

REPORT TO: Executive Board Sub Committee
DATE: 2 April 2009
REPORTING OFFICER: Strategic Director – Corporate and Policy
TITLE: Widnes Markets – Stall Charges
WARDS: Borough Wide

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to ask Members to consider a request from the Widnes Market Traders' Association to reduce stall rental at the market for 2009/10, in the light of current trading trends.

2.0 RECOMMENDED: That:

- (1) no inflationary uplift be applied to 2009/10 rents; and**
- (2) a 10% rent reduction be applied for 2009/10 and be subject to a further review before being applied beyond 2009/10.**

3.0 BACKGROUND

3.1 The Council has received a formal request from the Widnes Market Traders' Association for stall rentals to be reduced at the market for 2009/10, given the current trading trends. The Traders' Association have asked that the Council consider reducing rents by 50%, given as what they describe as "extraordinary" times.

3.2 The market is experiencing its first decrease in occupancy levels since it opened in 1995. The concern is that if more stall holders are forced to leave the market, then its overall viability is threatened. Whilst some new traders have tried to establish a business in recent times, three have had to cease trading within a six month period.

3.3 The market, as a business, has made a significant financial contribution to the Council over many years and plays an important part in the shopping offer within the Borough, employing many local people and attracting visitors from nearby towns.

3.4 There is a fine balance to be struck in circumstances such as this and rent levels are already a key component of running a commercial operation such as a market. If they are too high for traders to sustain a healthy business and they therefore move on, this has an impact on the view potential users of the market have and can lead to a downward spiral. However, any reduction has to be viewed against the overall financial picture the Council is facing. Reducing rents in turn

reduces income to the Council at a time when other sources of income are also reducing. Overall reductions in income require further efficiencies/savings to be found from elsewhere in the Council's budget.

- 3.5 In view of the above it is considered that a 50% reduction, as requested, is too great a level to support at the current time, given that it would lead to a significant reduction in income to the Council, taking into account the wider responsibilities of the Council. However, the situation faced by traders is real and is recognised and the potential impact in the long term on the market is fully appreciated. In all the circumstances it is suggested that a 10% reduction be introduced for 2009/10 and the inflationary rise that was due to be applied for that year no longer be applied.

4.0 POLICY IMPLICATIONS

- 4.1 It is considered that retaining a vibrant market is important for the town centre shopping offer and therefore efforts should be made to help traders to continue to operate within the Borough.

5.0 OTHER IMPLICATIONS

- 5.1 Based on full indoor market occupancy and the existing occupancy levels on the open market, the proposals contained in this report would represent a £7,000 reduction in monthly income for the Council.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

No direct implications.

6.2 Employment, Learning and Skills in Halton

The market provides employment for many local people.

6.3 A Healthy Halton

No direct implications.

6.4 A Safer Halton

No direct implications.

6.5 Halton's Urban Renewal

The market plays a key role in the shopping offer of the Borough, providing choice for local people.

7.0 RISK ANALYSIS

7.1 There is a risk that if no help is provided for traders, the overall long term viability of the market will be affected.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 There are no equality and diversity issues.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Letter from Widnes Market Traders Association	Ian Leivesley's Office Municipal Building	Ian Leivesley