

**Subject:** Revitalising Rossendale Markets

**Status:** For Publication

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**Report to:** Cabinet

**Date:** 17th February 2010

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**Report of:** Communities Manager

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**Portfolio**

**Holder:** Neighbourhoods & Communities

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**Key Decision:** No

Forward Plan

General Exception

Special Urgency

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**1. PURPOSE OF REPORT**

- 1.1 To provide an update on the delivery of the 'Revitalising Rossendale Markets' strategy which have been delivered, and its impact on Rossendale Markets.
- 1.2 To put forward proposals and recommendations for the next stage of the 'Revitalising Rossendale Markets' strategy.

**2. CORPORATE PRIORITIES**

- 2.1 The matters discussed in this report impact directly on the following corporate priorities:-
- Delivering quality Services to our customers
  - Delivering regeneration across the Borough
  - Encouraging healthy and respectful communities
  - Keeping our Borough clean, green and safe
  - Promoting the Borough
  - Providing value for money services

**3. RISK ASSESSMENT IMPLICATIONS**

- 3.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:
- Failure to implement the recommendations may mean any improvements resulting from stage one of the Revitalising Rossendale Markets Strategy are not sustained which may result in a further decline of the markets.

## 4. BACKGROUND AND OPTIONS

4.1 There are 3 Markets in Rossendale:- Bacup, Haslingden & Rawtenstall. The Market in Bacup is situated on Union Street, in the town centre. It is a modern outdoor market comprising 26 cabins and 4 blocks of open stalls. Haslingden Market is of similar construction, but smaller, with 12 cabins and 2 blocks of open stalls. It is located on Blackburn Road, in the centre of Haslingden. This market was built with SRB (Single Regeneration Budget) funding. Rawtenstall Market can be found on Newchurch Road, at the edge of the town centre. It comprises an indoor market hall with in the region of 50 stalls and an outdoor area of 20 cabins and 14 open stalls.

4.2 The Portfolio Holder for Communities and Neighborhoods identified a number of key issues which were hindering the development and improvement of the markets. Those issues were that:-

- There was no clear stall allocation policy for the markets, covering issues regarding competition, spreading out, new traders and charity stalls
- The markets operate at a deficit of £102,501 (as at January 2009)
- There was no formal marketing strategy or budget in place to support and promote the market to traders and customers

4.3 In January 2009 a report was presented to Cabinet which made recommendations as to how they may be addressed.

4.4 The following recommendations were approved:

- The Head of Finance, in consultation with the Portfolio Holder for Finance and Resources, will provide proposals in line with the Council's budget process in February 2009 that outlines a phased introduction of charge increases, working towards the three markets reducing their dependence on Council Tax in the medium term.
- That clear policies and procedures are drafted and consulted on in relation to the management of markets including stall allocation for new traders, spreading out, competition and charity stalls. These policies and procedures will be put forward for Cabinet approval in March 2009.
- That a marketing plan for the markets will be carried out over a period of 5/6 months with an options appraisal report on the findings presented to Cabinet in September 2009.

4.5 In order to deliver against these recommendations, the following action was taken:

- A 7.5% increase in all market stall charges was approved by the Portfolio Holder for Finance, traders were notified of the increase and it was implemented from 1<sup>st</sup> May 2009.
- Following a general consultation with traders and feedback from elected members, draft policy statements were issued to traders for comments. This feedback was then used to formulate a draft policy which was approved by cabinet in March 2009 and implemented from 1<sup>st</sup> May 2009.

- A draft marketing strategy was developed following detailed research into marketing techniques, marketing carried out by other markets, feedback from traders and elected members. This was approved by the Portfolio Holder for Neighbourhoods & Communities and a budget of £9,000 allocated to the strategy at the beginning of June 2009.

