

MARKET MANAGEMENT GROUP

WEDNESDAY 24 OCTOBER 2001 AT 11.00 AM

PRESENT: Carlisle City Council – Councillors Firth, Mrs Pattinson and Prest (G)
Halladale Haworth (Carlisle) Limited – Mr Lindsay

ALSO IN
ATTENDANCE: Mr P Wylie and Mr J McLaughlin (Finford Management)
Ms N Keeling – Market Hall Manager
Mr D Thomas – City Treasurer
Mr T Bird – Senior Law Clerk
Mr D Atkinson – Head of Property Services
Mr D O'Brien – Conservative Group Political Assistant
Mr I Dixon – Committee Clerk

MMG.14/00 APPOINTMENT OF CHAIRMAN

Councillor E Firth was appointed Chairman of the Market Management Group for the remainder of the municipal year.

Councillor Firth thereupon took the Chair.

MMG.15/01 APOLOGIES FOR ABSENCE

Apologies for absence were received from Ms S McKee and Miss E Ogborn the City Council's Communications Unit.

MMG.16/01 DECLARATIONS OF INTEREST

There were no declarations of interest.

MMG.17/01 INTRODUCTIONS TO THE NEW TEAM

Members of the City Council, representatives of Finford Management and representatives of Halladale Haworth and City Council Officers introduced themselves to the other Members of the Group.

MMG.18/01 MINUTES

The Minutes of the meeting of the Market Management Group held on 18 June 2001 were circulated for information. Mr Wylie commented on the efforts which he had made to attend that meeting which had not been taken up by Allied London.

RESOLVED – That the Minutes of the meeting of the Market Management Group held on 18 June 2001 be received as a true record of the meeting.

MMG.19/01 ASSIGNMENT OF LEASE

The Head of Property Services explained the situation with regards to the Lease of the Market and Treasury Court and the various sub-leases which flowed from the Head Lease. He set out details of the rent share between the City Council and the private sector company. He also commented briefly on the position with regards to Treasury Court and the potential development of the site adjacent to the market on Scotch Street.

The Head of Property Services added that Halladale Haworth Ltd had acquired Allied London Retail Trading Ltd share in the Market Hall and Treasury Court and the Council were currently considering an application to assign their interest to Halladale Haworth (Carlisle) Ltd on the basis of a guarantee being received from Halladale Haworth's head office to protect the market value of the premises. In response to questions the City Solicitor commented that any outstanding works in respect of Allied London's interest in the building had been catered for in the Licence to Assign.

RESOLVED – (1) That the report be received.

(2) That it be noted that Halladale Haworth Ltd had acquired Allied London Retail Trading Ltd's interest in the Market Hall and Treasury Court.

(3) That the City Council gives consent to Allied London Retail Trading Limited to assign the Leases of the Market Hall and Treasury Court to Halladale Haworth (Carlisle) Ltd.

(4) That the above decision be reported to the Council's Executive for information.

(5) That the Head of Property Services provide a written guide to the pertinent management matters concerning this Group after consulting with Halladale Haworth.

MMG.20/01 MANAGEMENT REPORT

Mr Wylie presented the Management Report for the Market Hall, Fisher Street and Treasury Court a copy of which had been previously circulated. Mr Wylie led Members through the various sections of the report.

(a) Managing Agent

Mr P Wylie (of Finford Management) presented the Management Report on the Eden Centre and Market Hall. He informed Members that with the sale of Allied London Retail Tradings interest in the Market Hall and Treasury Court Allied London Property Management had withdrawn their services as the

Managing Agent and Halladale Developments Ltd had appointed Finford Management to act as Managing Agent. He reminded Members of the arrangements which had been in place for Allied London Properties Management Ltd who had carried out the management of the Market without a formal contract and without a service charge. He added however, that Finford Management would work to a Service Agreement and would charge a fee. He set out for Members the fee which had been agreed with Finford Management. Officers from the City Council supported the recommendation and it was:

RESOLVED – (1) That Finford Management be appointed as the Managing Agents for the Market Hall on a fixed fee as indicated in paragraph 1.2 of the Managing Agent's report which would be set for the first three years.

(2) That the above decision with regard to the appointment of Managing Agents for the Market Hall be reported to the Council's Executive for their information.

(b) Trading, Rents and Service Charges

With regard to trading figures Ms Keeling commented that the Market Hall had been adversely affected by the Foot and Mouth Epidemic but there seemed to have been a recovery with improved trading performance over recent months although there were some exceptions and these would need to be considered. With regard to vacant units within the Market Hall Mr Wylie commented on actions which were being taken to protect the vibrancy of the Market Hall in order to encourage new businesses to take up units. With regard to the Rent Reviews the market stall rents had been increased in line with inflation as from 15 September and further commented on the actions which had been taken to iron out inconsistencies in the billing procedures. In response to Members questions Mr Wylie commented on the position with regard to historic arrears and added that further information was being sought from Allied London in this regard.

Mr Wylie drew attention to the service expenditure which was currently under budget but added that there were a number of outstanding issues to be resolved and it was anticipated that the year end figures would be close to budget.

The Head of Property Services commented that the individual market stall leases included a requirement for the level of service charge to be indicated at the commencement of each year and reconciled at the end of each year. He added that under previous Managing Agents this had not always been achieved and had been the cause of some dissatisfaction from stall holders.

