

Report of the Strategic Director of Place to the meeting of Regeneration and Environment Overview and Scrutiny Committee to be held on 12th February 2020

BN

Subject:

REDEVELOPMENT OF CITY CENTRE MARKETS

Summary statement:

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

Steve Hartley
Strategic Director
Department of Place

Report Contact: Colin Wolstenholme,
Markets Manager
Phone: (01274) 43 2243
E-mail:
colin.wolstenholme@bradford.gov.uk

Portfolio:

Regeneration, Planning and Transport

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 23rd October 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 10th July 2018, who recommended the project proceed to detailed design stage, planning submission and construction.

3. PROJECT CHANGES

- 3.1 During the detailed design development work it became apparent that the full visual and functional aspects of the new market would be compromised by the vacant adjacent retail properties.
- 3.2 Extending the markets project and including these properties enabled the introduction of a new market square and as such the prominence and status of the market as a landmark building would be greatly enhanced.
- 3.3 A market square would augment the function of the new market by being a focus of attention and gathering point for 'ad hoc' market commercial, leisure and community events as well as providing an area of quality public realm in the city centre.
- 3.4 Furthermore, the creation of a new market square would open up space in this part of the city centre and improve views of the heritage buildings along Piccadilly.
- 3.5 It also became apparent that to provide optimal servicing for the new market, without adversely impacting the adjacent streets it was necessary to acquire more land. By acquiring the adjacent properties it enabled a dedicated underground service area to be created under the market square for loading/unloading, storage of goods and waste handling. Without this, there could be unacceptably high levels of disruption from high volumes of delivery and waste traffic, primarily from market traders accessing the new market throughout the day.
- 3.6 The increased market building footprint has meant that a single composite market can now be accommodated with non-food sales on one trading floor with the other trading floor focussing on specialist and fresh foods and the 1st floor for hot food and beverage sales.
- 3.7 The impact of the new composite market on the viability of Kirkgate Market has

been carefully considered and led to the conclusion that Kirkgate Market would struggle to compete with the non-food offer in the new market in Darley Street, even following its refurbishment. The new market is likely to be the preferred choice from existing non-food traders in the Oastler and Kirkgate Market.

- 3.8 Traders in Kirkgate Market have reported fall in sales due in part to the introduction of two major discount stores, Boyes & TJ Hughes, in the Kirkgate Centre as they are unable to compete both in terms of price and product range.
- 3.9 Therefore, the Council's decision is not to continue to operate two separate market halls in the city centre, and duplicating non-food sales from both the new market in Darley Street and Kirkgate Market. The Council will not carry out its planned modernisation plans for Kirkgate Market and traders from both markets will be invited to apply for space in the new market in Darley Street. The Council will work with the owners of the Kirkgate Centre over the proposed closure of Kirkgate Market alongside the Oastler Centre, which will take place when the new market on Darley Street is completed.
- 3.10 The vast majority of traders at both markets also support this view and see a single composite market, along with its market square, as the right decision for ensuring the future viability of the markets offer in Bradford city centre.
- 3.11 The enlarged market scheme will have a greater positive regeneration impact by revitalising Darley Street resulting in over 50% of the frontage facing the Kirkgate Centre currently unoccupied being redeveloped and improved, with the new market along with its market square creating strong pedestrian flows in this part of the city centre.
- 3.12 The Council's Executive at its meeting on 8th January 2019, recommended an extension to the market project and for the Council to use its Compulsory Purchase Order (CPO) powers to acquire additional properties which will guarantee the acquisition of the necessary freeholds with vacant possession, should negotiation by 'Private Treaty' fail.

4. PROGRESS

- 4.1 The Council's external design team submitted a planning application in February 2019 and planning permission was granted on 20th May 2019.
- 4.2 The "City of Bradford Metropolitan District Council (Darley Street, Bradford) (Development Scheme) Compulsory Purchase Order 2019 to acquire the additional properties" was made by the Council on the 29th April 2019 and published on 30th April 2019.
- 4.3 The notice period for objection expired on 24th May 2019 and no formal objections were received, even from the existing property owners. As a result the Council was able to acquire the title of No 8 Darley Street and No's 10-14 Darley Street, Bradford on 1st November 2019 and entered and took lawful possession of both properties on 4th November 2019.
- 4.4 The Council will be able to progress with the redevelopment of the site following the receipt of the RIBA Stage 4 Design & Cost report anticipated in April 2020 and

completion of the asbestos removal from all properties on site which is scheduled to be completed in March 2020 to facilitate construction of the new market and public realm.

- 4.5 The Council's appointed specialist CPO surveyor has reached an agreement on the compensation payable for No 8 Darley Street and negotiations are continuing on the quantum of compensation payable for No's 10 -14 Darley Street, Bradford.
- 4.6 Following possession of these properties the Council has erected construction hoardings on Darley Street and work has commenced to remove asbestos from the properties which is expected to be completed by the end of February 2020.
- 4.7 The Council has selected Kier Construction Ltd as the preferred contractor via stage one of a two stage tendering process which is becoming the accepted method of procurement in the construction industry.
- 4.8 Kier Construction Ltd will work alongside the Council's design team in contributing towards the final design, buildability and timetable and will undertake the competitive procurement of each of the work packages.
- 4.9 Proposals of our plans for the new market will be presented to this committee to accompany this report.

