#### Guest Market

Since this idea was approved five "Guest Markets" have been held within the Indoor Market Hall, one in October and two in both November and December.

I believe that these can only be viewed as successful as the objectives were to bring in more foot-fall to the market hall and create a vibrant atmosphere both of which were achieved on all the event days.

The area created at the bottom of the market is both colourful and eye-catching and has given a redundant space a purpose and new lease of life and hopefully can be utilised further in 2012 to hold other events during the weekdays.

The five events each had approximately 50 tables each of which was rented for the day at a cost of £8.00 so an income of approximately £400 has been generated and whilst this is a drop in the ocean within the running costs of the building it goes to prove that alternative uses can generate further income for the market's account.

The original objective was to stage an event every Saturday with the idea that the profile of the market would start to increase and the public would start to wonder "What's going on in the market this week?"

With the positive feedback received from current Market Stall Holders, the Guest Market Stall Holders and the Public we intend on continuing these events throughout 2012 and with further council support I firmly believe these events can be grown and nurtured into a regular attraction for Watford, not just within the current Market Hall but either within or complimenting a New Indoor Market Hall within the Re-developed Charter Place.

With this in mind beginning in February the following Rolling program has been planned until the end of May at present.

1<sup>st</sup> Saturday of the Month – Artisan Market arranged and managed by Sophie Cady.

2<sup>nd</sup> Saturday of the Month – Antique, Bric-o-Brac & Vintage Market arranged & managed by Independent Source overseen by Mel Carrigan.

3<sup>rd</sup> Saturday of the Month – Art & Craft Market arranged and managed by Lynne Lawrence

4<sup>th</sup> Saturday of the Month – Mind, Body & Soul Market arranged & managed by Independent Source overseen by Carolina Castro

The rent charged for each table has been reviewed and we will now be charging £10.00 for each table therefore potentially increasing the income by £100 per event.

The key to these events being successful is marketing and advertising and we found leafleting on the day was a great driver of foot-fall. It's not necessarily the act of having a leaflet thrust at you, but the interaction that takes place between the public and the distributor that leads to attendance. With this in mind it is vital that the leaflet distributors at these events are of a certain calibre and I believe that a team of paid individuals perhaps dressed up or with some attraction is probably the best way forward as it is neither sustainable or as productive to rely on traders, well wishers, family or friends.

I'm sure this can be funded by the income produced by these events and in my opinion is money better spent than a simple newspaper or radio advert.

This scheme is a direct copy of one quoted within the recent Portas Review in which local people can trade within the local town centre at a reasonable price and express their artistic talents or entrepreneurial flair and so should be continued to be nurtured and supported.

In 2012 I would hope that the initial success of these "Guest Markets" can be built upon and events can also be arranged for weekdays, perhaps using the space for external sources and companies to take advantage of. It's worth investigating the potential other uses such as an advertising space, display space, information area or as has been previously suggested by Councillor Lynch using the area for a themed use for both Tuesday and Friday.

Tuesdays for mothers and toddlers introducing a crèche and/or activities targeting these customers and on a Friday target the OAP customers perhaps offering a knitting circle and discounted tea/coffee etc....

Again the only resources needed to make these ideas come to life and become a success are officers time. I believe it's vital to use the market hall as a community asset and think and use it for a wider variety of uses/events than it's currently used for.

## Thursday Opening

The creation of a fourth market trading day has now been running for approximately four months and whilst opinion amongst the traders is split I believe that even some of the more sceptical traders who initially only supported this initiative to show backing for me have been pleasantly surprised with how they have done.

Whilst we are never going to achieve 100% attendance this initiative has been well supported in general with approximately 60-70% of traders attending every week.

Whilst trade has fluctuated from week to week many traders have commented to me how the Thursdays although not as busy as normal market days have helped weather the storm of these recessionary times and I myself can only concur with this feeling.

There are some who believe that trade has just been taken from other market days but all I can say that my weekly takings have increased since the trial has begun and I'm definitely not the only one this applies to.

