



# MARKET WORKING GROUP

**Tuesday, 19th July, 2011**

**6.00 pm**

**Town Hall, Watford**

**Publication date: 13 July 2011**

**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 (Chair)

D Thornhill MBE

N Bell, P Jeffree, A Lovejoy, H Lynch, A Mortimer and  
I Sharpe

Market representatives:

Grant Adams

Michael Chapman

Michael Davis

Toni Davis

Gary Hickman

Lynne Lawrence

## AGENDA

**1. APOLOGIES FOR ABSENCE**

**2. DISCLOSURES OF INTEREST**

**3. MINUTES** (Pages 1 - 6)

To submit for signature the minutes of the meeting held on 25 January 2011.

**4. MANAGING DIRECTOR'S REPORT** (Pages 7 - 20)

Report of the Managing Director on Charter Place Development and Watford Market

**5. DATE OF NEXT MEETING**

- Tuesday 11 October 2011

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# Agenda Item 3

## **Market Working Group**

**25 January 2011**

Present: Mayor Dorothy Thornhill (Chair),  
Councillors Bell, Martins (for minute numbers MW08-10/11  
to MW09-10/11), Poole, Rackett 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  
Michael Chapman, Market Trader  
Lynne Lawrence, Market Trader

Also Present:

Councillor Lynch  
Darrell Fyne, Market Trader  
Elaine Fyne, Market Trader  
Gary Hickman, Market Trader  
Sobia Rishad, Market Trader  
Ray Marks, Market Trader

Officers:

Managing Director  
Head of Legal and Property Services  
Property Section Head  
Project Manager  
Market Superintendent  
Democratic Services Officer (RW)

MW06-  
10/11

### **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Mortimer.

MW07-  
10/11

### **DISCLOSURES OF INTEREST**

There were no disclosures of interest.

MW08-  
10/11

### **MINUTES OF LAST MEETING**

The minutes of the meeting held on 22 June 2010 were submitted and signed.

## REPORT OF THE MANAGING DIRECTOR

### Speciality and Event Markets

The Managing Director explained that Watford Borough Council intended to set up an outdoor speciality market in a section of the High Street. He stressed that these markets were intended to complement the existing Charter Place Market. Traffic Regulation Orders were being sought to ensure that the process would run smoothly.

The Chair advised that the Group needed to consider ways in which customers at the outdoor event markets could be persuaded to also attend the existing indoor market.

In reply to a comment from a Member, about funding for this, the Chair said that the event markets would initially be for no more than 14 days per year and that the external funding that had been received was for purchasing stalls. She added that the Council intended to see how successful these markets proved to be and stressed that these would be speciality markets.

Market Traders expressed their concerns and stated that these events should remain as purely specialist markets and asked who would monitor the events to ensure this.

The Chair replied that the Environmental Health and Licensing Section would perform this function and also make sure that all aspects were legitimate. She added that the operators would also be monitoring the markets and that the Council itself had a role to play.

The Managing Director agreed that the Council had a function to ensure that the stalls at these markets were appropriate to the event. He noted that the French Market would be food based and consequently should not impact on trade at the indoor market.

The Chair advised that customers should also be aware of the nature of the stalls at each specific event. She said that these event markets must be trialled in order to assess whether they would have a detrimental effect on the existing market.

### Queens Road Market

The Managing Director stated that the Council supported the drive to renew the Queens Road area. As part of this initiative it was proposed to hold an Arts and Crafts market in order to increase footfall and trade at the local shops.

One Market Trader said that there would be no objection if stall holders sold goods different from those available in the indoor market. If this were not the case, however, the market would become a general market and thus would be working in competition with the existing one.

Councillor Lynch, ward councillor for Central Ward, advised that many buildings in the Queens Road area were derelict and shops remained empty. It was hoped that the area could be made more attractive which would then

bring people through the subway and thus rejuvenate this part of Watford. It was felt that a community market would accomplish this and would give individuals and charities the opportunity to establish a market for their own goods. Councillor Lynch stressed that this market was intended for local people and was not for professional traders; the event would take place on alternate Saturdays between May and September.

