

# Report of the Strategic Director of Place to the meeting of Regeneration and Environment Overview and Scrutiny Committee to be held on 23 October 2018



Subject:

**City Centre Markets Redevelopment Proposals** 

# **Summary statement:**

This report will update Members on the redevelopment proposals for the city centre markets

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Portfolio:

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**Overview & Scrutiny Area:** 

**Regeneration and Environment** 

# 1. SUMMARY

1.1. This report will update Members on progress of the redevelopment of the city markets since the last report presented to this committee on 6<sup>th</sup> March 2018.

### 2. BACKGROUND

- 2.1 In August 2017, the Council appointed Greig and Stephenson, Architects, to lead a multi-disciplinary team of professionals with specialist market knowledge. The team undertook feasibility studies and prepared initial designs for the redevelopment of both city centre markets.
- 2.2 Work on the RIBA Stage 1 initial feasibility study and designs for both markets commenced in September 2017, and further refinement work to develop the project to RIBA Stage 2 initial concept designs was completed at the end of December 2017.
- 2.3 The concept designs were presented to the Council's Executive at its meeting on 10<sup>th</sup> July 2018, who recommended the project proceed to detailed design stage, planning submission and construction. The Executive also approved the project budget estimated at £21m funded from existing capital funding of £15.225m already set aside for the markets project, the markets revenue reserve fund and prudential borrowing to be repaid from annual corporate revenue funding retained by markets for funding capital expenditure.

# 3. Progress

- 3.1 The Council's external design team were reappointed in September 2018, and have started working on the detailed designs for both city centre markets which are expected to be submitted for planning approval in April next year.
- 3.2 The Council has entered into a conditional contract with the owners of the former Marks & Spencer building on Darley Street which is the required site for the new food focused market.
- 3.3 Negotiations are on-going with the Head Landlord of the Kirkgate Centre regarding our ambition to create an improved non-food market offer in the Kirkgate Centre. Further announcements on our plans for this market are expected to be published in the New Year.
- 3.4 Proposals of our concept plans for the new markets will be presented to this committee to accompany this report.
- 3.5 To support the delivery of the city centre markets regeneration project the Council has appointed an external media and branding consultant who will deliver a range of services including:
  - The delivery of up to 6 stakeholder consultation events with traders, customers, city centre businesses, Council Members and officers to obtain feedback and inform the design development of the new markets. Arrange a competition seeking stakeholder's views on the naming of both city centre markets.

- Designing and implementing a new branding concept.
- Preparing quality printed and digital marketing and publicity material to attract new and existing businesses.
- Evaluation of existing and prospective businesses, including mystery shopper exercises, to ensure a new market attracts only quality traders
- In conjunction with the appointed architectural team to create shop design and merchandising display guides for tenants.
- Developing a strategic engagement programme that promotes interaction and activity on digital platforms including but not limited to Social Media, Website, Radio, Newsletter, Film and Digital Advertising.
- Preparing media and press release announcements.
- Delivering a launch event for the formal opening of both markets including the arrangement of post-opening activities and engagement.
- Copywriting and design of informational and directional internal and external signage.
- 3.6 The stakeholder consultation events will take place from the end of October 2018, and continue to the end of the year. This will include initially displaying the concept designs of the proposed food market only in the city centre at key locations such as the Oastler Centre, Kirkgate Centre, and Broadway Centre as well as locations across the district.
- 3.7 The aim of these consultations is to capture trader and customer opinions on our plans, proposed retail offer and any barriers to encouraging more visits to the markets. Any comments received can then inform the design process.
- 3.8 A digital qualitative panel will be set up to capture the views of key stakeholders from the markets' immediate catchment area and from the wider Yorkshire region.
- 3.9 The potential responses will also capture a cross section from local city centre businesses, Bradford Chamber of Commerce, Bradford Civic Society, Bradford District Chamber of Trade, Elected Members and Council officers.
- 3.10 A final activity will be to host an informal consultation evening with 'critical friends' to build a greater understanding of our market plans, local trends and potential trader requirements.
- 3.11 Online surveys will be set up to capture the views of stakeholders, including traders, who wish to share their thoughts but have been unable to do so through the above research channels.
- 3.12 Lastly, a consumer survey will capture feedback of customers (existing and non-users) who wish to share their thoughts, opportunities and views on the markets project.
- 3.13 It is intended to provide this Committee with regular updates as the project develops, including the opportunity to comment on our plans prior to the submission of a planning application. Furthermore, during the construction of the new food market this committee will be invited to site for a guided tour of the works at its key development stage(s).

- 3.14 A consultant has been appointed to produce a Master Delivery Plan for the City Village area, the development site that will be created following the demolition of the Oastler Centre, to stimulate innovative thinking / new ideas for housing design and delivery along with a programme of actions to make it happen.
- 3.15 The Master Delivery Plan is expected to completed by 31<sup>st</sup> March 2019.

# 4. Anticipated Project Timetable

### 4.1 New Food Market

Key milestones leading up to completion	<b>Estimate End Date</b>
Planning Approval Expected	Q1 I2019
Detailed Design Stage Complete	Q2 2019
Construction Works Begin	Q2 2019
Trader Selection	Q2 - 2020
Completion and Opening	2021

# 4.2 New Kirkgate Market

Key milestones leading up to completion	<b>Estimate End Date</b>
Planning Approval Expected	Q1 2019
Detailed Design Stage Complete	Q2 2019
Trader Selection	Q2 2019
Construction Works Begin	Q1 2020
Completion and Opening	2020

# 5. FINANCIAL & RESOURCE APPRAISAL

- 5.1 The redevelopment of the city centre markets will provide a new and refreshed markets offer that will boost income and revenue to the Council and more importantly stimulate wider economic development within this part of the city centre.
- 5.2 The Capital Programme agreed by Council in February 2018 set aside £15.225m towards the project funded corporately through capital financing. The current estimated total cost for the project is £21m and it is proposed that the shortfall is funded from markets earmarked reserves and additional borrowing by the Markets Service that will be paid from revenue funding which is budgeted from a central corporate revenue allocation.