It will be a real test over the next few months as we enter the post Christmas period and historically the worst trading period of the year not only for trade but for attendance.

I do however feel that the extended trial of six months needs to run its course before a decision is made on whether to make this a permanent arrangement.

I do however wish to point out that the original reasoning behind this trial was two-fold, firstly to assist traders in this poor economic climate by making the rent charged better value for money and secondly to help bridge the transition to a new Indoor Market Hall which will undoubtedly be open for at least 4 trading days. This cementing of a fourth trading day will take time to get into the general public's psyche as well as the traders but I firmly believe great inroads have been made here.

Taking this into consideration, I would implore you to consider when making the final decision that this will not have been achievable, viable or agreeable if any extra rent is applied however minimal.

I would urge you to keep the fourth market day as this makes the rental package for new traders more appealing, helps the current traders, by making their rent greater value for money and will certainly aid the transition to the new Indoor Market.

## General Market Improvements

The introduction of a new directional map at the front of the market all be it in poster form is certainly helpful and I would hope this can be duplicated this year so that it is not just positioned on just one of the 3 entrances at the front of the market hall.

The painting of the market floor has made a great impact as the public perception has started to change from "What's happening to this market – it's falling apart" – to one of "they are putting some money in – the markets on the up"

I would hope that these low cost improvements could be built on this year with a couple of the central pillars being repainted in perhaps Watford Yellow. This would not only have a drastic visual impact but would help continue to mould the perception that the market is cared for and is changing.

Another low cost improvement that could be implemented which could not only have a visual impact but could attract retain traders is the creation of small food retail units in the area of the old Gibson's Stall.

We have attracted many and varied food outlets over the last few years but with very few exceptions these stalls do not last. The main problem having spoken to these traders is that they cannot survive with the overheads charged as they generally only have business from lunch time's and Saturday's.

The idea is to create a "Food Aisle" of small 6 foot trading counters with a sink and prep areas and electrics for rent at £20-30 a day. I'm sure these can then easily be let and the traders will be able to make a success.

I would suggest that these ideas could be funded predominately from the £5,000 the traders were contributing to the initial works.

The survival of the market and high street in general begins with the encouragement and nurturing of local entrepreneurs and the indoor market hall provides the perfect platform for Watford to promote this. I would hope the council along with Henry Boot can consider the upcoming redevelopment of Charter Place as an ideal opportunity to provide the town centre with a new and sustainable indoor market hall in which a variety of affordable trading options are available for local and independent businesses to develop and flourish.

## Trader Recruitment

This is a continued high priority and any red tape that is currently in place needs removing so that it is made easier and quicker for people to become traders. Whilst I understand that it's important to ensure that any new trader provides a safe and legal service or product to the wider public, it's also vital not to delay and risk losing potential new traders.

I understand that within the terms and conditions the decision process is supposed to take up to two weeks but after this was raised in a previous MWG this was accelerated to a decision being made just 3 working days from when the application was received.

It seems at present for whatever reason this is not the case as I have had reports of potential traders still not having had a decision after a month which seems unforgivable in this economic climate.

Whilst I understand that some applications can be complicated I also see no reason why this accelerated approval process cannot be maintained as not only does the introduction of new trades bring much needed revenue to the council but provides both a moral boost for traders and a creation of a "Something New" atmosphere.

This atmosphere is vital as it provides the shake-up required to help stop the market going stale and mundane, far better to have a regular influx of new traders (some of which who don't stay), than risk losing a potential trader and a source of income.

A variety of trades still need to be targeted and again I stress the importance of visiting neighbouring towns markets as well as advertising in the trade press for these.

Unrepresented Trades should always take priority and in most cases should be approved very quickly and without delay.

It is also important to stress however, the need to implement the council's right to introduce conflicting trades, whilst this is an unpopular and emotive subject, carefully implemented competition can be a good thing for the market as a whole.

It's vital however that the agreed procedures are adhered to in these cases and obviously careful consideration on the effect a duplication could have on the existing stallholder. There is little point in introducing a duplicate trade and within 3 month both it and the original trader leaving due to lack of business (As trade has simply been shared).

