

Subject:	Market Operator	Status:	For Publication
Report to:	Cabinet	Date:	6 th August 2025
Report of:	Head of Housing and Regeneration	Lead Member:	Economic Development
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: N/A
Biodiversity Impact Assessment:	Required:	No	Attached: N/A
Contact Officer:	Megan Eastwood	Telephone:	01706 252480
Email:	meganeastwood@rossendalebc.gov.uk		

1. RECOMMENDATIONS

- 1.1 To approve the approach for the procurement of an operator at Rawtenstall Market with the option of Haslingden and Bacup Market
- 1.2 To Delegate Authority to the Director of Economic Development in conjunction with the Lead Member for Economic Development, Head of Legal Services and Director of Resources, to:
 - Complete a tender exercise to select and procure an operator
 - To agree the terms of the arrangement, including the model, lease length and option of inclusion for Bacup and Haslingden Market
- 1.3 To Delegate Authority to the Head of Legal Services to enter into any relevant agreements relating to the operator, including management and lease agreements.

2. EXECUTIVE SUMMARY

- 2.1 In 2020, Rossendale Borough Council entered into an agreement with a management company for the management and operation of Rawtenstall Market. In March 2025, the management of the market returned to Rossendale Borough Council.
- 2.2 Rawtenstall Market is about to undergo significant refurbishments which are due to conclude in 2026. It is pertinent to procure an operator ahead of its opening to establish policies and trader bases as well as inform on-site construction decisions.
- 2.3 Haslingden Market has recently re-opened with a renewed trader base and Bacup Market refurbishment works will take place next year. This report requests flexibility to include or exclude the markets from any agreed operator terms for Rawtenstall Market.
- 2.4 This report also seeks to set out the approach for compliant procurement procedure under the Procurement Act 2023 and the relevant delegations to facilitate this.

3. BACKGROUND

- 3.1 Rawtenstall Market was established in 1906 at the Newchurch Road site. The market has grown in popularity and is now viewed as a key destination for visitors and residents. The market has a well-established trader base and a blended offer to suit a range of users.
- 3.2 In 2020, Full Council approved a report to procure an operator for Rawtenstall Market. A tender exercise was completed and an organisation was selected, this arrangement concluded in March 2025 and the market operation returned to the Council.

- 3.3 In June 2023, Full Council approved a report as part of the acceptance of Levelling Up Capital Regeneration Funding to redevelop both Rawtenstall and Bacup Market to secure their futures as shopping and food destinations. This report also Delegated Authority to Cabinet to approve the Exit Strategy for the projects, including their future management.
- 3.4 Options have been considered for the operating model for Rawtenstall Market, including an option to keep the market management in house. However, completing a full tender exercise will allow us to assess all models and seek the best for the long-term success of the market, which must remain community focused and commercially centred.
- 3.5 Independent legal advice has been provided by Weightmans LLP to ensure compliance with the new Procurement Act 2023. The procurement of the future model of Rawtenstall Market and potentially Haslingden and Bacup can be extremely flexible and although not our recommended approach, the Council could directly award a concession contract without holding a competition.
- 3.6 The recommended approach from officers is to blend a competitive procedure to encourage competition and then to enter into dialogue with preferred partners, proceeding to contract with the preferred.

4. Details

- 4.1 In October 2024, a market engagement exercise was completed. Potential market operators were invited to an information session at the Council and were provided with material regarding the market, redevelopment plans and the Council's overall ambition for the market, to remain a sustainable visitor destination.
- 4.2 Potential operators and traders were then asked to input their ideas, thoughts on key themes and outline their vision for the market's management. This exercise generated a range of feedback, with different insight and thoughts on the model.
- 4.3 To understand this feedback in greater detail, the Council undertook an informal Expression Of Interest exercise in May 2025. This exercise is excluded from any formal process.
- 4.4 The outcome of this exercise has resulted in a recommendation to procure a suitably experienced, community-minded, and commercially capable operator who will:
- Enter into a long-term lease (indicatively 10+ years) and operators agreement with the Council.
Be fully liable for all repairs, maintenance, and compliance requirements under a full PPM regime.
Assume commercial and operational risk, including staffing, maintenance, income generation, and daily operations.
 - Propose and deliver a community engagement and events strategy, integrating the market with the wider town centre.
 - Pay a commercially negotiated income/ rent to the Council
- 4.5 The Expression Of Interest exercise also indicated that it is likely that the Council will receive many different approaches to running the market, including from bidders with different backgrounds and priorities, along with varying models of operating the site. Based on the broad range of options, the Council sought independent legal advice.