### **Stall allocation**

- 4.6 A new stall allocation policy was developed having regard to the views of councilors, traders and the policies of other market operators. The traders were consulted with their views resulting in a draft policy which was approved by Cabinet and implemented from 1<sup>st</sup> May 2009. A copy is attached at Appendices.
- 4.7 The allocation policy clearly sets out the terms upon which all traders apply for a licence, amend a licence and trade.
- 4.8 The most challenging aspects of the policy were the implementation of the new rules relating to Competition & Diversity and Spreading Out. The former allowing up to 3 similar lines being sold on each market, and the latter prohibiting spreading out.
- 4.9 The new policy provides clear guidance when allocating stalls that is flexible and transparent to both managers and stallholders which has led to a wider choice and variety of products on the markets. And:
- Rawtenstall Market has expanded beyond the previous custom of 'one in, one out' and allocates stalls more easily.
  - Bacup Market allocates more open stalls to casual traders including toiletries and sweets, both of which are already sold on the market.
  - Haslingden Market has seen increased flexibility in allocating stalls to similar traders for example it did have 2 fabric traders, one of whom sold Asian style fabrics, and one English style fabrics.
- 4.10 Implementing the spreading out policy initially proved problematic as the impact of preventing it at Haslingden and Bacup was immediately obvious. At these markets spreading out is done on open stalls and there was initially only a small number of casual traders wanting to occupy the stalls. This gave the perception that the market was not vibrant. A written agreement was therefore reached with the traders giving them permitted use of a stall until any other trader wished to use at which point permission could be withdrawn. This arrangement is now working well.

### **Market Finances**

- 4.11 A 7.5% increase in stall charges was approved by the Portfolio Holder for Finance and was implemented from May 2009. The markets immediately saw an increase in income on last year of just over £700 for the month of May (£2,358.75 income for May 2008, increased to £3,059.07 in May 2009).

4.12 Total income received from the market stall charges from May 2009 to December 2009 in comparison to the same period in 2008 is as follows:-

2008:

Bacup	£ 26,793.24
Haslingden	£ 6,483.26
Rawtenstall	£ 53,988.51
<b>Total</b>	<b>£ 87,265.01</b>

2009:

Bacup	£ 31,108.94
Haslingden	£ 6,568.06
Rawtenstall	£ 51,513.01
<b>Total</b>	<b>£ 89,190.01</b>

4.13 This shows that there has been a comparative increase in income, but it is less than a direct increase of 7.5% in stall charges. There are a number of factors which could have contributed to this. Markets all over the country are suffering a decline, set against a background of economic recession making it harder to attract and retain stallholders to the markets.

4.14 The stall charge increase also lead to some permanent licenced traders terminating their licences. In April 2009 Rawtenstall had 8 stalls vacant and by the first week in June the market had 12 stalls vacant.

4.15 It is worth noting that the new stall allocation policy provided financial incentives for new and existing traders. It was always anticipated that in the short term income would be affected and show an increase in the longer term.

4.16 Bacup Market has seen the largest increase with Haslingden Market seeing a slight increase. Rawtenstall Market has had a small decline in income but occupation of stalls has increased so an increase should be seen in the longer term once all new traders have benefitted from their financial incentives and established their businesses.

4.17 The overall projected income and expenditure summaries for the period can be found at Appendices. These demonstrate that in the projected annual figures for the 3 markets, there has been a decrease in the overall deficit of £12,299 between May and December 2009, and if January 2010 is taken into account that deficit has been decreased by £15,147. When taking account of the £9,000 marketing budget the overall projected deficit on the Markets for 2010 has reduced by £6,147 to £106,619 in January 2010.

4.18 The summaries also confirm that over the period May 2009 to January 2010 the markets have seen an increase of £5,436 in income.

## **Marketing Strategy**

4.19 A draft marketing strategy was prepared and issued for comments and feedback from traders. The final strategy was approved by the Portfolio Holder

for Neighbourhoods and Communities, in May 2009. A copy is attached at Appendices. In June 2009 work began to deliver against the strategy. The strategy was a working document taking account of ongoing feedback for example from the responses to the Culture Survey.

