

Item

GENERAL AND SUNDAY MARKET TRADER COVID IMPACT BUSINESS SUPPORT OFFER

To:

Councillor Rosy Moore, Executive Councillor for Climate Change,
Environment and City Centre
Environment & Community Scrutiny Committee [01/10/2020]

Report by:

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Wards affected:

Market

Not a Key Decision

1. Executive Summary

On 11th June, 2020, the Council recorded an urgent decision to introduce market trader Covid-19 impact business support measures, under paragraph 2 of section 9, Council Procedure Rules.

In recognition of the continuing impact of Covid-19 on the trading conditions being faced by the Council's General and Sunday Market traders and the need to sustain a viable city centre market, as a key factor to the city centre 'high streets' economic recovery, the Council is proposing extending the programme of support measures from 1st October to 31st December, 2020.

2. Recommendations

In recognition of the difficult trading conditions and to help sustain General and Sunday market occupancy figures and a viable city centre market, the Executive Councillor is recommended:

2.1 To apply a 25% discount to all General and Sunday Market traders for each of the deferred monthly rental invoices (June/ July/ August and September, 2020) and issue a combined invoice for this four month deferred period in October, 2020.

2.2 To continue with the discounted standard pitch rate of £10/ day, Monday-Friday (as per 11th June urgent decision); and introduce an additional discounted standard pitch rate of £25/ day, Saturday and Sunday; and premium pitch rate of £15/ day, Monday-Friday; and £30/ day, Saturday and Sunday, with effect from 1st October to 31st December, 2020; and any further extension subject to review.

2.3 To waiver the 'casual' trader premium charge of £5/ day until the end of the financial year (31st March, 2021) with the aim of encouraging 'casual' traders to take on daily available vacant pitches to maximise market occupancy rates. The corresponding recommended standard or premium pitch fee rates, as detailed in 2.2 above, will continue to be applied to 'casual' traders.

2.4 To extend the 'relinquishing of license' measure (ie. removal of the four week notice period condition to relinquish licence, introduced on 23rd March, 2020), until the 30th November, 2020.

3. Background

3.1 On Monday, 23rd March, 2020, the Government announced lockdown measures to help prevent the associated risks of spreading the corona-virus (Covid-19). This meant, with immediate effect, Outdoor Markets were closed, with only food stalls & essential services being allowed to remain open. In response, the Council announced the following support measures for all market traders:

- Rent free period of 12 weeks (ending 15th June, 2020)
- 4% direct debit rebate to help with March, 2020, invoice
- Removing the 4 week notice period condition for relinquishing licenses

- Waiving fee's for traders self-isolating prior to 23rd March, 2020
- Holding off pursuit of historic rent arrears for a period of 12 weeks (ending 15th June, 2020).

3.2 As of 1st June, 2020, the Government announced that Outdoor Markets will be able to fully re-open for all licensed trading activities. This was advisory guidance and subject to the assessment of the market operator that it was safe to do so.

3.3 On 11th June, an urgent decision, under paragraph 2 of section 9, Council Procedure Rules, was recorded to re-open the market and its internal standard rate pitches, from Monday, 22nd June, in accordance with proposed 'Covid safe' market recovery plan and with the following agreed measures:

- Re-introduction of pitch fee rental charges from Monday, 15th June (ie. when the agreed 12-week rent free period finishes) for premium rate pitches only, with the exception of those that have standard rate pitches attached to their premium rate pitches
- Reversion to 2019/20 standard and premium pitch fee rates
- Extension of £10 'discounted' rate for standard rate pitches (currently only Monday & Tuesday) to Monday-Friday until the end of the financial year
- For those unable to return to trade, and/ or do not engage with the Council over their intention to return, the Council's expectation is that they will surrender their pitches. However, the Council will not re-license their pitches for a period of 12 weeks, in order to give them the opportunity to re-apply for these pitches. In the interim, the Council will utilise these surrendered pitches by charging traders who are allocated to them on a 'casual' basis.
- For traders that are unable to return to trade on standard rate pitches, fee charges will be with-held until weekly alternating internal aisle trading system is introduced; and/ or alternative street locations provided for them to trade from

