

EXETER CITY COUNCIL
SCRUTINY COMMITTEE - ECONOMY
8 NOVEMBER 2012

MARKETS & HALLS UPDATE

1 PURPOSE OF REPORT

- 1.1 To update Members on the performance of the Markets & Halls team and facilities managed.

2 BACKGROUND

- 2.1 The Markets & Halls section incorporates the Matford/Livestock Centre, Exeter Corn Exchange and markets within the city.
- 2.2 In January 2011 Executive authorised the Head of Estates Services, in consultation with the Portfolio Holder (Economy and Tourism), to negotiate terms for a ten year lease for the operation of livestock markets from April 2012 with new working arrangements which would see the responsibility for maintenance and cleaning of livestock pens and sales rings transferred from Council staff to the livestock auctioneers.
- 2.3 In October 2011 Executive authorised the implementation of a new staffing structure within Markets & Halls to respond to the amended requirements. This new structure involved reducing the number of posts within the section. Seven posts were deleted and replaced with three new posts. The three new posts were filled by existing employees, two employees were made redundant and two employees transferred to other City Council posts. The annual saving made by these changes was in excess of £65,000 pa.
- 2.4 In February 2012 the Markets & Halls team came under the responsibility of the Assistant Director, Economy as a result of the corporate organisational review. No further amendment was made to the staffing structure at this time.

3 EXETER LIVESTOCK CENTRE

- 3.1 Exeter Livestock Centre incorporates pennage and sales rings used for livestock markets, a car auction operation, an events/exhibitions concourse, business units, meeting rooms and a restaurant. The Council benefits from an annual income of around £700,000 earned from these sources. The livestock market is the largest market in Devon and one of only two in the South West that operates more than one livestock market a week. It is seen by the farming community as the main livestock market in the county and supports the farming hinterland of the city. In recent years animal throughput at the centre has increased – see appendix 1
- 3.2 The opportunity for a new 10 year lease & agreement to operate the livestock markets in Exeter was advertised in May 2011. There were a number of applications received and these were evaluated according to previously agreed criteria. A lease was agreed with Kivells & Husseys of Exeter, a partnership set up by two existing livestock

auctioneers. The new agreement has guaranteed income to the Council in excess of that independently forecast and reported to Executive in January 2011. The new auctioneers took over from the out-going auctioneers in April 2012.

- 3.3 The City Council staff based at the centre continue to manage all other aspects of its operation in conjunction with officers from Estates Services where appropriate.

4 EXETER CORN EXCHANGE

- 4.1 Exeter Corn Exchange hosts a varied programme of events including music, comedy, dances, ballet, conferences and examinations. It has the largest capacity (500) of any venue in Exeter city centre. The venue's team organises and promotes events to add to the cultural life of the city and the venue is also available for hire by private and public organisations, community groups and charities. The Council benefits from an annual income of around £450,000 earned from the venue's operation with around 350 events of all types being hosted each year.
- 4.2 The venue's staffing establishment consists of four full-time equivalents. This team looks after all aspects of the venue's operation including programming, administration, event management, marketing, box office and cleaning and maintenance. They also manage the bar/catering operation utilising casual staff as and when required to provide this service and cover front-of-house duties. Contractors are employed for some of the venue's technical requirements and cleaning.
- 4.3 A number of building improvements have taken place at Exeter Corn Exchange over the last few years notably the introduction of tiered seating and refurbished toilets. The venue has developed its marketing and box office operations over the same period; introducing a computerised box office, mailing list, online sales, a printed events brochure (20,000 now printed and distributed twice a year), dedicated website, email marketing capability and the use of social media.
- 4.4 These improvements have assisted the venue team in programming seasonal events programmes including a number of self-promoted events and others in conjunction with external partners. The number of events within the seasonal programmes is increasing on a year-by-year basis and the financial analysis of these events also shows an improving picture with each programme showing a surplus when considering income against variable costs – see appendix 2
- 4.5 In the current difficult economic climate it would be expected that demand to hire the venue for conferences etc would fall but the introduction and expansion of the seasonal events' programmes has enabled the venue to broadly maintain the number of events it hosts. It is now accepted that the Corn Exchange plays an important role as part of the city's overall arts and entertainment offer.

5 MARKETS

- 5.1 The Markets & Halls team organise the Sunday Market/Car Boot Sale at The Matford Centre, Exeter Farmers' Market, Sidwell Street Pannier Market and seasonal markets including Christmas Markets in Castle Street and Fore Street. They also work with visiting market organisers to bring occasional markets to the city and give consent for markets in the city which are organised by others.

- 5.2 The Sunday Market continues to be the largest in the area and earns annual income of around £140,000 for the Council and more than £25,000 for charity and community groups who provide volunteers to assist with the running of the markets.
- 5.3 Exeter Farmers' Market continues to enjoy around 90% stall occupation. There are currently more than 20 food producers at each market, and most of them have been part of the market for many years. The producers have recently appointed reps to work with Markets & Halls staff on initiatives aimed at improving the market in a number of ways, such as improved presentation of the stalls, marketing initiatives and specialist market days. The market was given a Silver Award in the recent Taste of the West SW Flavour Awards.
- 5.4 Sidwell Street Market occupancy has remained relatively constant since Christmas. In previous years the number of licences issued has dropped after the holiday period. A recruitment initiative will be launched after the opening of the new John Lewis store in an effort to increase the number, range and quality of stalls on the market.
- 5.5 The Markets & Halls team has worked with others within Economy to enable the forthcoming Exeter Christmas Market on Cathedral Green as well as organising the markets held each Christmas in Castle Street and Fore Street. In addition the section has issued consents and offered advice to the organiser of the new year-round markets held in the Guildhall Centre. The opportunity to introduce one or two visiting markets to the city in 2013 is being explored.
- 5.6 If a suitable pedestrianised location for markets could be identified in the city centre there may be scope to increase the number of markets organised and many more visiting markets could be attracted to the city.

6 FINANCIAL INFORMATION

- 6.1 The financial performance of Markets & Halls has improved each year for the last three years. The section produced a small loss in 2008/09 and has steadily improved to show a surplus of £236,000 in 2011/12. The forecast for the current year shows an expected further improved position.
- 6.2 The primary reason for this improved position is increased income at the Matford/Livestock Centre from livestock auctions, events and other business streams.
- 6.3 A summary of Markets & Halls accounts are included at appendix 3.

7 RECOMMENDED

- 7.1 That Scrutiny Committee – Economy note and comment on the contents of this report

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Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None