

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting24th April 2008

1. Title of Item/Report

Redevelopment of the Shambles Market Hall

2. Record of the Decision

Consideration was given to a report relating to the redevelopment of the Shambles Market Hall, Stockton.

It was explained that the Shambles was a Grade II listed building within the historic environment of Stockton High Street. Members noted that the building currently housed small kiosk units, together with a small central office block for the Markets Service. Today, the units are too small for many types of business and no longer suitable for fresh produce. The central markets office blocks the sightlines inside the building, making it seem unfriendly and the un-let units serve to add to the negative impression.

It was therefore proposed that the building return to its former use as a permanent indoor market selling fresh produce but with adaptations that make it fit for this purpose in the 21st century. To ensure that the facility creates a vibrant addition to the existing mix, it was also proposed to attract into the new building high quality, specialist and niche food retailers including organic and fair trade goods and local produce. In order to undertake the development, there was a requirement for the Council to borrow monies to supplement existing funds. Capital Strategy Group had endorsed the proposal.

Cabinet was provided with a floor plan and elevation showing the proposed redevelopment of the building. Members noted that:-

- The central blockage created by the markets office was removed, returning the main thoroughfare;
- The existing units would be doubled in depth, with a sales area to the front and a storage/preparation area to the rear, making them more commercially viable;
- Each unit had its own metered supply of mains services;
- The cash office facility was retained but relocated;

- The award winning toilets were not compromised and would still be serviced by a warden;
- Each unit was flexible in its usage and several could be joined together if required to accommodate a larger business.

The new development incorporates a cash office at the south end of the building which would be used to collect rents on market days. This would be constructed first, allowing the existing cash office to be demolished without interrupting the secure operation of the markets.

It was explained that following the redevelopment, it was proposed that the Town Centre Management and Markets Service would take over management of this facility and collect rents. Appropriate controls would be put in place to ensure that the new occupants operated in accordance with the Council's aspirations for the building, with regular inspections to ensure compliance with Environmental Health regulations and Trading Standards legislation and more general rules for occupation enforceable via the terms of lease and appropriate conditions thereto.

It was proposed that new, high quality appropriate signage would be designed and erected on or adjacent to the building, identifying The Shambles as an indoor market and the 'hub' of the newly renovated outdoor market, known as The Queen of the North. This would be designed and produced in accordance with the regulations regarding listed buildings, and would be agreed in advance with the Planning Conservation officer.

Members agreed that there was a requirement for a highly proactive marketing campaign to raise awareness of the changes and to recruit new traders that fitted with the profile described and to fulfil the Council's aspirations for the new-look market hall. It was explained that this was already underway and a range of methods were being employed including , web and magazine advertising, and a highly targeted telesales marketing campaign to secure interest from targeted businesses in the region. This had already produced some keen interest.

Capital remaining from the markets redevelopment programme approved by Council totalling £91,000 had been earmarked to undertake this development. Further Prudential borrowing of £180,000 was required which would allow the project to go ahead. Prudential borrowing would be funded over a 10 year repayment period via projected increased income due to the rental uplift achievable post-redevelopment.

RESOLVED that:-

1. the proposal for redevelopment be approved.

2. a sum of £180,000 of prudential borrowing be approved to enable the development to take place.

3. Reasons for the Decision

Capital remaining from the markets redevelopment programme approved by Council totalling £91,000 had been earmarked to undertake this development. Prudential borrowing was required which would allow the project to go ahead. This had been agreed by Capital Strategy Group and endorsed as the best option to obtain the additional funding. The redevelopment would increase the value of the asset which would remain in the ownership of the Council. In addition, the new configuration would make the building a more attractive business option allowing an increase in rental income to be realised.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

Not Applicable

7. Date and Time by which Call In must be executed

Not later than Midnight on Friday 2nd May 2008

Proper Officer
28 April 2008