3.4 Since the introduction of these measures, the city centre has continued to re-open and footfall has slowly increased, from a position in June of c60% down, on the same period the previous year, to a rate at the beginning of September of c25% down, on the same period the previous year. That said, market trading conditions remain challenging, with all areas of the General and Sunday Market reporting clear, as per the following data obtained from members of the Cambridge Market Traders Association (CMTA):

- Hot food: weekday sales are 45% down, and weekend sales 30% down, compared to same period as last year;
- Arts and crafts, books, music: 75% down compared to last year
- Momentos/ souvenirs (including Cambridge-branded clothing): 85% compared to last year

3.5 The impact of Covid-19 is also evident on General and Sunday Market occupancy figures, with current weekly rate of 67% occupancy, compared with 95% pre-covid, as detailed in the following table.

| Pre-Covid-19 | Occupancy figure/ % | Currently | Occupancy figure/ % |
|----------------------|---------------------|----------------------|---------------------|
| Monday | 82% | Monday | 60% |
| Tuesday | 89% | Tuesday | 60% |
| Wednesday | 97% | Wednesday | 65% |
| Thursday | 94% | Thursday | 68% |
| Friday | 99% | Friday | 68% |
| Saturday | 99% | Saturday | 74% |
| Sunday | 100% | Sunday | 72% |
| Total average | 95% | Total average | 67% |

3.6 In terms of the Government's national business support measures, the vast majority of General and Sunday Market traders were not entitled to the £10,000 small business grants, as they did not qualify due to not paying business rates on their pitches. That said market traders were actively encouraged to apply for the discretionary grants to assist with rent; and for the Self Employment Income Support Scheme, but there is no available data to confirm levels of uptake.

3.7 In recognition of the continuing difficult trading conditions being faced by General and Sunday Market traders and the need to sustain a viable city centre market, as a key factor to the 'high street's' economic recovery, the Council is proposing extending the current programme of support measures as follows:

- Applying a 25% discount to all General and Sunday Market traders for each of the deferred monthly rental invoices (June/ July/ August and September, 2020) and issue a combined invoice for this four month deferred period in October, 2020. This recommended discount rate is

considered fair and reasonable given the loss of footfall and is comparative to discount rates being introduced for other similar outdoor markets.

- Continuing with the discounted standard pitch rate of £10/ day, Monday-Friday (as per 11th June urgent decision); and introducing an additional discounted standard pitch rate of £25/ day, Saturday and Sunday; and premium pitch rate of £15/ day, Monday-Friday; and £30/ day, Saturday and Sunday, with effect from 1st October to 31st December, 2020; and with any further extension subject to review.
- Waiving the 'casual' trader premium charge of £5/ day until the end of the financial year with the aim of encouraging 'casual' traders to take on daily available vacant pitches to maximise market occupancy rates. The corresponding recommended standard or premium pitch fee rates, as detailed in 2.2 above, will continue to be applied to 'casual' traders.
- Extending the previously agreed relinquishing of license measure (ie. removal of 4 week notice period condition to relinquish licence, introduced from 23rd March, 2020), until the 30th November, 2020

4. Implications

a) Financial Implications

Based on current occupancy rates, the financial impact of the recommended measures is a c£85,000 reduction in income. This reduction is on top of an already c£205,000 loss in income arising from the Covid-19 support measures already implemented to date.

b) Staffing Implications

None

c) Equality and Poverty Implications

The recommended extended support measures will have a positive impact on the viability of trader businesses.

d) Environmental Implications

Nil

e) Procurement Implications

Not applicable.

f) Community Safety Implications

None

5. Consultation and communication considerations

General and Sunday Market traders, both individually and through the CMTA and Friends of Cambridge Market, have been consulted during the process. The Field Officer of the National Market Traders Federation (NMTF) has also been consulted.

6. Background papers

None

7. Appendices

None

8. Inspection of papers

To inspect any background papers or if you have a query on the report, please contact Tim Jones, Markets & Street Trading Manager, tel: 01223 - 457465, email: tim.jones@cambridge.gov.uk.