In response to a Member's comment, Councillor Lynch said that a Queens Road market would not have a negative effect on the Charter Place market; this initiative would encourage people to visit this area and directional signs to the indoor market could be sited there.

A Market Trader expressed concerns that other areas in the town would also wish to start community markets which would further impact on the success of the existing market. He pointed out that an arts and crafts area could take space in the indoor market. He also suggested that the word 'market' should not be used for this event.

The meeting decided that a Charter Place trader should work in consultation with potential stall holders at this street market. The Chair suggested that Grant Adams take on this role.

ACTION: Grant Adams

#### Rates

The Property Section Head informed the meeting that Watford Borough Council had made representations to the Valuation Office Agency (VOA) and the local Member of Parliament in respect of the VOA's proposed changes to rates assessments. The VOA had made two site visits to carry out assessments and would visit again in February 2011.

The Chair explained that rates were currently paid for the whole market area by the Council and this was more beneficial than the change which the VOA were proposing which was to individually rate each stall. She added that the Council was lobbying the M.P. and also the VOA to make the case for the existing arrangements to remain in place.

#### Void Levels

The Managing Director advised that the market was operating at a 35% void level and that the number of empty stalls was of concern.

One Member advised that the market website could provide more information and asked that this could be improved. The Market Superintendent agreed to action this.

The Property Section Head advised that at a meeting with the Market Traders on 11 January 2011 the issue of duplication of stalls was discussed and noted that possible duplication was of concern to traders.

ACTION: Market Superintendent

## Letting

The Managing Director noted that new traders were being targeted in an attempt to increase the number of occupied stalls.

One Market Trader noted that the letting of additional stalls was crucial to the success of the market but that this was difficult to achieve. He considered that a member of staff was required who could concentrate on optimising the numbers of stalls in use. He added that although this was achievable it was not possible for the Market Superintendent as a part time worker. He asked whether it would be possible for the Market Superintendent to increase his work hours in order to have more time available to source new lettings. He noted that one member of staff, employed as an administrative assistant, would be leaving.

The Managing Director advised that it was intended that the market should be self-financing; increasing costs would add to the deficit accrued. He added, however, that it would be wise to consider the financial viability of the Market Trader's suggestion.

The Chair cautioned that more time spent in sourcing new lettings would not necessarily result in a greater take up of stalls. She added that across the country generally, markets were seen to be in decline.

The Head of Legal and Property Services advised that the administrative assistant referred to above had been in a short term temporary appointment which had never been intended to become a full-time permanent position.

A Market Trader tabled a proposal to open the market for an additional day each week. He explained that some traders would be unable to join in this initiative due to other commitments.

The Chair asked Members to offer their opinions on this proposal.

One Member responded that a good scheme would be to open on Thursday, including in the evening, as this would tie in with late opening in the Harlequin Shopping Centre.

The Chair said that she thought that this appeared to be a good idea in principle but advised that this would be subject to consideration by the Property Section Head and the Market Superintendent.

The Property Section Head confirmed that there was considerable support from traders for Thursday opening as this had been very successful prior to Christmas.

One trader noted that whilst trading had been good, considerable benefit had been gained by traders because they had not been charged rent on those days; Thursday opening would not be so beneficial were rent to be charged.

**ACTION:** Property Section Head and Market Superintendent



### Advertising and Promotion

The Managing Director stated that investments had been made in advertising and asked how successful this had been in increasing the Christmas trade.

On the subject of the Christmas trade, one market Trader advised that the trading times had not been wisely chosen but this was the decision of the Market Traders themselves.

Another Market Trader informed the meeting that a cheque had been presented to the Peace Hospice with resultant advertising and promotion, advertisements were currently being displayed on taxis in and around Watford and had also been placed in periodicals.

### Financial Performance

The Managing Director drew attention to the market budget deficit of £85,450 as reported in June 2010 and the forecast outturn deficit of £150,000. He stressed that rigorous control of the cost base was essential and noted the risk of increasing the deficit due to costs incurred in Thursday opening.

