

Scrutiny Bulletin: July 2023

Annual Performance Review – The Matford Centre 2022/23

Relevant Officers:

David Lewis - Facilities and Markets Manager

Helen Coombes - Matford Centre Manger

Contact for general enquiries:

Jo Quinnell, Assistant Democratic Services Officer, Democratic Services, Room 4.36

Email: jo.quinnell@exeter.gov.uk. Tel: 01392 265197

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 2022 to 31 March 2023.

2. Background

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

2.2 The centre's business streams include:

- Exeter livestock market
- Leased units
- Events concourse
- Catering facility
- Meeting rooms
- External area

2.3 The Facilities and Markets Manager is the Service Lead with overall responsibility for The Matford Centre, as well as Exeter Corn Exchange, Markets and the Visitor Facilities (Underground Passages, Custom House Visitor Centre and Red Coat Guided Tours Service).

2.4 The Matford Centre Manager is responsible for the management of the facility.

2.5 There is one other full time employee (Markets & Facilities Supervisor) this post works closely with the Matford Centre Manager. There is another part time employee, and occasional use of casual employees.

2.6 Our responsibilities for the Matford Centre include:

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

3. Current position

- 3.1 The Livestock Market is one of the largest in the south west and is operated by Kivells Auctioneers who have now renewed their lease until 2032. The revised terms of the lease are designed to encourage and support Kivells to increase business at the centre which will improve the financial position for the council.

Kivells have been extremely successful in attracting new business to Exeter with animal throughput increasing notably over the period of their tenure. The tables below show the animal throughput over the last five financial years and provides more details regarding the throughput in 2022/23:

Throughput	
2018/19	255,000
2019/20	255,000
2020/21	253,000
2021/22	274,000
2022/23	294,490

Throughput in 2022/23	
Sheep/Lambs	85%
Cattle	13%
Pigs	1.5%
Produce	0.5%

The auctioneers pay the Council a rent based on commission earned, with a guaranteed minimum rent. The rent received has increased year-on-year, and we are optimistic that this pattern will continue.

The total value of the transactions carried out at the livestock market during the financial year was almost £45 million.

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 council income from the livestock auctioneer in the last financial year was in excess of £500,000. The following shows the amount received by the City Council over the last five years:

2018/19	£393,000
2019/20	£413,000
2020/21	£391,000
2021/22	£476,000
2022/23	£502,607

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.

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

There were 41 events hosted at the centre in 2022/23, this is a 50% increase on the previous financial year. It is still slightly fewer than in pre-pandemic years but indicates a respectable recovery.

The income from these events in the last financial year was £57,000. The following shows the amount received from events over the last five years

2018/19	74,000
2019/20	82,000
2020/21	-8,000*
2021/22	34,000
2022/23	57,000

*Refunds made of deposits paid for events cancelled because of Covid

There were 66 meeting room bookings during the year, earning around £8,000. Again this was fewer than we would have expected pre-pandemic as virtual meetings have become much more prominent.

- 3.3 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. An agreement was reached to outsource this event, which was labour intensive and expensive for us to continue with. This has proven to be successful with a large saving in net costs and a much needed easing of workload. The total income from this source in 22/23 was £20,000, with minimal costs incurred.
- 3.4 The centre earns income from a number of leases. The units are currently occupied as follows:
- Catering unit
 - Livestock auctioneer's office
 - Estate agent
 - Chartered surveyor
 - Transport training centre
 - Solicitor
 - Insurance company
 - Accountant
 - Animal nutrition retailers
 - Stagecoach bus depot

Most of these units have been occupied by tenants for some years which provides the centre with a stable income. Total income from this source in 2022/23 was £162,000. This includes some outstanding rent from renewed leases. The annual budget is currently £137,000.

- 3.5 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.

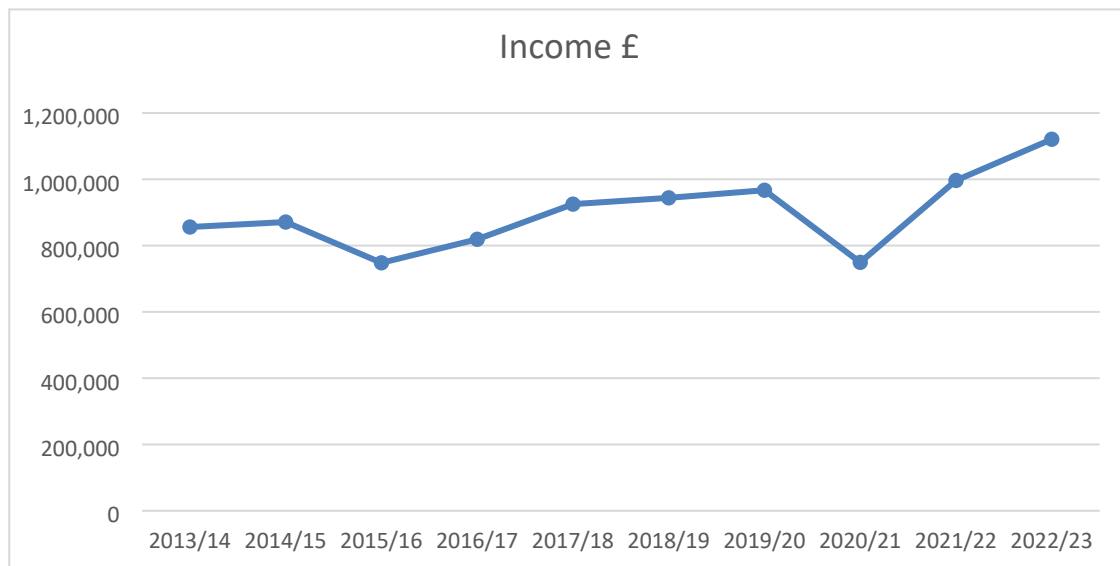
This income is less certain because of short-term licences which frequently change according to clients' requirements, although over the last five years average annual income has been more than £74,000

