

## **REPORT TO SCRUTINY COMMITTEE - ECONOMY**

**Date of Meeting: 3 March 2016**

**Report of: Events, Facilities & Markets Manager**

### **THE MATFORD CENTRE – PERFORMANCE REVIEW**

#### **Is this a Key Decision?**

No

#### **Is this an Executive or Council Function?**

Executive

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

To update Members on the performance of the Matford Centre.

#### **2. Recommendations:**

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

#### **3. What are the resource implications including non financial resources.**

There are no resource implications.

#### **4. Section 151 Officer Comments**

There are no financial implications.

#### **5. What are the legal aspects?**

None.

#### **6. Monitoring Officer's comments**

The report raises no issues for the Monitoring Officer.

#### **7. Background**

7.1 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.

7.2 The Matford Centre is comprised of Exeter Livestock Centre, Hussey's vehicle and plant auctioneers, a number of business units, an events concourse, cafe, meeting rooms and extensive outside areas.

7.3 The Matford Centre has a staffing establishment of 3.55 FTE. These employees cover administration, tenant liaison, site security and maintenance, facility management, event management and cleaning. Casual employees are also used to assist with the Sunday Market and occasional general duties. The Matford Centre team also looks

after other City Council markets and liaises with and assists external market organisers.

## **8 Exeter Livestock Market**

- 8.1 The livestock market operation is the largest in Devon with only one market in the South West enjoying higher business levels. It is seen by the farming community as the main livestock market in the county and supports the farming hinterland of the city.
- 8.2 The livestock auctioneers, Kivells & Husseys of Exeter, have now completed almost four 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 has increased when compared to the previous auctioneers. The first three years of operation under the new auctioneers saw a 40% increase in throughput compared to the last three years under the previous auctioneers.
- 8.3 Approximately 80% of the throughput is sheep/lambs with the remaining 20% predominately cattle but also including pigs and horses (sold at the monthly horse and tack sale).
- 8.4 The increased throughput, combined with an increase in the prices achieved at market, resulted in the City Council receiving almost £800,000 over the first three years of the lease. This compares with a minimum guaranteed rent of £215,000 a year.
- 8.5 The total value of the transactions carried out at the livestock market is more than £30 million a year.

## **9 Events at the Matford Centre**

- 9.1 The Centre's indoor concourse is used as a venue for a range of events. Events are mostly limited to Saturdays because of the business units situated around the concourse but there are also a small number of midweek events which can be accommodated. The number of days booked for events in 2015 was 63. This number doesn't change much from year to year because of the limited number of days available:

Year	2011	2012	2013	2014	2015
Event days	64	62	68	63	63

- 9.2 The events hosted in 2015 were:

12 Trade/Business Shows, 12 Dog Shows, 8 Flea Markets, 8 Antique Fairs, 8 Educational, 3 Railway Shows, 3 Toy Fairs, 3 Training Events, 2 Cat Shows, 1 War Games Event, 1 Stunt Show, 1 Dance and 1 Carol Service.

- 9.3 Income earned from these events over the last five years averages at around £64,000 a year with a similar amount projected for the current financial year.
- 9.4 The centre has a number of meeting rooms which are available for hire. In 2015 the number of meeting room bookings was 414. The number of bookings over the last five years was as follows:

Year	2011	2012	2013	2014	2015
Bookings	361	409	411	471	414

9.5 Income earned from these bookings over the last five years averages at around £44,000 a year. Income for the current financial year is projected to be £42,000.

## 10 Sunday Market

10.1 The centre hosts a market and car boot sale every Sunday morning. This sees a mix of market traders' stalls and private individuals selling their possessions at the car boot sale.

10.2 The market is managed by one of the full time Matford Centre employee assisted by two casual employees and representatives from charities/community groups who earn funds for their organisations by assisting with various duties at the market.

10.3 Income earned at the market in the 2014/15 financial year was £135,000. Income earned from the Sunday Market/Car Boot Sale over the last five financial years was as follows:

Year	2010/11	2011/12	2012/13	2013/14	2014/15
Income	£137,000	£142,000	£132,000	£139,000	£135,000

10.4 The latest projection for income in the current financial year is £101,000. This is because the market was closed for November and December because of major construction works taking place on the site. The market re-opened at the start of January but with a much smaller area available for market traders and car booters.

10.6 The projection for the next financial year (with a full year operating the market on the smaller site) is for income in the region of £55,000. The reduction in income will be mostly offset by rent received from the bus depot operator.

10.7 Local community groups or charities assist with the organisation of each market by providing volunteers who collect car boot fees, assist with parking and cleaning the site. In the 2014/15 financial year payments to these groups amounted to £25,000. Payments over the last five years were as follows:

Year	2009/10	2010/11	2011/12	2012/13	2013/14
Payment	£28,000	£26,000	£24,000	£24,000	£24,000

10.8 The latest projection for payment to the charities/community groups in the current financial year is £18,000. This reduction is because of the temporary closure of the market and revised requirements now that the market has returned with a smaller footprint.

10.9 The payments to these groups in the next financial year (with a full year of the revised requirements) will be £15,000.