### Charter Place Development

The Managing Director advised that the Council was working with London and Regional and that progress was being made. He explained that London and Regional were hoping for as many pre-let 'anchor' occupiers as possible. Consultations were on-going with regard to the provision of housing within the development; all options were being considered.

The Chair advised that the proposal to include a supermarket in the basement was difficult to achieve and that whilst the relocation of the YMCA was important in the scheme of development, it was imperative that costs for this provision should be tenable.

The Property Section Head reported that national retailers had visited the site in the Autumn of 2010. There was clarity on the redevelopment of the Town Centre; a cinema and new businesses were desirable. He advised that the Council and London and Regional had been in regular discussions but that progress had not been as swift as had been anticipated.

The Chair confirmed that a market and a cinema were high priorities for the redevelopment. In reply to a question from a Member, she advised that it was hoped to start the project within the following six months.

Chair  
Market Working Group

The meeting started at 6.00 p.m.  
and finished at 7.05 p.m.



## Agenda Item 4

### Managing Director's Report

#### 1.0 Rates

The Valuation Office Agency (VOA) is looking at how the market is classified under the rates system. Currently the market hall is rated as one individual unit, for which Watford Borough Council pays the rates liability. The VOA are making an assessment of Watford Market and are to formally advise if each market stall is to be rated as individual units, in which the occupiers of the units would be liable for the rates. The VOA has provided a fact sheet.

VOA is to make a presentation to the Market Working Group.

#### 2.0 Charter Place Development Partner

As part of the OJEU procurement process Henry Boot Developments have been chosen as Watford Borough Council's preferred development partner for the Charter Place redevelopment. Now that a development partner has been chosen, Henry Boot will start the process of working up scheme designs. This process will involve a wide ranging consultation with a variety of interested parties including (but not limited to) the Watford Market Traders Association.

Henry Boot Developments are to make a presentation to the Market Working Group.

The public report that went to Cabinet recommending their selection is attached.

#### 3.0 Initiatives

Following meetings between Watford Borough Council and the Market Traders Association a number of initiatives to improve the trading position of the market are currently being explored as follows:

- A Saturday Guest Market (such as organic produce, craft, farmers, vintage)
- Fourth Day Opening – A six month trial with no additional charges to stall holders. It is hoped that 80% of the traders will participate. There will be circa £20k of additional costs to the Council for opening on a fourth day but if successful, this should be off set by the additional income from attracting new stallholders who want to operate on a minimum of four days a week.
- Enhance website to provide a web presence for each trader and introduce guide to the market layout at the entrance to the hall.
- Investigate installation of ATM
- Redecorate void stalls and paint market floor to make the hall more attractive.

The traders will contribute £5k to the above costs which aside from the fourth day costs, will total circa £13k.

The MWG is asked to endorse these proposals.

#### **4.0 Void Levels & Budget**

Void stalls:

- 36% of market as of 8 February 2011
- 36% of market as of 1 March 2011
- 37% of market as of 5 April 2011
- 38% of market as of 6 May 2011
- 39% of market as of 3 June 2011

*The percentage figures are a snap shot of the voids at the end of a particular weeks trading. There will therefore be some variation during the intervening periods.*

Data from the British Retail Consortium for the period of February to April 2011 showed the following:

UK retail sales values were down 1.9% on a total basis from March 2010, when sales had risen 6.6%, boosted by Good Friday and Easter Saturday falling in the March trading period. On a like-for-like basis, sales were 3.5% lower, against a 4.4% increase in March 2010.

Like-for-like food sales fell well below their year-earlier level and non-food sales showed an even larger decline. Consumers' underlying uncertainty about jobs and incomes, as well as the later Easter, hit both. Big-ticket home and furniture purchases suffered most and were often promotion-led.

Non-food non-store (internet, mail-order and phone) sales growth fell further in March. Sales were 7.5% higher than a year ago, the smallest increase since the series began in October 2008 and much weaker than the 10.4% in February.

The budget provision is £747k market costs, £492k anticipated income, £255k deficit.

