

Name of meeting: Date: Title of report: Cabinet 18 January 2022 Relocation of Council's indoor market in Huddersfield

#### Purpose of report:

This report requests that Cabinet approves the proposal to provide alternative accommodation for the market traders presently located in Queensgate to vacant shops or containers to be located within Huddersfield Town Centre for an interim period of at least 3 years.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes - this report is likely to result in expenditure exceeding £250K.
Key Decision - Is it in the <u>Council's Forward</u>	Yes
Plan (key decisions and private reports?)	
The Decision - Is it eligible for call in by	Yes
Scrutiny?	
Date signed off by <u>Strategic Director</u> & name	Colin Parr - Strategic Director for Environment and Climate Change, 5 <sup>th</sup> January 2022
Is it also signed off by the Service Director (Finance)?	Eamonn Croston - Finance and Accountancy, 6 <sup>th</sup> January 2022
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft – Legal Governance and Commissioning, 6 <sup>th</sup> January 2022
Cabinet member portfolio	Cllr Will Simpson - Culture and Greener Kirklees Cllr Peter Mc Bride – Regeneration

Electoral wards affected: Newsome

Ward councillors consulted: Yes, Cllr, Cooper, Cllr Lee-Richards, Cllr Allison

Public or private: Public

**GDPR** – no personal or sensitive data; or other information covered by GDPR is included in this report

# 1. Summary

- 1.1 The proposed Cultural Heart project requires the Queensgate Market building to be vacant by 31<sup>st</sup> August 2022 to enable works to commence.
- 1.2 This report is to seek Cabinet approval to provide alternative accommodation for the market traders presently located in Queensgate to vacant shops or containers to be located within Huddersfield Town Centre for an interim period of at least 3 years until the Northumberland Street Regeneration Project incorporating a new market offer is delivered.
- 1.3 The intention is to minimise the reliance on the use of containers by using any vacant shops that are in close proximity to where the containers are located. The containers will be adapted to be suitable for use by the variety of market traders. The location of where these cabins would be placed is to be agreed. By careful planning of the street units and the vacant shops, it is hoped that the synergies created by the existing provision can be maintained and the whole development can operate as a single offer without leaving some stall holders disadvantaged which will helps to build the offer and be ready to move to its ultimate location.

# 2. Information Required to take a decision

#### Background

- 2.1 Kirklees Council made a public commitment in June 2019 to create a "thriving, modern-day Town Centre" offering "vibrant, art, leisure and nightlife... thriving businesses and a great place to live" through the launch of its Blueprint. Six areas were identified as being key to the Town Centre Regeneration; the Station Gateway, St Peter's, Kingsgate and King Street, New Street, the Civic Quarter and the Cultural Heart.
- 2.2 The aim to create a cultural hub (the Cultural Heart) in the town is a key component of the plan. Its location around the Queensgate market and library area is significant as it will anchor footfall in this area and create a cluster of cultural activities that link back to the Town Hall and also the Lawrence Batley Theatre. It will also complement the emerging leisure focus at the Kingsgate centre.
- 2.3 As part of the plans for St Peter's area, it is intended to amalgamate the market offer in Huddersfield on to the current Open Market site, as part of the Northumberland Street Regeneration Project.
- 2.4 Currently there are a significant number of projects in and around Northumberland Street including the Trans Pennine Upgrade (TRU) which undoubtably will lead to disruption in the area. It is therefore anticipated that this relocation of the traders would need to be for at least 3 years.
- 2.5 Following the decision to merge both Queensgate and Huddersfield Open Market to create a new market at Northumberland Street, officers have already carried out a programme of rationalisation in respect of the traders at Queensgate Market. There

currently remains 32 stall holders who occupy approximately 10,000 sq ft of retail space (with ancillary storage and car parking).

## **Relocation of the Indoor Market proposal**

- 2.6 A high-quality temporary market will provide a reason for people to continue to visit Huddersfield town centre. This is especially important given the number of construction projects that are going to be active in the town centre over the coming years.
- 2.7 It is important that the Market continues to trade continuously, and the traders are located in close proximity to one another. A temporary closure of the market, could cause significant harm to the proposals planned within the Northumberland Street Regeneration Project as it could lose its core traders and would also create a gap in customer choice available in the town centre.
- 2.8 Officers are now exploring the best location for the market traders to be relocated for the short to medium term in Huddersfield town centre. We would ensure good quality public realm in the area accommodating the relocated market to further enhance the area and create an attractive area for people to visit and use.
- 2.9 Officers will also be looking at where events can be located on a temporary basis in the town centre, further boosting provision on a short to medium timescale while our long term vision for other areas of the town centre are implemented.