## 11 Leased properties

11.1 The centre also earns income from a number of leases. These are a restaurant, vehicle and plant auctioneer, livestock auctioneer's office, two property offices, a driving and safety training company, two agricultural suppliers, a solicitors' office, an insurance office and an accountant.

11.2 These have been at full occupancy for some years (other than for short transition periods between changes of tenants).

11.3 The total amount of income earned from these leases is approximately £172,000 a year.

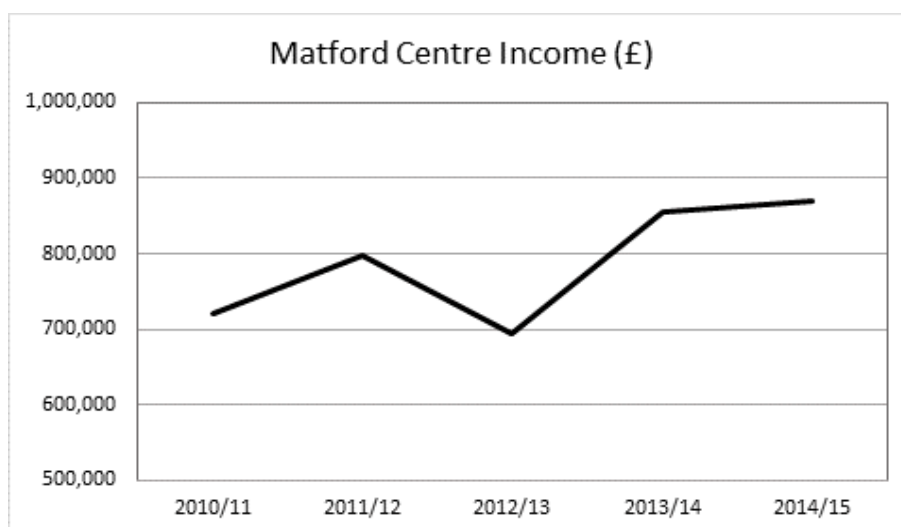
## 12 External Areas

12.1 The centre has a large external area which, in addition to serving the Livestock Market, Sunday Market and concourse events also produces an income from activities such as vehicle storage and lorry and motor cycle training. The income earned from this source is currently around £70,000 per year.

## 13 Financial Performance

13.1 Total Income earned at the facility has increased over the last five financial years, from £721,000 in 2010/11 to £871,000 in 2014/15. Income received over the last five financial years was as follows:

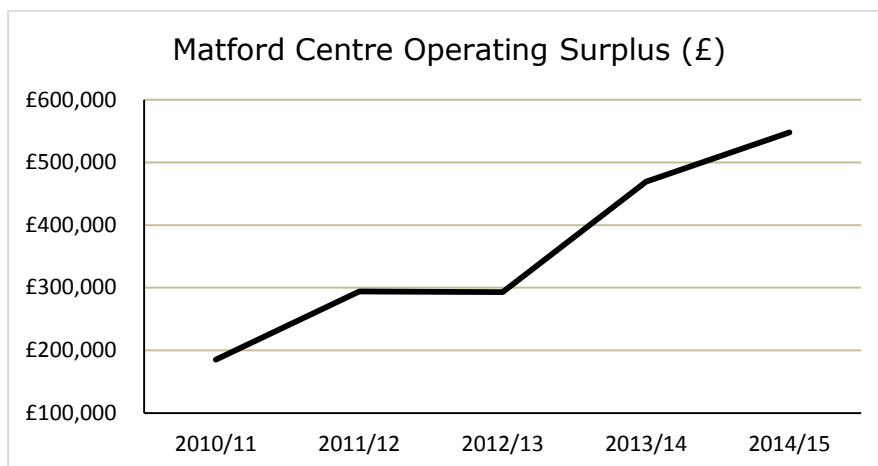
Year	2010/11	2011/12	2012/13	2013/14	2014/15
Income	£721,000	£797,000	£695,000	£856,000	£871,000



13.2 The latest projection for total income in the current financial year is around £800,000.

13.3 The nett surplus has increased over the last five financial years, from £185,000 in 2010/11 to £548,000 in 2014/15. The surplus achieved over the last five financial years was as follows:

Year	2010/11	2011/12	2012/13	2013/14	2014/15
Surplus	£185,000	£294,000	£293,000	£469,000	£548,000



Note:  
Figures exclude capital charges

13.4 The latest projection for the nett surplus in the current financial year is around £475,000.

## 14 Other issues

14.1 The centre's roof was replaced during the last three months of 2015 and this secures the life of the centre for another 20 years.

14.2 The replacement of the roof allowed the installation of more than 5,000 PV panels which will mean that the centre will be mostly self-sufficient in terms of electricity usage. Electricity will also be sold to the centre's tenants and the extra electricity generated will be sold back to the national grid. The PV panels are expected to earn the council around £145,000 a year.

14.3 The development on the site of a replacement for the Stagecoach bus depot/garage is progressing well. The expectation is that the new bus depot will start operating in October 2016.

**David Lewis, Events, Facilities & Markets Manager**

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

Background papers used in compiling this report:-

None

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