Applications of a duplication of trade should fit certain criteria to be considered and the process of approval/denial should understandably take longer say two weeks. The criteria and processes that need filling/following in order for a duplicate trade to be considered should include :

- Bringing something new to the market place and enhancing the shopping experience of the market hall rather than just a carbon copy of an existing trader.
- The affected current trader should be consulted before a decision to introduce a competitor is introduced, with the new trader under consideration providing details of what cross over would occur and management ensuring that this is adhered to if they are successful.
- If the duplicate applicant is successful their stall should be situated in a position that is at least two whole aisles away from the existing trader and in most cases on the opposite side of the market hall.
- The existing trader should have a right to appeal against a decision with a face to face meeting to explain the decision and/or their concerns if required.

I would also like to stress the need for flexibility in accommodating traders for example single day trading which surely must be catered for, although I would stipulate certain conditions in these cases as to ensure those permanent full time traders are not disadvantaged. By this I mean for example a position is not guaranteed for these traders and no discounts or promotions apply. Perhaps a certain area should be allocated for these "Casual Traders".

The successful introduction of the Guest markets will also provide a new and alternative revenue stream as well as different trading platform and/or opportunity for new traders. The involvement of external sources/operators could also provide a useful relationship for the scheduling of future events within the market hall and long term the new development.

I believe that by adopting my "Food Aisle" concept you would also attract and retain some further traders.

## Other Issues

### Lifts

The ongoing issues with the lifts continue with repairs and breakdowns on a seemingly weekly basis. The rolling contract with the current maintenance company has to be reviewed as I'm sure that the costs here are spiralling and the service is to say the least appalling. Whilst I understand the lifts are old and probably nearing the end of their working lives this is an area where I'm sure savings and improvements can be made. Simple things like the oiling of the safety cage, so that these can be lifted more easily would help ease traders frustrations.

### Timekeeping & Attendance

Despite encouragement from both the traders committee and the market management this is an ongoing issue with a small percentage of traders and whilst we must take care not to potentially lose any existing traders, we do feel that perhaps the council need to look at how the minimum trading hours are adhered to as verbal encouragement does not seem to be working. It is vital that every Trader is open from 9-4.30/5 as the regulations state and are open on every Market Day. I would suggest that in any future development those minimal trading hours are written in the terms and conditions with non-compliance leading to financial penalties.

### Saviour Fayre Event Markets

Having expressed my disappointment in the events Saviour Fayre have staged in the town especially the so called "Christmas Market" I have a suggestion that may provide both a welcome boost to a few of the towns traders as well as creating an event within the high street. Over the Christmas period a few of the indoor market traders were given the opportunity to support Charter Place and created a small Christmas Market in the courtyard. This was generally well received, attended and the atmosphere created was appealing. I think could with a few additions provide a Christmas event for the town.

In Hitchin every year the full time market traders are given the option to trade (on non-market days) within the high street area along with some traders which are brought in to compliment the event (generally food stalls).

I would suggest adopting this policy with traders allowed to trade within charter place and perhaps stretching down within the high street using an external operator to provide complimentary traders.

As I have mentioned in a previous email John Perriton of the NMTF has contacts with sympathetic private operators that could perhaps provide something beneficial for both Watford and the permanent traders.

These operators I'm sure could also provide the other "Event" Markets within the town which would comply with the agreed concept.

### Electric & Rent Charges

Vat receipts are still an issue here and although I understand that producing these weekly is probably time consuming and costly surely a quarterly statement of each traders account could be issued.

The Electric charges within the market also need accountability as currently each trader is simply given a figure due, no explanation of how this figure is calculated is given, IE: Number of Units Used and Cost Per Unit. The way this charge is collected also needs addressing as surely this should be done by direct debit for most, not the cheque or card payment currently required.