4.20 The strategy set 3 targets for the markets:-

- To decrease vacancies on permanent licenced stalls by 50% at each market
- To increase number of casual traders at each market by 50%
- To increase footfall to the market by 10%
- To increase income from all 3 markets (dealt with in the finances section)

### **Target 1: Decrease vacancies**

4.21 In a bid to increase occupation at each of the markets, the following measures were implemented:-

a) Advertising:

Standard trader advertising was designed and advertisements were placed as follows:-

- National Market Traders Federation Magazine May/June 2009 ¼ page advert
- National Market Traders Federation Magazine September / October 2009
- Market Trader News June 2009 ¼ page
- Market Trader News earpiece (top corner front page) July 2009
- Market Trader News August 2009 full page
- Market Trader News earpiece (top corner front page) August 2009
- Website event listing for Christmas Markets traders

Copies of the advertisements can be found at Appendices.

b) Financial Incentives:

- From 1<sup>st</sup> May 2009 Casual Traders were offered trading at £5 per day for 2 days, with the third trading day free.
- Permanent licenced traders selling new lines, are offered 12 weeks stall charge for the price of 6, providing they sign up to an agreement to trade for the full period, failing which the whole stall charge for the period becomes due.
- A Trader Reward Scheme has been introduced. A trader from each market is nominated as Trader of the Month by the market managers for trading for the full trading hours, having a well presented stall, paying stall charges promptly and without arrears, and doing anything over and above what is expected e.g. winning an award. This scheme was introduced in September 2009 and 4 traders have been rewarded. The winning trader receives a certificate, a poster and a week's free trading at their nominated market. An example of this can be found at Appendices.

c) Trader Communication

To strengthen relations between management and traders, publicise new schemes such as the Trader of the Month, and provide information about events or issues, a Trader newsletter has been produced on a bi-monthly basis. Three issues have been produced so far and copies can be found at Appendices.

4.22 During the main period of the strategy between May 2009 and November 2009 vacancies at the market were recorded to examine the impact. This resulted as follows:-

Month	Number of vacant stalls at each market			Total
	Bacup	Haslingden	Rawtenstall	
May	1	4	11	16
June	1	4	11	16
July	1	2	14	17
August	1	1	12	14
September	0	1	12	13
October	0	1	8	9
November	2	1	6	9
December	2	2	3	7

4.23 This indicates that overall, **vacancies on Rossendale Markets reduced by over 56%**. The biggest decrease is at Rawtenstall which has benefited from a **72% reduction**. Haslingden achieved its' target of a 50% reduction, stretching it between August and November. Bacup achieved its' target between September and October but unfortunately vacancies have increased due to a combination of factors including a trader opening their own shop. This is very positive in that the market provided a springboard for a sole trader to start and subsequently grow their business and therefore benefit the local economy.

### Increase casual traders

4.24 Casual traders are those who are not signed up to a permanent licence, are not obliged to attend on any market day, and primarily trade from the outdoor open stalls.

4.25 Casual traders benefit the market by occupying the many open stalls on each market, providing additional income, and potentially becoming long term permanent licenced traders. The number of casual traders at each market was inconsistent and decreasing. As part of the marketing strategy a target was set to increase the casual market traders by 50% at each market.

4.26 The total number of casual traders per market each month has been documented from May 2009 until end of November 2009.

Month	Market			Total
	Bacup	Haslingden	Rawtenstall	
May	16	1	14	31
June	12	1	22	35
July	20	1	19	40
August	23	2	23	48
September	17	1	22	20
October	23	2	26	51
November	24	1	28	53

4.27 The number of casual traders at Bacup and Rawtenstall Markets has increased by 50%, inline with the target. Haslingden has seen a 50% increase in casual traders in August and September, but overall has stayed constant. In total the markets have seen over a 40% increase in casual traders. This has helped the market to appear busy, vibrant, and increase the retail offer for customers.

4.28 The strategy has therefore had a significant impact on reducing vacancies and increasing casual traders. This during a period of economic downturn and markets reportedly struggling with vacant stalls, including locally, markets such as Nelson Market, and more further afield, markets such as Ellesmere Port and Brownhills Market, Walsall, As an example Bury Market currently reports having 12 out of 44 stalls empty in the Market Parade and 6 stalls empty in the outdoor market.

### Increase in customers

4.29 A visitor footfall count was taken at each market in May 2009 to establish a baseline, including an indication of the demographic of customers. This was a 'snapshot' of customers, counted over one hour (11:30am – 12:30pm) at each market.

