

EXETER CITY COUNCIL
SCRUTINY COMMITTEE - ECONOMY
6 MARCH 2014

THE MATFORD CENTRE/EXETER LIVESTOCK CENTRE UPDATE

1 PURPOSE OF REPORT

- 1.1 To update Members on the performance of the Matford Centre.

2 BACKGROUND

- 2.1 The Matford Centre is part of the Facilities & Markets section of Economy. The section also encompasses Exeter Corn Exchange, Tourist Information Centre, Underground Passages, Quay House Visitor Centre, Red Coat Guides, Leisure Facilities Contract Management and Markets.
- 2.2 A staffing review of Economy undertaken in March 2013 brought these facilities together under the management of the Facilities & Markets Manager reporting to the Assistant Director, Economy.

3 OVERALL PERFORMANCE

- 3.1 The Matford Centre, also referred to as Exeter Livestock Centre, incorporates pennaage and sales rings used for livestock markets, a car auction operation, an events/exhibitions concourse, business units, meeting rooms, a restaurant and extensive outdoor area which is used for a number of activities including the Sunday Market and Car Boot Sale.
- 3.2 The total projected income for the centre in the current financial year is £760,000 compared with £695,000 in 2012/13. Total projected expenditure for the current year is £407,000. This is £6,000 more than last year.
- 3.3 When Members agreed, in January 2011, to offer a new 10 year lease to a livestock auctioneer and so effectively agreed to The Matford Centre continuing its full operation for this period, the projected annual surplus for the centre was between £110,000 and £177,000. This year's surplus is projected to be around £350,000.

4 LIVESTOCK MARKET

- 4.1 The livestock market operation is the largest 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.
- 4.2 The livestock auctioneers, Kivells and Husseys of Exeter, have now completed almost two years of operating from the centre having taken over the running of the livestock markets in April 2012. They have been successful in attracting new business to Exeter and animal throughput increased by 28% in their first year of operation. A further increase is projected for the present financial year. Details of animal throughput figures for the market from 2008 until 2013 are shown below:

Exeter Livestock Centre Animal Throughput Figures								
Year	Sheep	Annual Increase	Cattle	Annual Increase	Pigs	Annual Increase	Total	Annual Increase
2008/09	131,160		16,309		1,659		149,128	
2009/10	126,481	-4%	16,683	2%	1,790	7%	144,954	-3%
2010/11	132,370	4%	23,261	28%	2,411	26%	158,042	8%
2011/12	146,256	9%	18,792	-24%	2,786	13%	167,834	6%
2012/13	187,663	28%	26,221	40%	3,464	24%	217,348	28%

4.3 The increased throughput combined with an increase in the prices achieved at market has resulted in the City Council receiving income in excess of the minimum guaranteed by the terms of the lease. Approximately £460,000 will be paid to the Council by the livestock auctioneers over the first two years of the lease compared to a minimum guaranteed rent of £215,000 pa. When Members agreed, in January 2011, to a ten year lease being offered for the running of the livestock market the independent advice received suggested that the income would be between £65,000 and £135,000 pa.

4.4 The total value of the transactions carried out at the livestock market in the current financial year will be around £25 million.

5 OTHER ACTIVITIES AT THE CENTRE

5.1 The indoor concourse at the centre hosts a varied events programme including dog shows, antique fairs, flea markets, dances, toy fairs, catering shows and other trade shows. Because of the other businesses based at the centre most concourse events have to be held on Saturdays and 38 of the 52 Saturdays in 2013 were booked. A further 18 midweek dates were booked for concourse events. Income to the council from this source will be around £62,000 in the current financial year.

5.2 The Sunday Market/Car Boot Sale at the centre is run by the Matford Centre team assisted by a different charity or community group each week. These organisations provide a number of helpers for the event and are guaranteed a minimum payment of £400 for doing this. In the current financial year the total payments made to these groups will be around £25,000. The total projected income from the Sunday Market/Car Boot sale in the current year is £135,000 compared to £132,000 last year.

5.3 There are four meeting rooms at the centre and over 400 bookings will have been secured over the current financial year. The total projected income from meeting room hire in the current year is £45,000 which is similar to that achieved last year.

5.4 The café at the centre is leased to a private operator with a rent payable to the City Council based on turnover (with a guaranteed monthly minimum). The operator has recently refurbished the café. The operator has rights to all catering on the site as part of an operating agreement which runs alongside the lease. The total projected income to the Council from the catering operation in the current year is £37,000 compared to £32,000 last year. The guaranteed minimum payment is £24,000 pa.

5.5 The car auction based at the centre has a lease with six years remaining. The auction operator pays the Council a rent based on turnover with a minimum rent of £80,000 pa. In the last few years the minimum rent only has been received.

5.6 There are a number of business units at the centre including property agents, an insurance company, a training company, a parcel delivery service, an accountant and a solicitor. The total income from this source in the current financial year will be around £60,000.

5.7 The outdoor areas at the centre are used for a number of purposes including car storage, driver training and motor cycle training. Income from these sources in the current financial year is projected to be around £60,000.

6 ISSUES FACING THE CENTRE

6.1 Most of the income streams at the centre are uncertain and are subject to external influences. The small team at the centre (fewer than four full-time equivalents) places a high priority on seeking new income opportunities and ways to reduce expenditure.

6.2 The roof at the centre is now more than 20 years old and constantly needs repairing. It is possible that there will be a need to replace this at sometime in the next few years and we are working with officers in the Estates & Property section of the Council to identify the best way forward on this issue.

6 RECOMMENDED

That Scrutiny Committee – Economy notes and comments on the content of the report.

DAVID LEWIS, FACILITIES & MARKETS MANAGER

RICHARD BALL, ASSISTANT DIRECTOR ECONOMY

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

Background papers used in compiling this report:-

None