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## Appendix 2

### Market traders – Q&A

**1. Why the change and why are we being charged rates – we have never paid them before?**

- **A.** This is not a Watford Borough Council initiative. It reflects a **national change** to working practices **by the Valuation Office Agency, a Government agency** who value and provide 'rating assessments' for properties where business rates apply. Under these national changes occupiers – which for the market of course are the stallholders – are liable to pay rates individually. Each of you will receive a bill outlining the details of these rates due from you. This will be sent to your home address.
- Previously the Council has paid rates for the whole market as a single bill and it has been effectively included in the licence fees we charge for stalls and storage.

**2. So why is the Council involved?**

- **A** - The Council's Revenues and Benefits team acts as a collection agency on behalf of the government. The Council does not 'keep the money' ourselves, it is pooled nationally by the Government who redistribute it.

**3. Why is this happening now?**

- **A** – The timing is determined by the Valuation Office Agency, not the Council, who have no control over it.

**4. Why can't the Council continue to pay it for us and include it in our stall and storage bills like they always have done?**

- **A** - We now need to separate our licence fee from the business rates that are due. Doing this will ensure that under the national regulations stallholders who are entitled to will be able to claim Small Business Relief (which can mean that no rates are payable at all).

**5. So is the Council amending the weekly licence fee following the change to market traders paying their individual business rates?**

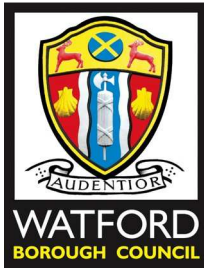
- **A** - The Council is currently looking at the weekly licence fees in combination with the changes in how business rates are paid. We are also considering how this change may be an opportunity to simplify the current pricing structure to make costs much easier and clearer to understand and for stallholders to budget for. This will also help simplify direct debits. We will be discussing this with the Market Traders Group representatives as soon as possible.

## **6. Will I qualify for Small Business Relief?**

- **A** - We believe that a majority of traders will qualify for Small Business Relief on their main stall. This depends on a variety of factors based on national regulations. These national regulations will be changing in April but at the moment each stallholder will need to fill in a form to qualify for Small Business Relief.
- To help stallholders, the Council's Market team have been working with the Revenues and Benefits Rates team and will be producing Small Business Relief application forms with much of the information already filled in for stallholders to sign. This will make the process much easier for you. **If you do not apply for this relief the Council will have to seek recovery of the business rates due.**
  
- **The Rates team can also assist with any further queries you may have at [nndr@watford.gov.uk](mailto:nndr@watford.gov.uk) or 01923 278466.**

## **7. Q. Are these changes linked to the proposed redevelopment of Charter Place?**

**A.** No – The Council is only making the changes because it needs to under the national regulations.



## Watford Borough Council

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### Appendix 3(a) - Draft

Market Trader  
Watford Indoor Market  
Charter Place Shopping Centre  
Watford WD17 2RN

**Enquiries to:** Mel Carrigan  
**Phone no:** 01923 046 066  
**Our reference:**  
**Your reference:**  
**Date:** 7<sup>th</sup> February 2012

Dear Trader,

### **New market charges and your market Terms and Conditions**

Following a recent meeting with the Market Committee, and changes which the Government has made to business rates for market stalls, the Council felt it would be helpful to write to you to:

- explain details of the new market charges which will come into effect Tuesday 28<sup>th</sup> February 2012.
- clarify a number of matters around your market terms and conditions which in future we will be enforcing vigorously.

This letter is important to *all* stall holders, please take the time to read it carefully.

### **New market fees and charges**

The Council's Revenues and Benefits team, which collects business rates on behalf of the Government, has been working closely with the market team to do everything we can to help you with the new changes to business rates and help you claim any rates relief you may be entitled to receive.

Enclosed with is letter is a separate letter from the Revenues and Benefits team with a number of FAQs (frequently asked questions) which we hope will answer most of your queries. A meeting for all traders has also been arranged for today, Tuesday 7<sup>th</sup> February at 5.30pm so you can raise any questions and queries about rates.

As a result of the business rates changes, instead of the Council being liable to pay them for the whole market (which has meant that the cost of rates has been included in your charge for stalls and storage), you are liable to pay any business rates due for your stall(s) and storage yourself.