4.30 The outcome was as follows:-

Market	Total number of customers per hour	Demographic			
		Up to 18	19-30	31-50	51+
Bacup	138	11	16	44	67
Haslingden	81	2	5	31	43
Rawtenstall (averages taken over 2 days due to bad	169	8	16	42	94

weather)					
<b>Total</b>	<b>388</b>	<b>21</b>	<b>37</b>	<b>117</b>	<b>204</b>

4.31 The following measures were then undertaken in a bid to attract customers to the markets.

a) Development of brand

Design of Rossendale Markets logo in line with Rossendale Borough Council suite of brands and with final colour choice based on feedback from traders. Logo included on all market correspondence, advertising and promotional products.

Professional photography to be used in any publicity material.

Design of customer advert

Design of trader advert

b) Publications:-

i) Newspaper advertising

4 colour adverts in Rossendale Freepress (distribution 13,834, readership 35,063) placed monthly between September and December 2009.

2 colour adverts in Rochdale Express (distribution 49,717, readership 72,482)

Advert covering 30,000 page impressions on MEN newspapers website

½ page colour advert in the Burnley & Pendle Reporter distributed free to 44,000 households in Burnley, Pendle, Clitheroe & Whalley.

½ page colour advert in Lancashire Telegraph for Rossendale Art Market (distribution 32,685, readership 89,553)

¼ front page advert in Lancashire Advertiser for Rossendale Art Market (distribution 5,000, readership 15,000 distributed to 120 venues across Lancashire)

Front page colour advert in first issue of Rossendale Independent Newspaper (distribution – venues throughout Rossendale, no readership figures as yet)

Press releases e.g. Trader of the Month

ii) Magazine advertising

Lancashire Life magazine (readership 164,000)



Editorial on markets in main feature on Rossendale and in business section.

½ page colour advert

Advert on website

Sallywag Magazine (distributed to all primary school children in Rossendale):

¼ page advert in Spring term Sallywag magazine

2 page feature & full back page advert of Winter Sallywag magazine

Rossendale Local magazine

½ page advert in Sept / Oct issue – Rawtenstall

½ page advert in Sept / Oct issue – Haslingden

iii) Other publications

Rossendale Visitors' Guide - Half page advert in 'The heart of Rossendale' Visitors Guide, which is distributed to Tourist attractions and information points within Rossendale and throughout the Northwest.

Rossendale Markets Leaflet – Design and print of an A4 tri-fold colour leaflet designed and printed for Rossendale Markets and distributed as follows:-

Boundary Mill (Colne)  
Clough Head Visitor Centre  
East Lancashire Railway  
JA Taylor  
Rossendale Museum  
Helmshore Mills Textile Museum  
Rossendale Accommodation Providers  
Haslingden Community Link  
Rossendale Libraries  
Tourist information centres outside of Rossendale  
Area vision consultations  
In community pride awards goodie bags  
In bags Rossendale Markets Christmas lights switch ons

Design of artwork, printing and distribution of Art Market flyers & posters throughout Lancashire (129 locations outside of Rossendale)

Design of artwork and printing of Bric-a-brac flyers & posters

Design and printing of Halloween posters

## Design and printing of Christmas Markets posters & flyers

### iv) Promotional products

1000 x Rossendale Markets reusable bags designed, produced and distributed as follows:-

In town centres and on the markets (on selected days)  
Community Pride Awards  
Area Vision consultations  
Market traders (where quantities allowed)  
Bocholt Visit

### v) Electronic advertising

Directory listing on 'Visit Rossendale' website  
Rossendale BC market pages updated to include more information, news and events pages and electronic copies of trader application forms

4 pages on Ask Rossendale website (free of charge for 12 month trial – should be £20 per month)

Use of front page of Rossendale BC website for events

Tourist website listings - Visit Lancashire; Wherecanwego; Northwestscene; Wheresbest.

Art websites for Rossendale Art Market

About My Area advert and listing

### vi) Specialist Markets & Events

- Rossendale Art Market at Bacup Market, 7 & 11 November 2009 – Using the Art Market model developed by Blackburn Market, a specialist Art Market was organized to take place at Bacup Market, as this market has the capacity to hold the market, and a substantial market, trading on a Saturday. The Art Market was held on 7 & 11 November 2009. The market was popular amongst artists, and stalls were allocated to 16 traders on 7 Nov and 10 traders on 11 Nov in addition to the usual market.