5. CONSULTATION

- 5.1 A comprehensive public consultation exercise was undertaken in February 2019. The objective of this consultation was designed to capture trader and customer opinions on the new market and to understand any perceived barriers which may affect visitor numbers whilst also identifying the types of products and services desired by customers.
- 5.2 As part of this consultation exercise, a wide-spread awareness campaign commenced which was then followed up with numerous engagement events throughout the city centre and the wider district.
- 5.3 Specifically, consultation events took place on –
 - 5th February 2019 – Oastler Centre Trader Panel and Bradford Civic Society Place Panel
 - 7th and 8th February 2019 – Oastler Centre,
 - 11th February 2019 - Kirkgate Centre,
 - 12th February 2019 - Broadway Centre,
 - 13th February 2019 - Bingley Library/Keighley Market,
 - 14th February 2019 - Shipley Library,
 - 25th February 2019 – Older Persons Focus Group, City Hall
- 5.4 The consultation engagement events were extremely well attended with over 125 written submissions being received. The over-riding feedback towards the proposals was positive.
- 5.5 Details of the market project and consultation events were also made available to

the public through the Council’s web sites and social media feeds, which explained how comments and representations could be made. In addition, an online survey was created to capture the views of all stakeholders and leaflets were delivered to City Centre businesses encouraging them to complete the online survey.

- 5.6 An online survey was available from 11th February 2019 to 18th March 2019 and was completed by 1,158 respondents.
- 5.7 Two “drop in” sessions were arranged for Councillors on 14th March 2019 in order to brief Councillors on the decision of the Executive on 8th January 2019 to authorise a Compulsory Purchase Order and to obtain their feedback on the Scheme design.
- 5.8 Overall, all the exhibitions have been well attended and in principle the over-riding views towards the new market are positive. These exercises enabled feedback, comments and views from the public and other stakeholders to be taken into consideration with modifications made to the scheme structural design.
- 5.9 The consultation identified that customers wanted the new market to have a mixed offer as its appeal is where you can discover unusual or specialist items, whilst also shopping for your daily fresh food or enjoying a meal or light snack.
- 5.10 On 23rd October 2019 an online survey was launched to capture opinions to the preference for the name of the new market. Whilst the survey highlighted two suggested names ‘Darley Street Market’ and ‘Bradford Market’ we invited respondents who did not like either of the suggested names to select their own choice.
- 5.11 The online survey closed on 18th November 2019 with 1,240 responses being submitted.
- 5.12 The preferred name that was chosen by the majority of respondents was Darley Street Market selected by 614 or 49.5% of respondents. 256 or 20.6% of respondents chose ‘Bradford Markets’ and 370 or 29.8% suggested a large array of other names.
- 5.13 A separate consultation exercise took place on 19th November 2019 and involved a qualitative panel of a selected group of ‘critical friends”, who have an interest in the current market challenges and the desires of our existing and new target consumers. This group was invited to focus and comment on the new market branding proposals.
- 5.14 Several trader liaison meetings and individual meetings have taken place throughout 2019, which has helped to inform the stall design and layout as well as trader servicing requirements.

6. Anticipated Project Timetable

Key milestones leading up to completion	Date
Selection of main contractor	January 2020
RIBA Stage 4 Design & Cost Report	April 2020
Appointment of main contractor	Q2 – 2020

Demolition Works to commence	Q2 – 2020
Construction Works to commence	Q1 – 2021
Trader Selection process to commence	Q1-2021
Construction Works Completed	Spring 2022
Market Opening Date	Spring 2022

7. FINANCIAL & RESOURCE APPRAISAL

- 7.1 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 in this part of the city centre.
- 7.2 The Capital Programme agreed by Council Executive in July 2018 set aside £21,521m which is made up of £15,561m of corporate funding (including City Centre Public Realm) and £5.96m of borrowing by the Markets Service that will be repaid from revenue funding which the service receives each year from a central corporate revenue allocation. In addition, the Markets Service has available in 2021/22 a corporate revenue allocation of £400,000.