To reflect this, the Council has decided to adjust its fees and charges, particularly reducing the costs of stalls.

At the same time, we have also taken the opportunity to considerably simplify the various discount schemes and pricing structures which have been offered over the years. This means from now on there will be only two pricing schemes for stalls, storage and parking:



- a 'new traders' scheme for new stall holders during their first year (52 weeks).
- a simplified scheme for 'existing traders' (i.e. anyone who has been trading in Watford market for more than a year) according to how many stalls you have.

For everyone:

- the base price of a stall will be £50 per week (previously £53.90), then various discounts will apply for new stall holders and for existing stall holders with more than one stall.
- storage units will be £15 each per week (previously £18.90).
- car parking will be £20 per week (previously £15), with spaces allocated in zones not individually.
- VAT will be charged on all these, currently at 20%. VAT invoices will be issued weekly.

There will be a short transition period over the next few weeks and a one off adjustment (refund) made to your account as we move all stallholders to the new charges.

For 'new' stall holders, discounts will be applied to the base £50 per week stall cost according to how many stalls you have and how many weeks you have had it. These are all shown in Table A attached to this letter.

For 'existing' stall holders, charges are simply based on how many stalls you have. The combination of excluding rates and simplifying pricing means that the discounts against the base stall price have increased from 18-27% to 20-29%. These are shown in Table B attached to this letter.

***All stalls, storage & car parking must be paid for at the new rates specified in Tables A and B – any previous historic or informal arrangements or agreements with the Council personal to specific individual stall holders will cease from 28<sup>th</sup> February 2012.***

Overall, the Council believes that many stallholders will be better off under the new arrangements, particularly if you are entitled to business rates relief.

### **Invoicing and correspondence.**

In future you will receive a weekly invoice for your stall, storage and parking. This will be delivered by hand to your stall and handed to you or a member of your family or staff to be passed to you.

In this way, as with any other correspondence hand delivered to your stall, the Council must reasonably assume that you will receive it and note its contents. The Council will not accept 'my staff or family member did not pass it to me (in time)' as a reason for invoice(s) not being paid or non compliance with Council requirements under market regulations.

## Paying for your stall

**Payments are only accepted by direct debit or debit card, not cash or cheque.**

The Council has found that a number of stall holders cancel their direct debits or there are insufficient funds maintained in accounts when they fall due. Some stallholders are also in arrears.

Whilst the Council recognises that the current economic climate is challenging for everyone, unpaid market fees mean that those who do pay, along with wider Watford residents, are effectively subsidising those who do not.

**The Council will therefore be enforcing strict payment terms consistently across all stallholders with immediate effect. If direct debit payments are stopped by any stallholder (or their bank, due to insufficient funds) on two separate occasions and/or payment or is not received by debit card in time each week, then the stallholder's licence will be terminated and the stallholder will be required to leave the market.**

Arrears applies to *any* charges you should pay for i.e stalls, storage and parking. If you pay for your stall but not your parking in a particular week, this will count as one separate occasion.

**For any trader currently in arrears, agreement (at the Council's absolute discretion) on a payment plan must be made with the market management team no later than Friday 17<sup>th</sup> February 2012.** A stall holder in arrears will then be able to pay their arrears against the payment plan but must also pay current rent when it is due. **If there is any failure to pay arrears in accordance with the payment plan, or if current charges go into arrears, then the stallholder's licence will be terminated and the stallholder will be required to leave the market.**

**If you are in arrears** (other than in arrears that are subject to agreed payments under an arrears payment plan) **then:**

- **you will not be permitted to enter or use the basement car park**
- **formal collection procedures to recover the debt will commence. This is likely to include the use of bailiffs to 'distrain' goods on your stall.**

**The Council is introducing this enforcement out of necessity and in fairness to all traders, so that everyone is aware of them and all will be treated consistently.**

## Changing your stall, storage or parking requirements

The nature of a market means that stall holders and the Council have flexibility to change stall numbers, locations and storage or parking flexibly, potentially at a week's notice. However, any change results in significant administration costs and time both for the Council's market team and Revenues and Benefits team for business rates.