- 4.6 In May 2025, Weightmans LLP were appointed to provide procurement advice under the new Procurement Act 2023 taking into account the varying scenarios at the Expression of Interest stage.
- 4.7 This advice clarifies that the opportunity across the markets is a below threshold concession contract. As this is subthreshold, the part 6 regulations do not apply. This means that the Council can adopt any procurement approach it feels appropriate providing it meets basic national requirements.
- 4.8 Although there is no mandatory requirement to procure an operator in a competitive way based on the legal advice, the following process is proposed, which provides an opportunity to narrow down tenderers at different stages.
1. A notice is published on Find a Tender to advise that an opportunity for Procuring an Operator is expected. **August 2025**
 2. A tender pack will be prepared and uploaded to the Council's website **August 2025** (Those who originally engaged in the opportunity will be sent the link and the opportunity will be shared on the Council's social media and newsletters)
 3. Bidders will have 4 weeks to prepare a formal submission. This will be scored 70% on the model and then 30% on the Community Value. **September 2025**
 4. A shortlist will be generated and at that stage, bidders will be notified of their status i.e. whether they have made the shortlist. **September 2025**
 5. Successful shortlisted bidders will then be issued with arising queries from their tender submission to address as part of a formal presentation to a carefully selected panel of Council Officers including facilities and finance representatives. **October 2025**
 6. Officers will then enter into negotiation with one proposed operator.
 7. A recommendation will be submitted for approval and final Head of Terms will be issued. **November 2025.**
- 4.9 It is expected that the shortlist will include a maximum of 3 bidders.
- 4.10 Delegated Authority is requested to the Director of Economic Development in conjunction with the Head of Legal Services, Director of Resources and the Lead Member for Economic Development to procure and agree the terms of the contract.
- 4.11 There will be requirements of the operator during the Market's redevelopment phase in the construction period to inform decisions while the contractor is on site. There will also be requirements for them to establish transitional plans for existing traders during this period.
- 4.12 When selected, the Council will not expect the partner to take on full operational requirements straight away, given that the market will be in a temporary location. Therefore, internal management provision will be required until an agreeable point, such as upon practical completion. This cost is unknown but could include the salary of the market officer for 3-6 months.
- 4.13 During the ITT stage, bidders will be expected to supply full business plans, a vision, operational policies, rental information, promotional and marketing plans, financial suitability, experience and current trader retention plans.
- 4.14 The formal submission will be scored 70 on the commercial model and 30 on community value.

5. Risk

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- 5.1 Limited Interest from operators – Previous engagement has generated popular responses. Keeping the initial stage open and for a substantial period should support the generation of leads.
- 5.2 Legal Challenges of the tender process – Advice has been sought from an independent legal organisation to limit this challenge. We will be clear on scoring criteria and the process from the outset to limit this.
- 5.3 Scoring and Evaluation difficult due to numerous models – there could be numerous models presented to us for consideration which could mean it's difficult to score. A carefully selected panel will be assembled and will score specialist elements. The panel will remain engaged throughout the shortlist stage.

6. Finance

- 6.1 Whilst this tender opportunity is below the threshold for the requirement of a prescriptive process under the Procurement Act 2023 legislation, the process will be conducted in accordance with the Contract Procedure Rules in The Constitution of the Council. The outcome from the tender may have an impact on the revenue budget and the outcome of this process will inform any necessary budget amendments.

7. LEGAL

- 7.1 All procurement will be followed in accordance with the constitution and Procurement Act 2023. All legal implications have been covered in the body of the report. External advice has been sought to limit challenges and risks.

8. POLICY AND EQUALITIES IMPLICATIONS

- 8.1 Policy implications are included in the body of the report. An initial EIA assessment has been undertaken and it has been identified there are no disproportional impact and a Full EIA is not required.

9. REASON FOR DECISION

- 9.1 The markets are a long-standing asset to Rossendale and securing an operator continues to futureproof them as visitor destinations for many years to come.

No Background Papers.