#### **5.0 Letting**

During the period of February to June 2011 the following new traders started within the market:

- Clothes - Cecy Cee
- Pickles & Chutneys - Gary Crocker
- Butcher – Howard Allen
- Candles and Decorations - Hong
- Blinds - Morris

The Current Applications list dated 1 July is as follows:

- Ice creams and home products – 4 Stalls
- Greek food stall – 2 Stalls
- Thai Jewellery stall – 1 Stall
- Butcher – 2 Stalls
- Fruit and Vegetables – 3 Stalls
- Home made cakes – 2 Stalls
- Non perishable foods – 2 stalls
- Jams and Preserves 2 stalls
- Home wares - 2+ stalls
- Bedding plants - 2 stalls

## **6.0 Advertising & Promotion**

The following advertisements have/are to take place

- Heart/ Mercury Radio
- Market Times
- Pizza Hut
- Market trade news
- Vue cinema magazine
- Village Post
- World Fair
- Breeze radio

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# Valuation Office Agency

## Review of town centre permanent markets Fact sheet - England

### Valuation Office Agency

- The Valuation Office Agency (VOA) is an agency of HM Revenue & Customs
- The VOA is responsible for setting rateable value of all business and non-domestic property in England and Wales for business rates purposes

### Review of markets

- The review of around 70 markets in England and Wales is well underway and we are now considering 20 more.
- The review is to ensure that the assessment of permanent market halls is consistent nationally
- The review will mainly look at covered market halls - those that have stalls which occupy relatively permanent positions
- The review will confirm whether the rateable value should be set, for all or part of a market, at the level of the individual stall or unit, and if so what the rateable value for each stall or unit should be
- The facts will differ from market to market – each case will be considered on its own merits
- The review is independent of the 2010 revaluation, which came into effect on 1 April 2010

### How the review might affect traders and market owners

- The rateable value is the basis of the rates bill produced by local councils
- Each rateable value will produce a bill
- If a market that was previously assessed as one whole unit is split, all or part, into separate assessments for each stall, this will result in separate bills being issued by the local council for each stall
- Responsibility for payment of the bill will depend on the lease and financial arrangements between the market owner and the person occupying the stall

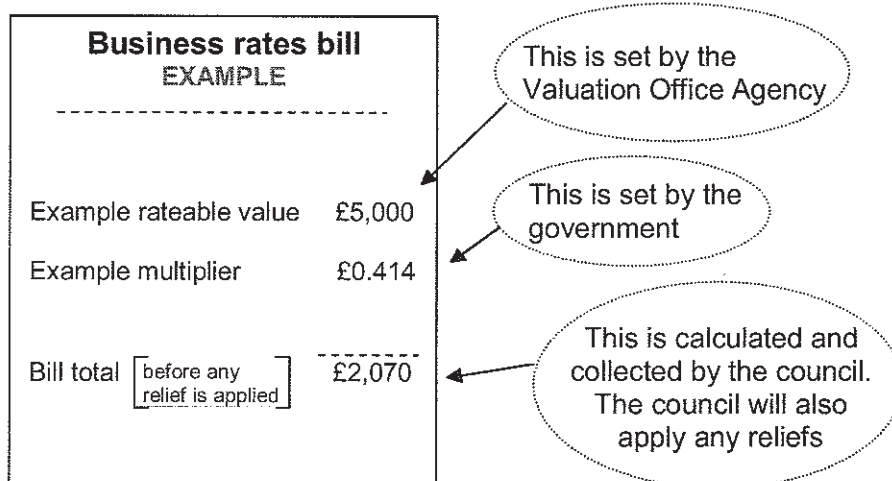
### What the VOA is doing

- We are already in contact about the review with the two main representative bodies:
  - The National Market Traders Federation (NMTF)
  - The National Association of British Market Authorities (NABMA)
- We will continue to work with them on the review
- We will also approach market owners and managers and provide information to stall holders to ensure that all parties understand what the review is about, how it may affect them and what information we will be looking at to support any decision-making
- We aim to conclude the review as soon as possible to minimise any concern