#### Long Term Vision

- 2.10 The intention is for the relocated traders to form the core market offer in the new market as part of the Northumberland Street Regeneration Project.
- 2.11 Experience of other market projects in the U.K. has shown that those Councils which have planned and adequately invested in temporary markets have benefited from the continuation of healthy trading. Those that have not, have damaged the markets in the process of trying to improve them and undermined the whole purpose of the investment.

# Cost breakdown

2.12 It is anticipated that the fit out of shops and purchase of the containers including adaption for use by traders and enabling works on site would cost in the region of £1.6 million. The Capital costs will be coming from within the capital plan. The capital project is the Northumberland Street Regen Project,

Item	Indicative Cost
Containers purchased	£375,000
Containers fit out	£375,000

#### Table 2.1 – Indicative Capital Cost breakdown

Shops fit out	£200,000
Enabling works	£250,000
Public Realm enhancements	£150,000
MPE fees (oversee the decant -	£75,000
working with traders and Councils TA's	
and contractors regarding	
specifications, programming)	
Total	£1,425,000
Contingency @ 10%	£1,567,500

2.13 The revenue breakdown is detailed below, excludes day to day staffing costs which would be picked up in the existing markets revenue budget.

Table 2.2 – Indicative Revenue breakdown

Indicative Cost	
£45,000 p annum	
Tenant to pay (meters to be	
incorporated in the fit out)	
£30,000 per annum	
£50,000 per annum	
£50,000	
£100,000 p annum	

The cumulative revenue costs based on an interim 3 years period are £725,000.

# Timescale

- 2.14 To achieve the proposed timescales for the Cultural Heart development it will be necessary to relocate the market traders in August 2022. The timing of this will also fit with retailers' requirement to be established in their new location ahead of the busier, festive period.
- 2.15 There is a long lead in period to enable the fit out of containers to create appropriate accommodation for the different traders so an order needs to be placed at the earliest opportunity to ensure they are ready for occupation before the end of August 2022, so it does not hold up the delivery of the Cultural Heart project.
- 2.16 Authority is sought to delegate the decision on the details of the decant to the Strategic Director (Environment & Climate Change) who has operational responsibility for the Market. Where vacant shops in third party ownership are involved, authority is sought for the terms of those lettings to be negotiated and agreed by the Strategic Director (Growth and Regeneration) in conjunction with the Service Director Legal, Governance and Commissioning and to agree and complete the legal documentation required.

# 3. Implications for the Council

# 3.1 Working with People

Kirklees Council officers held town centre consultations and workshops in the town centre from July to August 2019. This was based upon the Place Standard approach. Consultation over a 12 week period involved nearly 1,000 face to face interviews with Huddersfield citizens, focus groups, a staffed exhibition in the Piazza, Huddersfield and an on-line Blueprint questionnaire.

We also carried out the market research in Huddersfield to enable us to understand the shopping behaviours and views of communities and help shape the development of proposals to improve the Huddersfield market experience. Over 1000+ people took part and 6 focus groups were carried out. The market research explored:

- The views and opinions on the existing market offer in Huddersfield
- The shopping patterns of communities in the Huddersfield and surrounding area [up to 7 miles radius]
- The views and opinions for a new market offer in Huddersfield for the future.

# 3.2 Working with Partners

A NMTF (National Market Traders Federation) working group was established 3 years ago, at the Queensgate Market and the Markets Service holds regular meetings with the group to discuss the emerging proposals regarding relocation of the market.

Meetings with their Chief Executive and field officers have also taken place.

#### 3.3 Place Based Working

Kirklees as a place is made up of different communities and the diversity of its communities is one of its key strengths. Placed based working recognises that the needs of Kirklees residents and communities vary widely and that, by using intelligence and information, we will allocate resources in the best way possible to achieve the best outcomes for residents. We will work with communities, so we can prioritise local needs and Councillors, using the insight they have about the communities they represent, will be central to this activity.

The development of the Blueprint and the associated Place Standard exercise has already engaged town centre stakeholders, businesses and users to help shape the overall approach to redeveloping Huddersfield Town Centre.

#### 3.4 Climate Change and Air Quality

Tackling the climate emergency, reducing emissions and improving air quality are key long-term priorities for the Council to improve the quality of life for our residents and create a borough that is healthier, more sustainable and fairer for everyone.

The Councils policy on the Climate Change Emergency will be considered as part of the next stage in determine where and what the relocated market will consist of.

#### 3.5 Improving outcomes for children

The Market vision is to create a much more family friendly space with children's activities which will encourage families to spend time together.

# 3.6 Legal

From a legal perspective there are two possible options to relocate the market which are currently being considered.

One option is to relocate the market as a statutory market temporarily onto surrounding streets /highway (as opposed to relocation onto council owned or controlled land entitling it to use the land for market purposes).