RESOLVED – (1) That Finford Management arrange for the level of service charges for Market stallholders to be identified prior to the commencement of each financial year and provide a full breakdown of how those service charges had been spent at the conclusion of each year as required by the stallholders standard lease.

(2) Finford Management also arrange to set out historical data on the breakdown of service charges across a number of headings in order to provide a clear account to tenants of the level and use of those service charges and how they compared with performance in previous years.

(3) That Finford Management provide, at the earliest opportunity, the reconciled service charges which had been received from Allied London for the last financial year and the service charge requirement for the current year and circulate those to market tenants at the earliest possible opportunity.

(c) Rent Income and Billing Arrangements

Mr Wylie also identified the total annual income from the Market Arcade, Market Hall and Treasury Court and the projected ground rent payable to the City Council and the level of fee which Finford Management would charge as Managing Agents over and above that which was previously payable to Allied London.

Mr Wylie set out the timescales for agreeing the service charges and the annual rent returns.

(d) Stallholder Leases

Mr Wylie commented on the possibility of simplifying the existing leases to make them more readily understood by Market Hall Stallholders and to provide for fixed dates for billings, charges, rents etc in order to avoid confusion. The City Solicitor and Secretary commented that all leases were drawn up in a uniform format and provided for tenants to pay quarterly in advance. The differing dates and payment mechanisms had arisen from the way in which the leases had previously been administered by the Managing Agents. After some discussion it was:

RESOLVED – (1) That approval be given for future leases for Market Hall Tenants to be drawn up to exclude the current contracting out clause under the Landlord and Tenant Act in order to provide security of tenure.

(2) That the Head of Property Services write to the Members of the Market Management Group to set out the details and implications of the above it being noted that the proposal would require a variation to the Head Lease for the Market.

(3) That the decision be reported to the Executive for their information.

(e) Land Adjoining Treasury Court

The Head of Property Services commented on a planning application which had been submitted to re-develop the properties at 42/48 Scotch Street and its implications for the link to Treasury Court. He informed Members that the developers were hoping to achieve re-lets before going on site in Spring 2002.

It was currently envisaged that the re-development would be complete by the end of 2002.

MMG.21/01 MARKET MANAGER'S REPORT

Members in considering the Centre Manager's report sought an update on the current position with regard to a number of matters.

(a) Signage

Mr Wylie commented that the present signage for the Market was weak and needed to be replaced as part of the improved marketing of the Market however whilst the Group had previously agreed that the name of The Eden Centre should no longer be used there was still some doubt as to the name to be used. Mr Wylie added that it might also be advisable to seek any comments from T K Maxx and Wilkinsons on the signage proposals.

Members in considering the matter felt that the signage proposals should be sympathetic to the age of the building and the nature of the business being carried out and in that respect a traditional approach might be advisable.

Members requested that the Conservation Officer be involved at an early stage.

RESOLVED – (1) That it be noted that the name The Eden Centre had now been dropped and it was agreed that the name which should be used in future was the "The Market Hall".

(2) That Finford Management work up proposals for the signage for the Market Hall along the lines discussed at the meeting and report back to the Members of the Market Management Group in the near future. It being noted that this could be outside the formal quarterly meetings.

(3) That Finford Management in working up those signage details involve the City Council's Conservation Officer in the discussions and report back to this Group in tandem with some options about Marketing and Branding.

(b) Bus Shelters

In response to questions Members of the City Council commented on the present position with regards to the maintenance of the bus shelters on West Tower Street and commented that it was anticipated that the present discussion on the responsibility for bus shelters could be resolved in the near future following which the maintenance of the bus shelters would be recommenced.

RESOLVED – (1) That the report be noted.

(2) That further investigations be carried out with regards to the ownership of the Admedia signs which form part of the bus stops on West Tower Street and which were also suffering from vandalism.

(c) Sunday Trading/Christmas Trading

Members of the City Council commented on the lack of opportunity for late night Christmas shopping and Sunday shopping in the Market in the lead up to Christmas. The Market Manager updated Members on the discussions which had been held with market traders and on the arrangements which had been made for Christmas 2000 and expressed her disappointment at the reluctance of market traders to open on the Sundays leading up to Christmas and for late night shopping in the same period.

RESOLVED – That the report be noted and the Market Manager continue her efforts to persuade market traders to open for late night shopping and Sunday trading in the lead-up to Christmas.

(d) Tenants Liaison Committee

The Head of Property Services and the Market Manager commented on a recent meeting which had been held with the Tenants Liaison Committee and drew attention to the Liaison Committee's views that trading within the Market had suffered since the opening of Debenhams which the market traders felt had taken the pedestrian foot flow away from the Market. Members in considering the report commented on the need for improved signage and on the importance of the proposed re-development of the property at 42/48 Scotch Street.

RESOLVED – That the report be noted.

MMG.22/01 FUTURE MEETINGS

RESOLVED – (1) That the Market Management Group would continue to meet on a quarterly basis with the next meeting of the Group being held on Tuesday 12 March 2002 at 11.00 am.

(2) It was noted that there would be informal meetings arranged as and when necessary to look at issues including the signage proposals for the Market.

MMG.23/01 BRITISH ASSOCIATION OF MARKET AUTHORITIES

The Head of Property Services commented on information received regarding arrangements for British Association of Market Authority meetings.

RESOLVED – That representatives of Finford Management may also attend meetings of the British Association of Market Authorities on behalf of the City Council subject to Finford Management's attendance at those meetings being at no cost to the City Council.

(The meeting ended at 12.25 pm)