### Keeping up to date with progress

- We have set up a web page with details of the review
- This will provide the status of the review in relation to each market and will be updated regularly
- This information is available at [www.voa.gov.uk/markets](http://www.voa.gov.uk/markets)

## Business rates – who's who?



## Rateable value

- Based on rental value at a set date
- From 1 April 2010, the valuation date is 1 April 2008

## Multiplier

- Sometimes called the 'rate in the pound'
- Determines how much is payable in business rates for each £ of rateable value
- Multiplier set by central government
- 2010 multipliers for England:
  - Standard multiplier – 41.4p
  - Small business multiplier – 40.7p

## Small business rate relief

- Small business rate relief is provided by the local council, not the VOA
- Small business rate relief can provide reductions to your business rates bill. The local council applies it to eligible property when they produce the rates bill. Details:
  - If 2010 rateable value is below £6,000, the bill will be calculated using the small business multiplier and there will be a 50% reduction in the bill.
  - If 2010 rateable value is between £6,000 and £11,999 (inclusive), the bill will be calculated using the small business multiplier and there will be a % reduction in the bill on a sliding scale as the rateable value increases.
  - If 2010 rateable value is between £12,000 and £17,999 (inclusive) (or between £12,000 and £25,499 in London), the bill will be calculated using the small business multiplier.
- **Between 1 October 2010 and 30 September 2011**, eligible ratepayers will receive small business rate relief at 100 per cent on properties with rateable value of up to £6,000 (rather than 50 per cent), and a tapering relief from 100 per cent to 0 per cent for properties up to £12,000 in rateable value for that period
- Eligibility for small business rate relief is not automatic – you must be registered with your local council to receive it

## Further information

- Businesses can check the details of any existing valuation on our website - [www.voa.gov.uk/valuation](http://www.voa.gov.uk/valuation). The site is easy to use and helps businesses check details, make contact if there are any issues, and access lots of straightforward information
- Details of the whole business rates system, along with other information on running a business, are also available at [www.businesslink.gov.uk](http://www.businesslink.gov.uk)



## **Agenda Item 4 – Appendix 2**

### **Part A**

**Report to:** Cabinet  
**Date of Meeting:** 6<sup>th</sup> June 2011  
**Report of:** Section Head of Property  
**Title:** Charter Place – Development Partner Selection

#### **1.0 SUMMARY**

- 1.1 The aim of the report is to seek Cabinet's approval to the selection of Henry Boot as the preferred development partner for the Charter Place redevelopment following the withdrawal of London & Regional from the process.

#### **2.0 RECOMMENDATIONS**

- 2.1 That Henry Boot is selected as Watford Borough Council's preferred development partner for the Charter Place redevelopment.

### 3.0 DETAILED PROPOSAL

- 3.1.1 As part of the OJEU process last year four well known commercial property companies were short listed and submitted proposals. These proposals were scored on 27<sup>th</sup> April 2010 following presentations in January in accordance with OJEU procedure. The detailed report of scoring and evaluation criteria was presented to Cabinet on 7<sup>th</sup> June 2010 and London & Regional were chosen as the preferred development partner.
- 3.1.2 Post 7<sup>th</sup> June 2010, London & Regional and The Council concluded a Memorandum of Understanding (MOU) on 24<sup>th</sup> September 2010, which initiated work to progress the scheme. In March 2011 London & Regional withdrew from the development process as the scheme was no longer core to their business requirements and they are now focusing on other aspects of their business such as their investment and existing development programme.
- 3.1.3 What is important is that we are continuing to progress the development. We are still working to the same budget and timeline and the vision for Charter Place remains the same - a new shopping centre remains an important part of the council's aim to deliver a more family friendly town centre. The redevelopment will still include a cinema, new retailers and a re-provided market.
- 3.1.4 Henry Boot Group were scored highly and evaluated as a development partner, during the OJEU process in April 2010. They have been operating since 1886 and are responsible for some innovative projects including the development of Pinewood Studios. Over 50% of the company's development activity relates to involvement with public/private property partnerships, the majority of which are with local councils. Notable shopping centre schemes Henry Boot Group have worked on include The Mall in Bromley, Deansgate in Manchester and The Axis in Nottingham.
- 3.1.5 Whilst the planned completion date of 2014/ 2015 remains the same, the phasing of the development will change slightly. Phase 1 will be the redevelopment of the existing Palace - Charter Car Park structure, planned for work to begin early 2013, with completion late 2014. Phase 2 is the redevelopment of the remainder of Charter Place and a number of High Street properties. Work will start on site from late 2013 with completion planned for late 2015.
- 3.1.6 A design has not yet been chosen but this will happen in the coming months and there will be extensive consultation with stakeholders and the public.
- 3.1.7 The Council is able to select Henry Boot as preferred development partner as they were the second placed bidder.