The alternative option is for the Council to follow the procedures in section 3 and schedule 4 to the Local Government (Miscellaneous Provisions) Act 1982 to formally adopt a statutory licensing scheme for streets in which trading takes place to create licensed streets. This will require market traders to obtain licences or consents from the Council for time limited street trading during the refurbishment of the market.

Officers will consider both options as part of the work now being undertaken agreeing where the relocated market will be located in Huddersfield Town Centre.

It is likely that a Temporary Road Traffic Regulation Order will be required under section 14 of the Road Traffic Regulation Act 1984.In addition the Council will need to consider whether stalls and kiosks placed in the streets will require planning permission.

Where it is proposed that vacant shops are used, and these are in third party ownership, legal input will be required to negotiate and complete any documentation required should those third parties require the Council to be the tenant.

#### 3.7 Financial

The decant has an estimated gross cost of £1.6 million (exc VAT). The costs set out in this report will be met from the Council's Capital Plan. The capital project is the Northumberland St Regen Project

The revenue costs will be met from the Strategic Investment Reserve.

#### 4. Consultees and their opinions

4.1 Since the launch of the Blueprint in 2019, there have been numerous discussions with the traders regarding their accommodation in the Queensgate Market, the implications that the proposed Cultural Heart Project will have and the Council's intention for a new market in the town centre. This has resulted in traders based in Queensgate Market who did not want to be part of the new market project to leave.

4.2 Consultations with those directly affected by the proposed decant will be further consulted with, and as required by the requirements of the legislative powers used to implement the temporary market.

## 5. Next steps and timelines

5.1 If the Officer recommendations are approved, officers will determine the location of the relocated market, seek to procure the acquisition and modification of brand new containers to accommodate the traders. We will minimise the reliance on the use of containers by using any vacant shops that are near to where the containers are located.

# 6. Officer recommendations and reasons

# 6.1 **Cabinet is requested to:**

- (a) Approve the relocation of the traders currently based in Queensgate Market;
- (b) Approve the required capital funding of £1.6 Million (ex VAT), from the capital plan, for Huddersfield Town Centre as identified in the Council's Capital Plan;
- (c) Delegate authority to the Strategic Director (Environment & Climate Change) to implement the scheme and in conjunction with the Service Director (Legal, Governance and Commissioning) to agree the preferred legal powers to use in this case namely, either the licensed street trading option or alternatively to establish a temporary statutory market and take all necessary steps and actions in accordance with the chosen legal powers and Kirklees's constitutional requirements to implement the proposal.
- (d) Delegate authority to the Service Director for Culture and Visitor Economy to undertake the operational management of the Market, working with the Service Director for Legal, Governance and Commissioning, to agree relevant leases and management agreements as required.
- (e) Delegate the decision on the details of the decant to the Strategic Director (Environment & Climate Change) who has operational responsibility for the Market. Where vacant shops in third party ownership are involved, authority is sought for the terms of those lettings to be negotiated and agreed by the Strategic Director (Growth and Regeneration) in conjunction with the Service Director – Legal, Governance and Commissioning and to agree and complete the legal documentation required.

Reason: To enable the decant to be implemented without unnecessary delay.

#### 7. Cabinet Portfolio Holder's recommendations

- 7.1 The Portfolio Holders for Corporate, Regeneration and Town Centres recommend that Cabinet:
  - (a) Approve the relocation of the traders currently based in Queensgate Market;
  - (b) Approve the required capital funding from the capital plan, for Huddersfield Town Centre as identified in the Council's Capital Plan.
  - (c) Delegate authority to the Strategic Director (Environment & Climate Change) to implement the scheme and in conjunction with the Service Director (Legal, Governance and Commissioning) to agree the preferred legal powers to use in this case namely, either the licensed street trading option or alternatively to establish a temporary statutory market and take all necessary steps and actions in accordance with the chosen legal powers and Kirklees's constitutional requirements to implement the proposal.
  - (d) Delegate authority to the Service Director for Culture and Visitor Economy to undertake the operational management of the Market, working with the Service Director for Legal, Governance and Commissioning, to agree relevant leases and management agreements as required.
  - (e) Delegate the decision on the details of the decant to the Strategic Director (Environment & Climate Change) who has operational responsibility for the Market. Where vacant shops in third party ownership are involved, authority is sought for the terms of those lettings to be negotiated and agreed by the Strategic Director (Growth and Regeneration) in conjunction with the Service Director Legal, Governance and Commissioning and to agree and complete the legal documentation required.

#### 9. Contact officers

Chris Cotton – Strategic Lead for Market <u>chris.cotton@kirklees.gov.uk</u> 01484 221000

Sarah Collins – Programme Manager Town Centre Regeneration sarah.collins@kirklees.gov.uk 01484 221000

#### 10. **Strategic Director responsible** Colin Parr – Strategic Director for Environment and Climate Change

# 11. Attachments

N/A