



OVERVIEW & SCRUTINY BOARD

REPORT

3 May 2017

Subject Heading:

Market Transformation Programme Update

CMT Lead:

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Policy Context:

Havering Council Corporate Plan 2016-17:
Using our influence to 'Supporting business to create jobs'

Havering - Making a Greater London 2017:
Places and Opportunities

Havering will be clean and its environment will be cared for

People will be safe, in their homes and in the community

Residents will be proud to live in Havering

SUMMARY

This report provides an update on the Market Transformation Programme.

RECOMMENDATIONS

Members are asked to review the report and note progress.

REPORT DETAIL

This paper seeks to provide a progress update regarding the main components of the Romford Market Transformation Programme.

The original Cabinet report (November 2015) tasked officers to progress implementation of the Market Transformation in four key areas:

- Physical transformation and improved use of space
- Branding, identity and vision
- Business growth and development of market offer
- Operational management

1.1 PHYSICAL TRANSFORMATION AND IMPROVED USE OF SPACE

Market House

Planning permission was granted for the Market House at the Regulatory Services meeting held on 2nd February 2017 and work has started on the process of discharging planning conditions.

Colliers International has been appointed to support the Council with securing a pre-let for the Market House. A brochure has been prepared and sent out to a number of national chains; details have been placed on leading retail websites and sent to local operators. Responses are being evaluated and several companies have been invited to interview with discussions progressing.

Public Realm

Public realm designs are being finalised and a full costing for chosen materials is being prepared and reviewed.

Procurement and Timescale

It is the intention that the Public Realm works will be undertaken by Marlborough who will also act as the principle contractor for utility works.

In regard to the Market House works, a Pre-qualification questionnaire process has been carried out and four contactors will be invited to submit a full tender.

An indicative programme for the procurement and construction phases is detailed in the table below. This will be subject to change once the Market House contractor is appointed as they will liaise with Marlborough to finalise phasing and working arrangements. At which stage, a final programme will be issued.

Item	Date
ITT issued	W/C 1 st May
ITTs returned, evaluated and interview take place	W/C 29 th May – W/C 5 th June
Contract negotiations	W/C 12 th June – W/C 10 th July
East End works undertaken by Marlborough	W/C 10 th July
Market House Contactor Appointed	W/C 17 th July
West end Public Realm works start (Marlborough)	W/C 17 th July
Service Diversions Enabling works package	W/C 17 th July – W/C 6 th October
Market House Construction	W/C 20 th November – W/C 23 rd April 2018
West End Public Realm complete	W/C 25 th May 2018
Market House Fit Out complete	W/C 25 th June 2018

When the selection of the Market House contractor is complete and costs from Marlborough are finalised, we will be in a position to update members both on programme and budget.

1.2 BRANDING, IDENTITY AND VISION

The overall vision of the Programme is: *“To transform Romford Market, create a new heart of the town in the Market Place and enable growth”*

- Provide a higher quality, more diverse product offer
- Retain existing customers and attract new customer demographics – bringing an overall increase in footfall
- Provide new places to eat, drink and socialise
- Improve public realm

A tender specification for the development of a new market brand and identity has been prepared and final preparations are now being made to launch a tender exercise for the appointment of a marketing specialist.

1.3 BUSINESS GROWTH AND DEVELOPMENT OF MARKET OFFER

Events and Promotional Activity – to attract customers

A programme of events took place in the market place in the run up to Christmas 2016. A review has been carried out and key findings include:

- 41% increase in footfall at Christmas lights switch on (17 November), with 25,718 relative to an average Thursday footfall of 18,233
- A footfall increase on the day of the ice rink launch of 12% (19 November), with 34,600 relative to an average Saturday of 30,678
- A total of 12,268 skaters used the ice rink (18 November to 15 January)
- 510 children engaged in the events through schools and other educational settings

An event programme for 2017 is currently being finalised and, this year, it will focus around trialling new ways to increase footfall and customers, commencing with activity around Easter weekend and St Georges Day.

An options analysis is being carried out to consider the feasibility and Health and Safety requirements of a Christmas lights switch-on and the provision of an ice rink during the construction stage.

Developing a Growth Strategy

To inform a future growth strategy, a perception survey was completed in March 2017 with a total of 3,257 respondents. A summary of key findings include:

- The existing typical customer visits the market weekly, for 30 minutes to an hour and spends on average £10 to £20 per visit
- The character, history and atmosphere provide the most enjoyment from visiting the market place
- Fruit and vegetable stalls are the most visited, followed by clothing
- Almost a third of those who 'don't shop' at the market said that it was the lack of product offer that was preventing them. For those that 'do shop' in the market, the lack of variety provides the least enjoyment
- 49% of those that do shop and 21% of those that don't shop chose Sunday as their preferred additional trading day
- Handcrafted gifts and bakery stalls were highlighted as most likely to encourage them to visit the market

Two footfall counters have been installed. The weekly average footfall in the market place is 142,133, which will now be used as a baseline to track future market performance.

With the research and baseline phase complete, a growth strategy will now be developed to capitalise on the areas of opportunity and in line with the vision.

1.4 OPERATIONAL MANAGEMENT

A highly experienced new Market Manager was appointed in January 2017 who is now focusing on a number of key transformational areas:

- A new monthly Traders Committee is now in place with improved governance to strengthen engagement and communication
- A review of operations is continuing, including looking at changing market staff working hours, Health & Safety, advertising, communications and business development.
- A trader incentive scheme is being developed for during the construction phase to support retention and recruitment
- An operational plan is being prepared to accommodate and relocate existing permanent traders who will be displaced during the Market House build.
- A traders pledge to raise the quality standard and future ways of working to be introduced concurrently with the new market branding and identity.

IMPLICATIONS AND RISKS

Financial implications and risks:

When the procurement of the Market House contractor is complete and costs from Marlborough are finalised, a member update will be provided regarding the final programme and budget.

Legal implications and risks:

There are legal implications relating to the contractor procurement, which will comply with EU Procurement Legislation and the Council's Contract Procedure Rules.

Human Resources implications and risks:

There are no HR implications arising directly as a result of this report.

Equalities implications and risks:

An Equality Impact Assessment has been completed at programme level. An action plan is in place and being monitored to mitigate against any potential risks of adverse impact.

BACKGROUND PAPERS

18 November 2015 Cabinet Report