Artists were allocated stalls to sell original arts and crafts including paintings, textiles, clothing and jewellery.

Applications to play music at the market were also invited and a 3-piece band of musicians named Ivan Campo were selected.

The event was advertised in tourist information centres throughout the Northwest, in Lancashire Advertiser and Lancashire Telegraph together with posters and leaflets throughout Rossendale.

Feedback from the Art Market Traders was very positive. Whilst traders generally felt that the customer footfall was low, not helped by the wintry weather, they all sold pieces and felt it was worth their while trading. A number specifically requested to trade on Rossendale Markets again. Comments include “nice atmosphere”, “good experience”, “took commissions”, “would be interested in trading again”.

- Rossendale Bric-a-brac and Collectibles market – following a suggestion from traders at Haslingden Market this was implemented each Tuesday from 3 November 2009. Stall charges were reduced to £5 a day to trade and the market was advertised on a banner at Haslingden Market, and flyers and posters distributed throughout Haslingden and wider. There has been a low turnout of traders so far but this will be kept under review.
- ‘Terror Trail’ - Supported Rawtenstall Market NMTF to create a 'Terror Trail' on the market, with clues forming a trail around the market and a prize for each completed Terror Trail Clue Sheet. The team organised professionally produced posters and prepared and printed trail clue sheets. Also supplied sweets as prizes for customers.
- Christmas Markets – Using the experience of organizing the Art Market, the Communities Team organized Christmas Markets on all 3 markets. The team advertised for specialist Christmas traders, with a discount if traders booked a stall at all 3 markets. Traders were invited to register interest in the events within a short time 5 traders had booked a stall at each of the markets. Based on this the events were confirmed as taking place on 5 December (Bacup Market) 11 December (Haslingden Market) 12 December (Rawtenstall). The Christmas Markets ran alongside the existing markets and the team arranged entertainment from local brass bands, santa's grotto (decorated wholly or in part by the team), mince pies and children’s entertainment. The markets were advertised on posters and leaflets throughout Rossendale as well as in Rossendale Freepress and Rochdale Express.

5 December, Bacup Market – all stalls were allocated to Christmas Market and casual traders.

11 December, Haslingden Market – 5 stalls were allocated to Christmas Market traders but only one trader attended – they were not charged.

12 December, Rawtenstall Market – 8 stalls allocated to Christmas Market traders.

Good feedback from existing traders and customers in relation to the filling of the open stalls, entertainment, mince pies and atmosphere on the markets. Specialist traders reported a low footfall.

- Christmas entertainment – throughout December music from local choirs and bands sang and played carols on each market.
- Christmas Lights Switch On - Haslingden Christmas Lights Switch On was held at Haslingden Market, with carols provided by Haslingden County Primary School Choir, and Haslingden High School Band. Mince pies were provided and two of the children helped the Mayor and Mini-Mayor switch the lights on. There was large turnout of parents at the market for the event and traders who opened for the event reported an increase in spending.

vii) Physical improvements

Hanging baskets installed at Haslingden & Bacup Markets.

Planters at both entrances to Rawtenstall Market

Painting of stalls at Rawtenstall Market

Multi-coloured bunting at each market

(Costs covered by Pride in Rossendale & Communities Team budgets)

viii) Customer Confidence

The National Market Traders Federation Shoppers Charter which had previously been adopted by Rossendale Borough Council but had not been publicised for some time. New copies of the Charter have been printed and displayed at each market in the utility blocks and public conveniences.

Copies and examples of the above measures can be found at Appendices.

4.32 A straw poll of market traders has identified that there has been a small increase in customers. However, a truer test of whether customers have increased would be to count again during the same period as the count that took place initially (May) identified at point 4.28.

### The future

4.33 The Communities and Local Government Select Committee which produced a report entitled 'Market Failure: Can the Traditional Market Survive?' made the following recommendations to realize the potential of markets in small to medium towns:

- Councils need to have a clear strategic vision of how they intend to secure the long-term sustainability of their markets.

- We encourage those local authorities who retain a market to review very carefully the other options available to them before they elect to close it down.