8. MANAGEMENT AND GOVERNANCE ISSUES

- 8.1 A Market Board chaired by the Assistant Director for Estates and Property has been set up to ensure a strategic overview and project management of the market scheme. Members of this group include the officers from Legal, Procurement, Economy and Development, Finance and Client Services.
- 8.2 The success of this project will depend upon the Council's ability to let space in the new market, ensuring new rent and service charge levels are sustainable and is able to meet the changing needs of the consumer by ensuring, through its retail mix and trader selection, it can offer consumers a reason to shop in the market.
- 8.3 Whilst consumer's shopping habits are increasingly moving online the new market will require its traders to have an online presence and also to focus on goods that are not traditionally accessed online such as specialist foods and fresh foods and service led offers including hairdressers, nail bars, key cutting, dry cleaners and clothing alterations. The market's dedicated hot food hall will take advantage of the growth experienced in the food and beverage sector.
- 8.4 The Council is a member of the National Association of British Market Authorities (NABMA) and leads on the collation and presentation of performance management data for the UK's market authorities via the Association of Public Service Excellence (APSE) which is a networking community that assists local authorities who are striving to improve their frontline services. This work enables the Council to identify future trends in the markets industry which can be incorporated into the markets project.
- 8.5 Several visits to other markets which have been recently modernised have been undertaken which included visits to Barnsley Market, Preston Market, Sheffield Market and Altrincham Market as well as specialist food hot food courts in London and Manchester. Some of the key learnings from these visits have been incorporated into the markets project.

- 8.6 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.

9. LEGAL APPRAISAL

- 9.1 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"). 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.
- 9.2 On 19th August 2019, the Council keen to provide financial support to existing traders offered a rent reduction to those traders who have a 'protected' business tenancy that has the benefit of security of tenure under the Landlord and Tenant Act 1954.
- 9.3 Traders were invited to surrender their current tenancy agreement and complete a new tenancy agreement without the security of tenure which meant that traders did not have an automatic right to stay in their stall(s) when the new tenancy agreement ends unless the Council agrees to offer another agreement.
- 9.4 The Council offered each trader immediate access to their statutory compensation in the form of a rent credit spread over the term of the new tenancy agreement which coincided with the projected opening date of the new market. The reduced rent will help to support traders in continuing trading whilst the new market was being constructed. This will also help those traders who are successful in their application to trade in the new market and enable the savings in rent to be reinvested towards their relocation costs and fitting out of their new stall(s).
- 9.5 In addition, traders were offered a 35% reduction in their rent whilst continuing to pay their annual service charges which have been 'frozen' since 2017 and will not be subject to any increases until the opening of the new market. Some long standing traders have seen their rent being reduced significantly.
- 9.6 This financial support has been welcomed by traders and the take up has been hugely successful with 99% of traders in Kirkgate Market and 98% of traders at the Oastler Centre taking advantage of the Council's offer.

10. OTHER IMPLICATIONS

10.1 EQUALITY & DIVERSITY

- 10.1.1 The new market aims to maximise public access by being fully DDA compliant and dementia friendly with plans to consult and engage all relevant stakeholder groups throughout the design process.
- 10.1.2 The new market will offer excellent customer facilities including accessible toilets, Changing Places toilet, gender neutral toilet, prayer/contemplation room and separate parent and baby changing facilities.

10.2 SUSTAINABILITY IMPLICATIONS

10.2.1 The new market will be an energy efficient, sustainable and low carbon building. The market will:-

- rely on natural light and ventilation to reduce operating costs, making the building cheaper for the Council to operate, more affordable to tenants and will reduce the need for fossil fuels and carbon emissions;
- include sustainable urban drainage systems with rainwater being retained and harvested as grey water for toilet flushing and plant watering in the new public realm;
- incorporate solar panels on the Market roof to significantly reduce the production of greenhouse gasses and lower operating costs for the new Market building.
- heavy duty electrical vehicle charging points will be installed in the basement servicing area.
- cycle storage facilities in the basement servicing area.
- Public water station.
- new lease conditions will ensure traders avoid the reliance of single use plastics.

10.3 GREENHOUSE GAS EMISSIONS IMPACTS

10.3.1 It is expected that there will be a significant decrease in overall GHG emissions since the proposal is to create an environmentally sustainable market.

10.3.2 The creation of well-designed market building and the control and management of utilities via the market's computerised building management system will monitor energy levels and provide energy savings in the longer term.

10.4 COMMUNITY SAFETY IMPLICATIONS

10.4.1 There are no community safety implications.

10.5 HUMAN RIGHTS ACT

10.5.1 There are no Human Rights implications.

10.6 TRADE UNION

10.6.1 There will be some redesigning, repurposing, or restructuring of operational staff to meet the needs of the new markets.

- 10.6.2 Staffing costs are ultimately paid for by traders though their service charges so these costs need to remain as cost effective as possible in order to make the new market financially attractive to traders.
- 10.6.3 All the relevant Trade Unions will be consulted as required under Council HR procedures and will be invited to engage in any future staffing changes once the operating model of the new market is known.

10.7. WARD IMPLICATIONS

- 10.7.1 Ward members are aware of the proposals.

10.8 IMPLICATIONS FOR CORPORATE PARENTING

- 10.8.1 None

10.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESSMENT

- 10.9.1 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.
- 10.9.2 The Markets Service's Privacy Impact Assessment will manage 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.
- 12.2 Members will be invited for a site visit to view the construction of the market taking place in 12 months' time.

13. BACKGROUND DOCUMENTS

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