

## **Matford Centre Annual Performance Review 2020/21**

### **Relevant Officers:**

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## **1. What is the update about?**

1.1 This report is to update Members on the performance of the Matford Centre for the financial year from 1 April 2020 to 31 March 2021.

## **2. Background**

2.1 The Matford Centre is a multi-purpose centre on Matford Business Park.

2.2 The centre encompasses the following facilities:

- Exeter Livestock Market
- Business Units
- Events Concourse
- Café
- Meeting Rooms
- Outside Leased areas

2.3 The Matford Centre is part of ECC's Markets & Halls section which also encompasses the Corn Exchange and Markets Management.

2.4 The Facilities & Markets Manager is service lead for Markets & Halls as well for Visitor Facilities (Underground Passages, Custom House and Red Coat Guided Tours). The Matford Centre Manager is responsible for day-to-day management of the facility.

## **3. What We Do**

3.1 Our responsibilities for the Matford Centre include:

- Management of the site including maintenance and security
- Liaison with, and monitoring of, all tenants of the centre
- Hiring of the venue for events and meetings
- Organisation of Sunday Market/Car-Boot Sale
- Identifying other income earning opportunities at the site
- Organisation of other markets within the city
- Providing advice and issuing consent to other market organisers

3.2 There is one other full time post that is currently vacant (Markets & Facilities Supervisor) this post works closely with the Matford Centre Manager. There are also two part time staff and a number of casual employees. The Markets & Facilities

Supervisor post has been left unfilled whilst business levels at the centre are adversely affected by the pandemic.

## 4 How Did the Service Perform?

- 4.1 The Livestock Market is one of the largest in the south west and is operated by Kivells Auctioneers who have now completed nine years at the centre. The auctioneers have continued to hold a livestock market throughout the pandemic.

Kivells have been extremely successful in attracting new business to Exeter with animal throughput increasing over this period and have even stabilised the higher level of throughput during the pandemic. This table shows the animal throughput over the last five financial years:

2016/17	232,000
2017/18	238,000
2018/19	255,000
2019/20	255,000
2020/21	253,000

The throughput in the last year was made up as follows	
Sheep/Lambs	85%
Cattle	14%
Pigs	1%

The auctioneers pay the Council a rent based on commission earned, with a guaranteed minimum rent, the total received in 2020/21 was £391,000. This figure is subject to ratification because it reflects amended terms provisionally agreed with the auctioneers for an extended lease. We have received in excess of £3 million rent from the auctioneers over the nine years of the contract to date.

The following shows the amount received by the City Council over the last five financial years:

2016/17	£317,000
2017/18	£374,000
2018/19	£393,000
2019/20	£413,000
2020/21	£391,000

Another important part of the auctioneer's activities is special breed sales and shows such as those for young farmers which helps to ensure the future of the sector in the south west.

The total value of the transactions carried out at the livestock market during the financial year was more than £42 million.

The auctioneers work very closely with the farming community, respecting the industry's traditions whilst introducing their modern approach to auctioneering. They assist the Farming Community Network (FCN) who provide a voluntary service to support farmers who often spend long hours out in the field with little or no social interaction.

4.2 The centre's concourse and external areas are hired to organisations who stage a variety of events.

Due to the pandemic, there was only one event hosted during 2020/21, this was a three day booking from local GP practices to undertake flu vaccinations. In a 'normal' year we would expect to receive in excess of £70,000 from concourse bookings.

We also hired the meeting room to the NHS for essential training. Other bookings weren't possible but in a 'normal' year we would expect around £15,000 income from meeting room bookings.

4.3 The centre usually hosts a market and car boot sale every Sunday morning. No income was earned in 2020/21 because it remained closed during the pandemic. The event earns around £40,000 income a year but as costs are relatively high only a small surplus is achieved.

The market has reduced in size considerably over the last few years, primarily because of the much reduced area available after the development of the Stagecoach bus depot and Lok'n'Store business on the site, but also because of a general trend away from car boot sales towards online selling on sites such as Facebook Market Place.

4.4 The centre earns income from a number of leases, most of these business have managed to continue some, or all, of their activities during the pandemic. In 20/21 the units were occupied as follows:

- Livestock auctioneer's office
- Estate agent
- Chartered surveyor
- Transport training centre
- Solicitor
- Insurance company
- Accountant
- Two animal nutrition retailers
- Stagecoach bus depot

Most of these units have been occupied by the same tenants for some years which provides the centre with a stable income. Total income from this source in 2020/21 was £112,000.

4.5 The centre also has a restaurant servicing the markets and events. This business has been severely affected during the pandemic. The premises rent is included in the figure noted for leases. In 'normal' years there would also be a percentage of turnover paid but this wasn't achieved in 2020/21.

4.6 The centre has a large external area which, in addition to being used for the Livestock Market, Sunday Market and concourse events also provides an income from activities such as vehicle storage and lorry & motorbike training.

This income is less certain because of short-term licences which frequently change according to clients' requirements although over the last five years average annual income has been more than £70,000. The total income from this source in 2020/21 was reduced to £57,000.