The Council will endeavour to accommodate reasonable changes in stall holder requirements, and make decisions quickly, as far as reasonably possible taking into account the wider needs of the market. However, it must necessarily retain absolute discretion as to how the market is managed and reserves the right not to agree to frequent minor change requests to any individual stall holder's requirements.

## **Other market regulations - enforcement**

Over the years, a number of informal unwritten arrangements personal to individual traders and related custom and practice has evolved. Whilst appropriate at the time, some of these can make it difficult to manage the market consistently and fairly for the benefit of all (or the majority of) other stall holders.

In consultation with the Market Committee and to ensure fairness, there are therefore a number of regulation terms and conditions that the Council will enforce more rigorously with immediate effect.

This enforcement will initially be undertaken through direct contact and discussion between stallholders and the market team. Stall holders will be given a short but achievable timescale within which to comply. If the necessary changes are not made, this will then be put formally in writing with a strict deadline.

**Failure to reasonably comply** with any of these regulations within the enforcement deadline (unless there are exceptional mitigating circumstances and at the Council's absolute discretion) **will result in the stall holder being required to leave the market without further warning and/or access to the basement car parking and storage facilities being denied.**

### **Stall presentation and signage**

It is essential that the presentation of your stall is to a good standard,

- Your stall represents you and your business
- It must conform to Council's terms and conditions

All traders last year were offered the service of having their stalls painted for a nominal fee of £30 (VAT not applicable) subject to a minimum of 10 stall holders taking up the offer. This offer still stands. Should you wish to participate, please make the Market Superintendent aware so that works can be arranged.

This will be a joint project funded by the Market traders (who will be responsible for paying the decorator directly before work commences) and organised by the Council.

*Regulations 3.4 and 3.5 include issues such as:*

- *All stall-holders must display on the fascia board the name of the stallholder, any registered trade name and the stall number.*
- *Any statutory notices, such as under the Sales of Goods Act that relates to your business, must also be displayed.*
- *If there are any additional rules that you (your business) impose, these must also be displayed.*
- *The Market Superintendent must agree the design prior to installation and any alterations to the layout of the stall also must be agreed in advance.*
- *Every stall-holder must ensure his/her stall is kept in a clean, presentable and hygienic conditions, to the satisfaction of the, Market Superintendent.*
- *Goods must not be stored on top of stalls*

### **Parking in Charter Place Basement**

An inspection has been carried out of Charter Place Basement in relation to parking of all vehicles. It was undertaken to ensure that not only is there a consistent approach to the parking of vehicles on all of the Council's Properties, but there is also a consistent approach in the



charges applied to all users who park on Council property. It has become clear that the use of parking permits has been abused by some users.

Only registered vehicles with a valid permit displayed, driven or operated on behalf of the designated stallholder who must not be in arrears (or subject to an arrears payment plan), will be given access to park in Charter Place basement. The permit is only issued to the driver of the vehicle registered to park in Charter Place.

A final inspection will be carried out on 17<sup>th</sup> February and strict enforcement will commence immediately thereafter. Your co-operation with this initiative will help all who park in Charter Place.

Please let the security team or Charter Place co-ordinators know of any loss or damage of these permits so they can re-issued. This is being co-ordinated by the Market Superintendent/Senior Security officer.

### **Storage of Goods**

Following an inspection of Traders storage cages on Tuesday 06<sup>th</sup> January 2012, it has been noted that some traders still persist in storing items outside of their storage cage. In particular storage of several items in the basement area gave rise to particular concerns.

Stall holders have also been reminded on several occasions in the past that no items are permitted to be stored outside of their storage cage.