### 6. RISK MANAGEMENT AND GOVERNANCE ISSUES

6.1 A 'Top of Town Steering Group' chaired by the Strategic Director for Place has been set up to ensure a strategic overview of city centre development. Members of this group include the Assistant Director for Estates and Property, Assistant Director, Economy and Development and Assistant Director, Planning, Transportation & Highways.

- 6.2 In addition a markets project board chaired by the Assistant Director for Estates and Property has been established to focus on market design, property matters construction, financial monitoring, marketing & communications and legal matters.
- 6.3 The success of this project will depend upon the Council's ability to let space in the new markets. There are also risks linked to the timing of property acquisition; the relocation from the Oastler Centre; sustainability of markets trading in the current overall economic trading climate and ensuring new rental levels are sustainable.
- 6.4 Prior to the Council legally committing to the development of the scheme the Strategic Director of Place will provide a further report to PAG (Project Appraisal Group) including a full review of the cost modelling once the detailed design work has been completed and tenders received, for sign off and authority to proceed, this will include any implications under the current regime for State Aid.

# 7. **LEGAL APPRAISAL**

- 7.1 The majority of the business tenancies at both the Oastler Centre and Kirkgate Market are protected by the Landlord and Tenant Act 1954 ("the 1954 Act"). Accordingly, the 1954 Act sets out the process and grounds that must be followed should it be necessary to terminate a business tenancy, including, where appropriate, the payment of statutory compensation.
- 7.2 The markets project requires the acquisition of property on Darley Street with all the associated legal purchase documentation.
- 7.3 The markets project may require termination of the Council's existing lease and the creation of a new lease for Kirkgate Market in the Kirkgate Centre.
- 7.4 Any construction activity required for the implementation of these proposals must be undertaken in accordance with the Council's Contract Standing Orders and in line with internal governance requirements.

### 8. **OTHER IMPLICATIONS**

### 8.1 EQUALITY & DIVERSITY

8.1.1 The scheme aims to maximise public access by being, fully DDA (Disability Discrimination Act) compliant and dementia friendly, with plans to consult and engage all relevant stakeholder groups throughout the design process.

# 8.2 SUSTAINABILITY IMPLICATIONS

- 8.2.1 The design aspiration for the new markets will be for them to be:
  - A naturally ventilated building to reduce as much as possible the Council's use of energy which in turn reduces tenant costs through their service charges.

- Maximum use of natural daylight to reduce the demand for electrical lighting, LED lighting and roof mounted solar panels to minimise Green House Gas (GHG) emissions.
- The creation of carefully designed spaces allowing for easier maintenance which significantly reduce Facilities Management and the Operational Maintenance.

# 8.3 GREENHOUSE GAS EMISSIONS IMPACTS

- 8.3.1 It is expected that there will be a significant decrease in overall GHG emissions since the proposal is to create a smaller and more environmentally sustainable food market.
- 8.3.2 The creation of well-designed space allows the provision of utilities and building services to be carried out in a more efficient manner saving energy in the longer term.

### 8.4 COMMUNITY SAFETY IMPLICATIONS

8.4.1 There are no community safety implications.

### 8.5 HUMAN RIGHTS ACT

8.5.1 There are no Human Rights implications.

### 8.6 TRADE UNION

- 8.6.1 There will be some redesigning, repurposing, or restructuring of staff to meet the needs of the new markets.
- 8.6.2 The cost of staffing the markets is ultimately paid for by traders. This needs to remain as cost effective as possible to reduce the financial burden on traders.
- 8.6.3 All the relevant Trade Unions will be consulted as required under Council HR procedures and will be invited to engage in any necessary staffing changes.

# 8.7 WARD IMPLICATIONS

8.7.1 A briefing note has been circulated to Ward Members to make them aware of the proposals.

### 9.0 IMPLICATIONS FOR CORPORATE PARENTING

None

### 10.0 ISSUES ARISING FROM PRIVACY IMPACT ASSESSMENT

- 10.1.1 Individual trader's personal data will be managed in connection with this scheme. The legal basis for holding the data is contractual and relates to the trader's occupational agreements. General Data Protection Regulation (GDPR) principles relating to individual's rights will be fully respected.
- 10.1.2 The Markets Service will undertake a Privacy Impact Assessment to identify data protection and information security matters arising from the proposal.

# 11.0 NOT FOR PUBLICATION DOCUMENTS

None

# 12. **RECOMMENDATIONS**

12.1 Members are asked to consider this report and to recommend that a future progress report is presented to this committee in 12 months' time.

# 13. BACKGROUND DOCUMENTS

- 13.1 Regeneration and Economy Overview & Scrutiny Committee reports of:
  - 31<sup>st</sup> January 2013, 5<sup>th</sup> September 2013, 23<sup>rd</sup> January 2014, 14<sup>th</sup> October 2015, 8<sup>th</sup> March 2017 and 6<sup>th</sup> March 2018