3.1.8 Appendix A gives a detailed profile of Henry Boot

## 3.2 **Work Progressed**

3.2.1 Since the selection of London & Regional as preferred development partner the following work streams have been progressed:

- Title Investigation
- CPO Requirements
- Discussions with potential Occupiers including Cinema Operators
- Discussions with existing Occupiers
- Discussions with neighbouring Freeholders & Leaseholders within the development boundary
- Stakeholder Consultations
- Progression of outline strategies, such as a retailer strategy that will be concluded with the new development partner
- Procurement including prospective advisors required to progress the design work.
- Continued Management of Charter Place with the emphasis on retaining income prior to redevelopment as well as undertaking work to assist obtaining Vacant Possession.
- Drafting of outline Development agreement

3.2.2 All of this work will transfer across to Henry Boot and enables the minimum loss of time in progressing the scheme. Indeed the delivery timetable for a completed scheme remains unchanged for 2014/15.

## 3.3 **Next Steps**

3.3.1 The process the Council has undertaken has been to select a development partner and has not been to select a scheme. Should Cabinet endorse the appointment of Henry Boot both parties will now need to conclude a Development Agreement which will set out each parties specific responsibilities in moving the redevelopment forward. Engagement with stakeholders will need to take place so that an appropriate redevelopment scheme can be developed.

3.3.2 A Consultation programme will continue to take place that will involve the engagement of a wide variety of interested parties. This will include (and is not limited to) Watford Borough Council Officers & Councillors through to Site Users, Resident & Community groups as well as the wider community and the media.

3.3.3 The relationship management, project management and negotiations to secure the Development Agreement will continue to be led by the Council's Charter Place Steering Group, chaired by the Managing Director. The Section Head for Property will be the operational project lead.

## 4.0 **IMPLICATIONS**

### 4.1 **Financial**

- 4.1.1 The Charter Place Re-development Project is assumed for budget purposes to be self financing with the Council not being required to make a capital contribution or to suffer a reduction in commercial rent income during the development phase. There is provision within the Council's Capital programme in 2011/2012 onwards for continued funding for any external advice that is required (£100k per annum for a three year period)
- 4.1.2 The expenditure on external advice to the council is the main project expenditure for the Council as the scheme design, CPO and development costs are borne by the development partner. The project costs to date (since 2009/10) total £170k which has funded the Council's external legal, technical, procurement and property advice fees all of which are essential for progressing the scheme. None of these costs are abortive and being able to select Henry Boot from the original procurement has meant that repeating a procurement process has not been necessary.

### 4.2 **Legal Issues**

- 4.2.1 Reynolds Porter Chamberlain have been appointed to provide legal advice to the Council on this project. The appointment of Henry Boot without having to undertake another procurement exercise is permitted under the procurement the Council has already undertaken.

### 4.3 **Risks**

- 4.3.1 The major risk is that the Council will not be able to conclude a Development Agreement with Henry Boot. In addition to the day to day project management, The Steering Group will meet monthly with the Henry Boot and will update The Major Projects Board of progress and key issues.