Storage therefore must be on the following basis:

- All items are stored within the allocated storage cage.
- Parking bays are for the parking of vehicles only and not for the storage of goods.
- Any items e.g. fridges, sinks, display items etc in the basement not in cages will be removed and stall holders charged for the cost unless very short term storage (e.g. to replace equipment) has been pre-agreed with the markets team
- All cages on the mezzanine floor to be kept tidy.
- All cages must be visible from the outside in the event of a fire, cages must not be covered up, as this is in breach of Health and safety requirements.
- All fire exit routes to be kept clear at all times.

### **Trading Times**

It is important that market customers can rely on stalls being open at the times stated in marketing materials and on the website.

The aim of the Council and Committee is to ensure that customers can choose from the full range of stalls throughout the trading day, and do not experience many closed and uninviting stalls

Market floor inspections are, and will continue, to be made regularly to ensure that stall holders adhere to market regulation 3.2 *which clearly states that **stalls must be open on market days between the following hours** (below) or such other hours as are laid down from time to time by the Council:*

- Monday , pre market day, re stock or upgrade stall (decoration) 9.00am – 5.00pm
- Tuesdays 9.00am – 5.00pm

- Wednesday closed. NO ENTRY
- Thursday, optional trading day 9.30am - 4.30pm
- Fridays & Saturdays 9.00am – 5.00pm
- Sunday closed NO ENTRY

On Wednesday and Sunday parking is permitted in the basement but there is no access to the mezzanine or Market floor.

If stall holders have genuine reasons for not trading on particular days *as an exception* (e.g. due to illness or holiday) then they should advise the market team well in advance (e.g. holidays) or as soon as possible (e.g. by phone or email to the market office during illness). Similarly the market team must be kept informed if *as an exception* you are unable to trade the full hours indicated above on Tuesdays, Fridays and Saturdays.

Thursdays are an optional trading day and will not result in enforcement action, although both the Committee and Council would encourage all stall holders who do trade on Thursdays to open from 9.00am through to 4.30pm not just some of the day.

For all other days, Stallholders' trading times will be closely monitored and repeated non compliance with trading days and times above will result in enforcement action as with other regulations.

Discussions between the Market Committee and Council have re-affirmed the opening and closing times of the Market as 7.30am and 5.30pm

## **Other matters**

### **Market heating and use of portable heaters on market stalls**

In the current cold spell the Council is aware that there have been a number of issues with the market heating system. This is now very old, inefficient and only partly functional. Given the redevelopment of Charter Place and the market over the next few years it is not viable for the Council to invest in improving it without a significant increase in market fees.

Low cost approaches are being investigated to see if anything can be done to improve the heating in conjunction with the Council's Health and Safety procedures but we cannot guarantee that this will be possible.

Unfortunately, the use of portable heaters in market stalls represents a considerable health and safety hazard. Additionally portable heaters owned by stallholders will not have been 'PAT' safety tested.

**Any use of portable heaters in stalls is therefore necessarily strictly prohibited** and will be in breach of market regulations. We are urgently reviewing health and safety issues to see if there are solutions which may help to address this issue and which can be put in place quickly.

### **Market office opening hours**

As you should be aware, the market office is now open between the following hours:

- Tuesday, Thursday and Friday: 9.30 – 11.30am and 3.30 – 4.30pm
- Saturday: 9.30 – 10.30 am and 3.30pm – 4.30pm.

If any urgent matters arise outside of these hours, please contact us on the above telephone number.

### **Stall holder meeting - business rates**

Finally, to assist stall holders, a reminder that we are holding a question and answer session on business rates open to all stall holders on Tuesday 7<sup>th</sup> February 2012 at 5.30pm in the market hall. Kevin Stewart from the Council's Revenues and Benefits team will be available to answer your questions.