One option, as in the previous section, would be to create a market champion on the council, possibly aligned with the town centre management function. Smaller councils should also explore the feasibility of sharing a market champion to oversee markets in more than one locality.

- Given the vital importance—when one or two key stalls can make all the difference—of attracting the right mix of stalls and market traders, smaller local authorities should also place particular emphasis on employing a market operator capable of building up a sustainable market.

- The suggestion from a number of our witnesses, which we think is a good one, was that local councils might need to look to the private sector to find such a person.

- Given that a 'toby' can run more than one market, we recommend that the local councils of neighbouring market towns consider a cost-saving joint-employment arrangement. (This is a dedicated market person known as a 'toby' in charge of the market who is employed by a private operator. Probably works something like five markets a week, moving from place to place. Their sole occupation in life is to set up a market, get it advertised, get the traders in, interest the public and get the thing working, and for that they get a salary and a bonus depending upon turnover)

- Local authorities should also consider carefully the location of their markets,

- Small decisions can make a big impact, and a heartfelt plea from much of our market trader evidence was that councils needed to include them in consultation when they were considering changes to the market environment—a plea which we endorse.

- We see one further option that councils with local markets should explore, namely the potential for greater partnership working, including non-council streams of funding, to further joint goals. We believe that lower tier authorities, possibly in conjunction with upper tier authorities, can—on a smaller scale—pursue the same wider objectives (healthy eating, community cohesion etc) as metropolitan councils.

## **COMMENTS FROM STATUTORY OFFICERS:**

### **5. SECTION 151 OFFICER**

5.1 No comments.

### **6. MONITORING OFFICER**

6.1 No comments.

### **7. HEAD OF PEOPLE AND POLICY (ON BEHALF OF THE HEAD OF PAID SERVICE)**

7.1 No comments.

## **8. CONCLUSION**

8.1 The introduction of the stall allocation policy for the markets has undoubtedly benefited both the traders and the market management.

8.2 The increase in stall charges of 7.5% was the first increase for three years and has resulted in a decrease in the deficit. Any increase in licence terminations has been counteracted with the marketing strategy.

8.3 The marketing strategy has had a positive effect on Rossendale Markets, particularly against a background of a decline in markets nationally and the economic recession. However, to gauge its true impact on the income to the council, overall deficit, number of customers and number of traders, the strategy should be continued for a further 6 months.

## **9. RECOMMENDATION(S)**

9.1 That the stall allocation policy introduced on 1<sup>st</sup> May 2009 which was to be reviewed after 6 months, be adopted as the stall allocation policy for Rossendale Markets.

9.2 That marketing and cost saving measures be employed for a further period with a report evaluating the overall impact and an appraisal taken to Cabinet in September 2010.

## **10 CONSULTATION CARRIED OUT**

10.1 Traders were consulted prior to the introduction of the stall allocation policy and marketing strategy, outlined above. A further round of consultation has been carried out with traders to establish what their experience and views of the Revitalising Rossendale Markets Strategy has been. The summary of responses can be found at Appendices.

10.2 Some of the positive responses of traders were “Keep trying you’re doing a good job’ and “the market has improved over last 12 months and hope it blossoms more”.

10.3 Some of the key points to come out of the consultation are:-

- 60% of traders who responded said they have not been affected by prohibiting spreading out
- 55% of traders said they weren’t affected by the changes in the amount of similar lines which can be sold on the markets (competition) but 30% are worried they might be
- 30% said they had been affected by competition and their business has suffered as a result

- 47% have not been affected by the increase in stall charges and 41% said they had been affected by increased stall charges, but 18% of those understood why charges were increased
- 53% think the financial incentives for new traders are good whilst 47% disagreed. 73% of traders thought the 10% discount for traders taking up additional stalls was good though.
- Some good suggestions have been made for further marketing opportunities including ads on Rossendale Transport, more adverts in the Freepress, and links to traders websites / pages from Rossendale Council website.

## 11. COMMUNITY IMPACT ASSESSMENT

Is a Community Impact Assessment required No

Is a Community Impact Assessment attached No

## 12. BIODIVERSITY IMPACT ASSESSMENT

Is a Biodiversity Impact Assessment required No

Is a Biodiversity Impact Assessment attached No

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