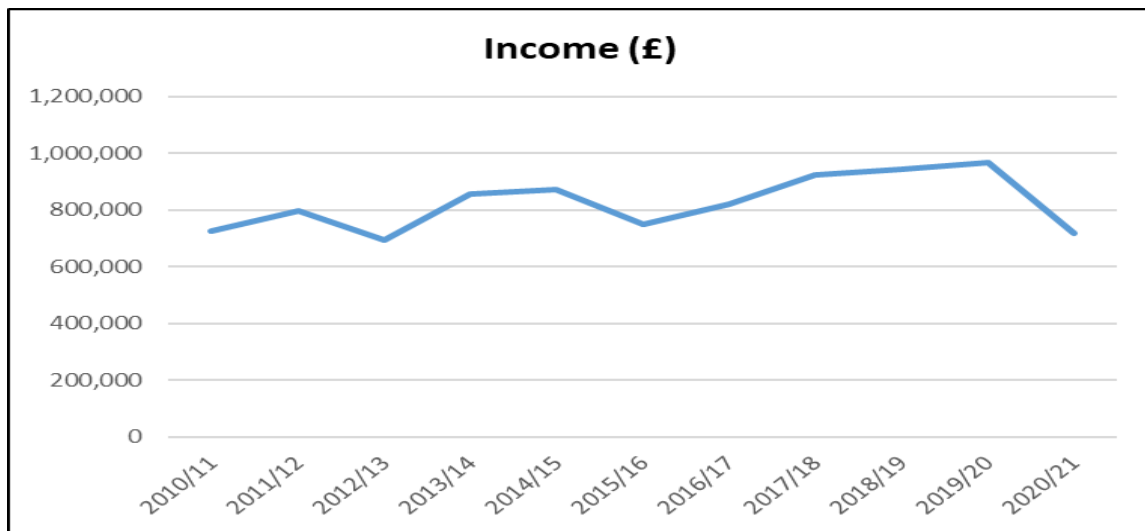
- 4.7 The centre also earns income from the solar panels installed on the roof in 2015. Total income from this source in 2020/21 was £116,000.

## 5 Financial Performance

- 5.1 Total income for the centre in 2020/21 was £719,000 which is a lower figure than normally achieved due to the current pandemic. The following shows the total income earned at the centre over the last five years:

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
Income (£)	819,000	925,000	944,000	967,000	719,000

The following shows the income earned over the last ten years:

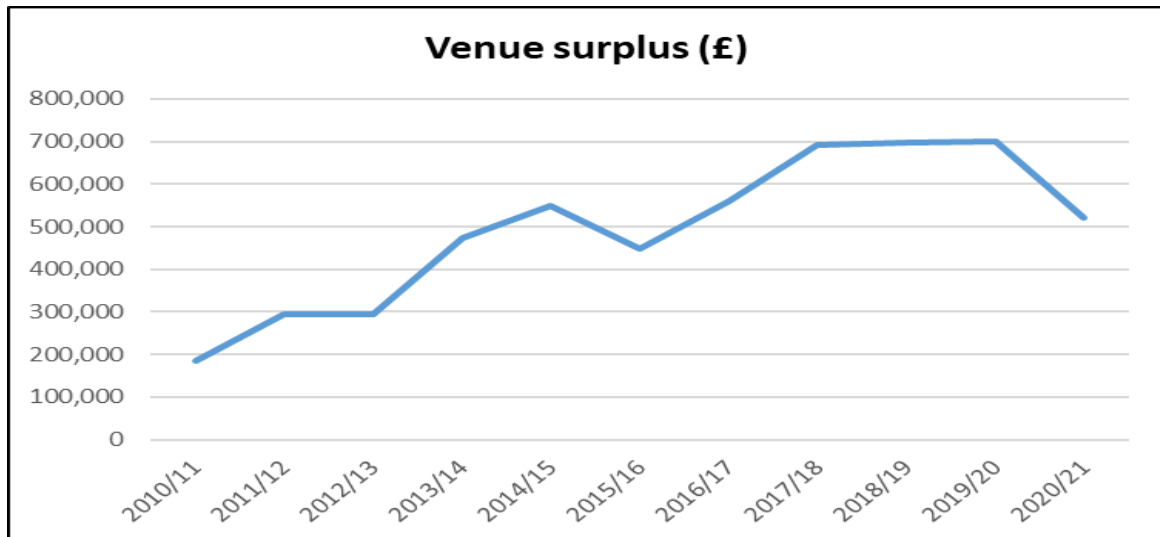


- 5.2 The overall surplus earned for the council by the centre in 2020/21 was £510,000. The following shows the surplus achieved at the centre over the last five years:

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
Venue surplus (£)	560,000	693,000	697,000	680,000	521,000

Figures exclude capital expenditure/depreciation/FRS adjustment. Payments claimed under the government's job retention (furlough) scheme are included.

The following shows the surplus achieved over the last ten years:



## 6. Principal Objectives for the Next 12 Months

- 6.1 Discussions continue with the livestock auctioneers regarding an extension to their lease/operating agreement which is due to end in April 2022. Provisional terms have been agreed and a report recommending the renewal of the lease is due to be presented to Executive.
- 6.2 Corporate Property have addressed the drainage issues and have reinstated the existing outside toilets for use with the market and events. This involved converting the conference room to a set of toilets accessible from the concourse and the old toilets to a new multi-purpose events space suitable for meetings, training, classes etc.
- 6.3 We are discussing with Corporate Property (Estates) the options for the lease of the centre restaurant which expires in April 2022.
- 6.4 Corporate Property are in the process of installing batteries to harness the power generated by the PV (solar) panels. This would result in a better financial return for the centre because we would not need to sell surplus electricity back to the national grid.
- 6.5 We are trialling an arrangement which allows a third party to take over the organisation of the Sunday Market/Car Boot Sale. The objectives being to achieve a better financial return and to allow flexibility for us to explore the possibility of staging two day (weekend) events at the venue if we are able to prove a demand.

David Lewis  
 Facilities & Markets Manager  
 July 2021