The total income from this source in 2022/23 was just over £80,000.

- 3.6 The centre also earns income from the solar panels installed on the roof in 2015. Total income from this source in 2022/23 was £216,000. The centre now has a battery storage facility enabling us to use the stored renewable energy that has been achieved.
- 3.7 Financial Performance - Total income for the centre in 2022/23 was over £1million, the first time that this has been achieved. The following shows the total income earned at the centre over the last five years:

	2018/19	2019/20	2020/21	2021/22	2022/23
Income (£)	944,000	967,000	749,400	996,500	1,120,748

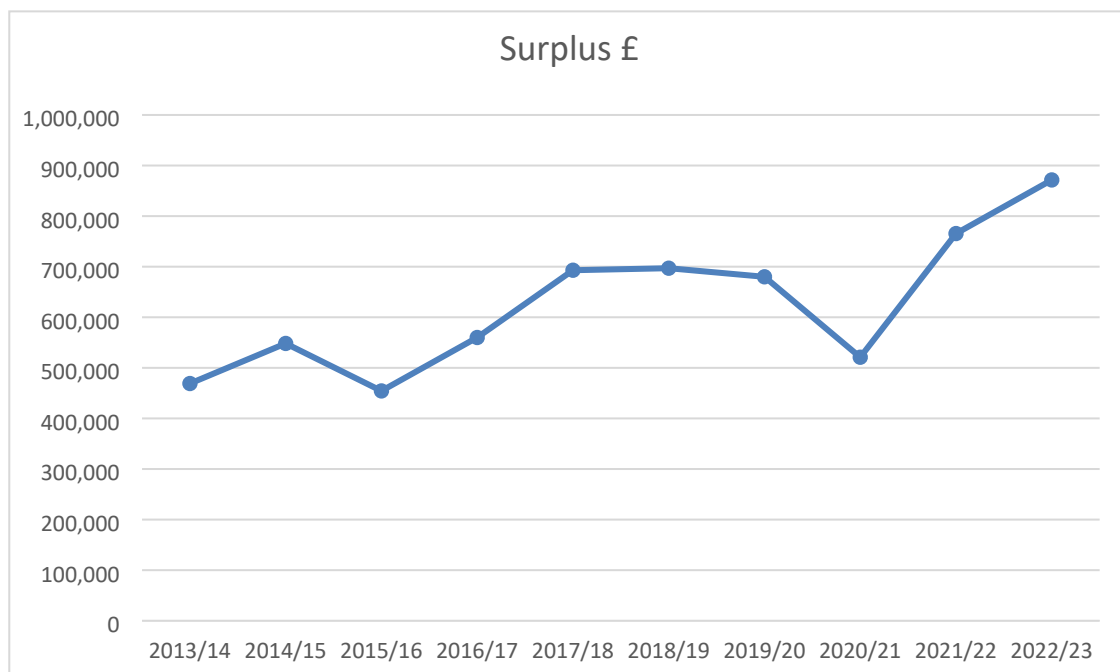
The following graph shows the income earned over the last ten years:



3.8 The centre achieved an operating surplus of £871,500 in 2022/23, the highest ever recorded. The following shows the surplus achieved over the last five years:

	2018/19	2019/20	2020/21	2021/22	2022/23
Surplus (£)	697,000	680,000	521,000	765,500	871,500

The following graph shows the surplus achieved at the centre over the last ten years:



Figures exclude FRS17 and depreciation.

4. Principal Objectives

The following are the principal objectives for the centre as identified by the current service plan:

- 4.1 Adopt a new fire strategy for the centre, this is being organised by the council's Corporate Property Unit.
- 4.2 Review the lease for the centre's catering unit, which is due to expire in March 2025.
- 4.3 Work with the auctioneers to continue increasing throughput at the livestock market.
- 4.4 Review operation of the Sunday Market.
- 4.5 Increase the number of events hosted at the centre and explore the scope for two-day events.
- 4.6 Increase the number of meeting room bookings.

5. Conclusion

It has been an extremely good year for the centre which, overall, has fully recovered from the effect of the Covid pandemic. The livestock market continues to go from strength to strength and other business streams at the centre continue to improve.

David Lewis
Facilities & Markets Manager
July 2023