Yours sincerely,

Mel Carrigan  
Market Superintendent

cc Health & Safety Advisor, Manny Lewis, The Mayor, Head of Property

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# WATFORD MARKET - NEW TRADERS STALL DISCOUNT SCHEME (

New Traders Stall Scheme for 1st year only														
BASE STALL FEE £50.00	100%				50%				40%				25%	20%
Approximate discount	1	5	9	13	17	21	25	29	33	37	41			
Week to	4	8	12	16	20	24	28	32	36	40	44			
1	£0.00	£25.00	£25.00	£25.00	£30.00	£30.00	£30.00	£37.50	£37.50	£37.50	£40.00			
2	£0.00	£50.00	£50.00	£50.00	£60.00	£60.00	£60.00	£75.00	£75.00	£75.00	£80.00			
3	£0.00	£75.00	£75.00	£75.00	£90.00	£90.00	£90.00	£112.50	£112.50	£112.50	£120.00			
4	£0.00	£100.00	£100.00	£100.00	£120.00	£120.00	£120.00	£150.00	£150.00	£150.00	£150.00			
5	£0.00	£125.00	£125.00	£125.00	£150.00	£150.00	£150.00	£187.50	£187.50	£187.50	£190.00			
6	£0.00	£150.00	£150.00	£150.00	£180.00	£180.00	£180.00	£225.00	£225.00	£225.00	£225.00			
7	£0.00	£175.00	£175.00	£175.00	£210.00	£210.00	£210.00	£262.50	£262.50	£262.50	£265.00			
8	£0.00	£200.00	£200.00	£200.00	£240.00	£240.00	£240.00	£300.00	£300.00	£300.00	£300.00			
9	£0.00	£225.00	£225.00	£225.00	£270.00	£270.00	£270.00	£337.50	£337.50	£337.50	£340.00			
10	£0.00	£250.00	£250.00	£250.00	£300.00	£300.00	£300.00	£375.00	£375.00	£375.00	£375.00			

**STORAGE UNITS Each per week: £15.00**

**CAR PARKING Use of one space per week**

- PLEASE NOTE:**
- All costs are shown weekly and exclude VAT which will be charged in addition. VAT is currently 20%
  - Charges and Discounts start as soon as you are given access to your stall so the quicker you start trading, the benefit from your initial 4 week charge period.
  - Stall transfers to other members of stallholders' families, etc will not count as a 'new trader'. The Council's absolute discretion apply.
  - The Council reserves the right to seek a deposit for your stall, storage and car parking costs.
  - The level of deposit will be at the Council's absolute discretion.
  - The Council reserves the right to withdraw any discount with immediate effect if your direct debit or card payment is

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**WATFORD MARKET  
EXISTING TRADERS STANDARD STALL SCHEME  
(Table B)**

<b>NEW BASIC STALL FEE</b>		<b>What you are paying now</b>	<b>Current % discount</b>	<b>What you will actually pay from now on</b>	<b>New % discount for having more than one stall</b>
<b>£50.00</b>					
<b>Number of stalls</b>	<b>1</b>	£53.90	0%	<b>50.00</b>	<b>0%</b>
	<b>2</b>	£88.40	18%	<b>80.00</b>	<b>20%</b>
	<b>3</b>	£132.59	18%	<b>120.00</b>	<b>20%</b>
	<b>4</b>	£166.01	23%	<b>150.00</b>	<b>25%</b>
	<b>5</b>	£207.52	23%	<b>190.00</b>	<b>24%</b>
	<b>6</b>	£249.02	23%	<b>225.00</b>	<b>25%</b>
	<b>7</b>	£290.52	23%	<b>265.00</b>	<b>24%</b>
	<b>8</b>	£332.02	23%	<b>300.00</b>	<b>25%</b>
	<b>9</b>	£373.53	23%	<b>340.00</b>	<b>24%</b>
	<b>10</b>	£415.03	23%	<b>375.00</b>	<b>25%</b>
	<b>11</b>	£432.82	27%	<b>390.00</b>	<b>29%</b>
	<b>12</b>	£472.16	27%	<b>425.00</b>	<b>29%</b>
	<b>13</b>	£511.51	27%	<b>460.00</b>	<b>29%</b>
	<b>14</b>	£550.86	27%	<b>495.00</b>	<b>29%</b>
	<b>15</b>	£590.21	27%	<b>530.00</b>	<b>29%</b>
<b>STORAGE UNIT</b>	<b>Each</b>	£18.90		<b>15.00</b>	

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