### 4.4 **Programme**

- 4.4.1 Post selection of the Development Partner the key milestones prior to obtaining a Development Agreement are as follows
- Working Heads of Terms to be agreed between Watford Borough Council and the chosen Development Partner
  - Development Partner to select team of advisors
  - Progress Site Due Diligence
  - Progress Design to RIBA Stage C
  - Progress Planning Negotiations
  - Complete Development Agreement

4.4.3 Please note that once the Development Agreement is obtained then further work, such as formal submission of a Planning Application, Site Assembly and further detailed design will be progressed.

## **5.0 Equalities**

5.1 Once the Development Partner has been selected, any reports or Impact Assessments that are required will be submitted in conjunction with progressing the scheme design.

## **6.0 Sustainability, Community Safety & Accommodation**

6.1 Once the Development Partner has been selected, sustainable design and procurement methods, including any community safety & accommodation issues will be integral to any future scheme proposals.

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## **Item 4 – Appendix 2 (A)**

### **Henry Boot Profile**

The Henry Boot Group has been operating continually since 1886 when it was founded by Henry Boot and is active throughout mainland Britain with offices in Sheffield, London, Bristol, Glasgow and Manchester. Historically, the Company has been responsible for some innovative projects including the development of Pinewood Studios in partnership with J. Arthur Rank and the design and construction of sections of the Mulberry Harbour used during the D – Day landings. Since the end of the second World War the Company has diversified into a range of property and construction related activities including house building, plant hire, strategic planning and commercial property development and the Groups focus is now primarily on commercial property development and investment, strategic planning and contracting.

Notwithstanding its Stock Exchange listing, the Company remains in the control of the founding Boot family who remain fully involved in its day-to-day operations. The family ownership has allowed the Company to take a medium term approach to development and investment activities which has enabled it to expand its development and investment activities over several decades in a sustainable manner regardless of the prevailing wider economic climate.

The principle operations of the Henry Boot Group directly employ over 500 people with many of these activities being primarily cash generative and as such provide the Group with a very robust balance sheet and low levels of gearing enabling all of its development projects to be funded internally. This internal funding approach has been applied to all of the developments undertaken at present and in recent years and has enabled the Company to take a very flexible and pragmatic approach to individual developments to ensure optimum delivery and quality is achieved.

Furthermore, given the funding arrangements enable the Company to retain many of the investment properties it develops, the Company places a high degree of emphasis on the longer term management and maintenance issues that will need to be addressed to ensure function and quality of the individual developments are effectively maintained.

The strategy of the Company continues to focus on core property development and investment activities. The Company has positioned itself to ensure that it can continue to internally fund all new development projects as required with a view to the retention of a significant proportion of completed schemes. Key to Henry Boot's success in this area has been the careful selection of projects and it is the quality of individual development opportunities that is important rather than the scale or volume of transactions.

Henry Boot Developments Ltd has operated a policy of maintaining a diverse range of property investments and developments, in terms of sector, value and geography, to ensure it maintains a robust business model. At the present time it holds an investment portfolio of completed, income producing property investments, the majority of which are managed by an in house team supported by specialist external management expertise where appropriate. 50% of the portfolio comprises city and town centre retail and leisure based properties with the remainder comprising a mix of edge and out of town retail space and industrial and office accommodation.

In addition to the investment portfolio the Company is directly involved in over 300 acres of commercial development projects with the benefit of planning permission together with other projects, which have not as yet secured planning consent. These development projects comprise a mix of directly owned property, which the Company is working towards developing in addition to private and Public Property Partnerships.

Over 50% of the Company's development activity relates to its involvement in Public Property Partnerships, the majority of which are with local authorities. Of these 80% are concerned with town or city centre retail and leisure led regeneration projects with the balance involving more employment based office and industrially focused developments. All the partnerships are fully funded using internally sourced funding and many result in the Company being involved in particular towns and cities for many years.

Notable Schemes are;

- Ayr Central, Ayr Town Centre
- The Mall, Bromley
- Warminster
- Daventry Town Centre
- Burnley Town Centre
- South Shields
- The Axis, Nottingham
- Deansgate, Manchester
- Markham Vale

Photograph Shows Ayr Central

