

Overview Scrutiny Committee

Thursday, 12 October 2023

7.30 pm

Present:

Cllr Jordan Meade (Chair)
Cllr Karina O'Malley (Vice-Chair)

Councillors: Ejaz Aslam
Deborah Croxton
Emma Elliott
Leslie Hills
Daniel Adewale King
Gavin Larkins
Tony Rana

Note: Cllr Lauren Sullivan was also in attendance.

Anita Tysoe Head of Town Centre & Cultural Services
Chloe Taylor Committee Services Officer (Minutes)

18. Apologies for absence

No apologies for absence were received.

19. To sign the minutes of the previous meeting

The minutes of Overview Scrutiny Committee held on Thursday, 21 September 2023 were agreed and signed by the Chair.

20. To declare any interests which members may have on the items contained on this agenda. When declaring an interest members must state what their interest is.

No declarations of interest were made.

21. Call Ins - Item 8: Market Procurement

The Head of Town Centre & Cultural Services presented Members with the Market Procurement report that was presented at Cabinet on Monday 02 October 2023. The report set out the background and current position of the Gravesend Borough Market and highlighted the visions and objectives set out in the strategy.

The report also detailed the outcomes delivered in the strategy from 2020 – 2023. Although considerable achievements had been made, the reality was that the Council had not been able to achieve what they had hoped – especially throughout the Covid-19 pandemic. There had been successes with market businesses moving into commercial units in the town centre, but equally changes such as the drop in the European Go Trade Fund had affected the

Market and the Council struggled to achieve its full potential. In December 2022 the Council undertook an informal discussion with market operators, traders and organisations to run the Market more effectively.

The recommendations in the report included delegating authority to the Director (Communities and Inclusive Growth) to contract an appropriate organisation to deliver Operational Management of the Gravesend Borough Market. This did not include a change of ownership; the Market building would remain an asset of the Council. There was an anticipated saving of £100,000 in year one, rising to £126,000 per annum thereafter from this arrangement.

Cllr Lauren Sullivan (Cabinet Member for Community & Leisure) advised Members that this report had also been presented to the Community and Leisure Cabinet Committee where it was felt that there was good cross-party support on the actions being taken.

Following questions and comments from Members, Cllr Sullivan (Cabinet Member for Community and Leisure) and the Head of Town Centre and Cultural Services explained the following:

- Some Councils had been moving away from the traditional management of Market operations. Greenwich and Folkestone Harbour Arm, for example, operated on different management arrangements.
- Some organisations that the Council had spoken with had supported markets that had changed their model. These organisations and operators have more links than the Council does. This was seen locally, such as Faversham, Sittingbourne, and Medway. The Council did not have the same links and experience of trading.
- Consultations in 2019 proved that the public wanted a food and leisure offer and to visit the Market for an experience. The Go Trade Funding had helped with enticing visitation through events. Without the funding and following the pandemic, the nature of the market had changed. The Council were looking to act and do something positive. This presented a huge opportunity to put the Gravesend Market on the map, especially with Thames Clipper, it could encourage Gravesham to be the go-to destination. This didn't just include the residents of Gravesham, but encouraging wider visitation.
- The Council wanted the Market to flourish and increase in footfall, but despite best efforts, such as the refurbishment, it was felt that this was the best time to bring in an external operator.
- The Charter would bring over 500 residents to the Markets doorstep, providing a great opportunity to increase footfall.
- The tender documents included the Councils' objectives. If the proposal from an operator did not align with those objectives, they would not get the tender.
- The operator would sit under the management of the Director (Communities & Inclusive Growth). They would have performance measures and Key Performance Indicators (KPIs). The Council would monitor vacancy rates, the uptake of business, support for small businesses and start-up companies, and footfall. The Council wanted to see a mixed offer that worked across all days, highlights our visions, and fits the strategy and Corporate Plan. This would all be included within the assessment as to why that operator thinks they were best suited to run the Market.
- The chosen operator will be required to report to management and give updates to the relevant Committees.

- The Council appreciated that there were some elements they couldn't set out, but they had identified non-negotiable measures within the tender documents.
- In terms of timescales, the Head of Town Centre and Cultural Services was working with colleagues in Legal and Finance to create the tender packs to ensure the procurement process was robust. They anticipated that if the procurement moved forward how they planned, an operator could be in the Market by February 2024. This allowed sufficient time for the exercise, a full assessment of returns and to hold interviews, perform the necessary checks and sign the appropriate legal documents.
- It was better to bring in an operator when the Market was quieter (winter months) rather than change the model in the spring.
- An additional informal discussion was not planned. The original discussion was held so the Council had a better understanding of how other operators were working. Operators would have the opportunity to submit any questions they may have as part of the procurement process
- The legal documents would contain termination clauses to protect the Council in the instance that an operator was breaking their contract. There would also be regular reporting and scrutiny at Committees, any concerns would be picked up early so that the Council can assist the operator.
- Operators will submit their plans, and this will include any internal changes they plan to make (with permission from the Council). Their proposal will include how they plan to increase footfall, what days/times it will operate and many other day-to-day management features.
- The saving of £126k thereafter stems from the internal operation costs being transferred over to the operator. It is for the operator to propose how they will cover the cost of staffing, utilities and day-to-day maintenance. As GBC owns the building any significant repairs will be the Council's responsibility. However, GBC would not be responsible for the heating of the building (except where there is significant damage to the main heating system).
- Within the contract, it stated that the Council already had contracts for some aspects, such as fire checks, but the operator would be liable for such costs and as such would receive an invoice.
- During the procurement process, there will be representatives from Legal and Finance and operators will be required to give a presentation of their model to a board. Cllr Sullivan would be on that board as Member representation.
- The contract would be based on a five-year term, with the opportunity to extend for an additional two years.
- The expenditure from the UK Shared Prosperity Fund will be available to the operators who can detail in their proposal how they plan to use the funds.
- The Market Procurement was one part of a wider hope for the town centre, including signage and lighting. However, separate bids were being worked on to hopefully secure those avenues and using the enterprise funding for external operators allowed a network to be brought for businesses.
- Discussions were to be had about the Tourist Information Centre. It was a priority of the Council to retain the centre, but where it would be placed required further discussions.
- The gap in the nighttime (twilight) economy was open to the operator to propose. It was about capturing the time residents have after work, and students after school to provide them with an option. The Council had conducted a nighttime audit, speaking with residents – it was felt that there was a gap in what residents were looking for.

- The use of the term 'could' in the key implications section of the report was in reference to redundancies – where employees were not reemployed elsewhere within the Council.
- The Market currently has 7 permanent traders. Each single unit costs £300 a month in rent. The new tender protects the existing permanent traders' rent for two years. Therefore, any changes will be included in the operator's proposal. The Head of Town Centre and Cultural Services assured Members that they will be assessing the impact (or the mitigations) of any plans on the existing traders as part of the process.
- Once an operator has been selected, they will be expected to attend the Community & Leisure Cabinet Committee on a semi regular basis to develop a professional partnership.
- The Council had considered different models and other avenues had been explored.
- The Council currently pays business rates on the Market, but this would be transferred over to the operator.
- If the operators were looking to apply for an additional license all Council policies would be followed.
- The Council were currently in talks with Kent County Council (KCC) regarding the entrance to the Market, which was currently owned by KCC.

The Chair thanked Cllr Sullivan and the Head of Town Centre and Cultural Services.

The committee noted the report.

Close of meeting

The meeting ended at 8.48pm