

To: City Executive Board

Date: 12 February, 2014

Report of: Regeneration & Major Projects Manager

Title of Report: THE COVERED MARKET RETAIL STRATEGY AND ACTION PLAN

Summary and Recommendations

Purpose of report: To report the recommendations made by The Retail Group for the Covered Market, and the proposed development of an action plan.

Key decision? Yes

Executive lead member: Councillor Colin Cook

Policy Framework: Vibrant and Sustainable Economy

Recommendation(s):

1. The Board notes the consultants' recommendations and the responses to the public consultation on the consultants' report.
2. The Board instructs the officers to prepare a detailed, costed action plan and programme.
3. The Board endorses the appointment of an interim market manager, subject to the approval of the Council's draft consultation budget.

Appendices:

1. Summary of Consultation with the general public
2. Summary of Consultation with key stakeholders and the Covered Market Traders
3. Risk Register

BACKGROUND

1. Council officers commissioned The Retail Group, a specialist markets consultancy, to provide a detailed assessment of the market and to identify a vision, strategy and detailed actions to improve the performance and secure the market's role within the city centre retail hierarchy.
2. Council officers are concerned that the Covered Market is not achieving its potential as an important and distinctive asset within the city centre as part of the retail and service economy. The experience of other markets is that they need to remain relevant and attractive to shoppers if they are to have a successful and viable future, and remain competitive within a growing and dynamic retail sector.
3. The Retail Group's brief included undertaking detailed research, which included catchment analysis, a consumer survey, a trader survey, stakeholder discussions, best practice reviews, a retail review and footfall analysis. This research is set out in the report, which is attached in Appendix 1.
4. The report's findings and recommendations have been the subject of extensive consultation, including traders' workshops, stakeholders and amenity societies and the public.

RESULTS OF RESEARCH BY THE RETAIL GROUP

5. It is estimated the Market is only attracting 5% of the city centre workforce on a weekly basis and 3% of day trippers/tourists. It should be attracting significantly more of the available customers and spend. The Report identifies a number of issues which are undermining the market's performance, summarised below.
 - Lack of visibility: there is no visible main entrance, or frontage. The Market Street entrance is dominated by the service and delivery areas and there is no presence on the High Street.
 - Poor environment: a dated and dark internal environment with poor lighting.
 - Signage: this is ineffective and the entrances are too low-key.
 - Food: the fresh food offer is good, but most of the catering lacks high quality and contemporary dining/ take-away facilities.
 - Retail standards: the customer experience is generally poor with dated product ranges, poor use of space, dead frontages, ineffective window displays and poor use of promotions.
 - Management: there is no proactive market management giving focus to the promotion of the market.
 - There has been a lack of investment with the internal environment needing refurbishment and with the traders needing to invest in their units.

STRATEGIC OBJECTIVES AND RECOMMENDATIONS

6. The strategic recommendations identified in the Report are as follows:

- Improve the retail appeal of the market
- Improve the market's visibility
- Improve the customer experience
- Increase footfall
- Increase performance of the market including traders
- Improve the marketing and promotion of the market
- Improve the operation and management of the market

The recommendations are divided between medium and longer term.

Medium Term Recommendations

7. The medium term recommendations are summarised below.

- Interim specialist manager: the appointment of a specialist interim manager to assume responsibility for the market operation and work to implement an action plan for the market.
- New events programme: traders and the market management to develop a new promotional calendar, including music and seasonal events.
- Trader development: extend training and business development.
- External trading: extension of trading onto Market Street to animate the street and attract customers from Cornmarket.
- Website: a new consumer website to link to trader specific content.
- Marketing: a new campaign and brand to be developed.
- Signage: new signage at access points (Market Street, Golden Cross Centre and High Street) directing consumers to the Market.
- Covered Market quarter: the potential to extend the identity and the brand into the surrounding streets to create a more recognisable destination.
- Car and van free entrances: a vehicle free zone outside the entrance.
- Food and beverage: improve the quality, including casual dining.
- Covered Market 'Oscars': featuring the best performing traders.
- Trader handbook: setting out management and retailer standards.
- Tenant strategy: revising the trader mix policies and including additional product categories (such as local art and young designers) and new convenience food categories (such as charcuterie, artisan breads and herbs and spices) with a checklist to assess new traders, such as: exemplar service, retail theatre, excellent promotions, innovation, unique product and quality of shop fit.

- Refurbishment: entrances, floor finishes, alley ways, public spaces and internal market walls, internal shop fits and frontages.

Longer Term Recommendations

8. The longer term solutions identified will require considerable further assessment, consultation, planning and investment. The works would require planning, Listed Building and highways approvals. The recommendations are summarised below.
 - Development: increasing the size of the market would improve visibility, enhance the external presentation and release under-used ancillary retail space. The proposals would create 410 sq m additional retail floor space at ground floor level and 330 sq m at first floor level (32% floorspaceincrease).
 - New entrance on Market Street: the potential opportunity to create a prominent and attractive market frontage. The illustrative concept in the report shows a new façade with 7 new external facing units on Market Street at ground floor level; and a new open balcony and seating at first floor level extending above the service yard.

CONSULTATION

Public Consultation

9. Consultation has taken place via the Councils website and the responses are analysed in Appendix 2. Overall the responses suggest support for the report's recommendations.
 - 26% of respondents visit once a week and only 17% several times per week which suggests there is potential to increase trading.
 - 32% use the market as a shortcut and 33% visit the market without an intention to buy, which again suggests there is the potential to increase trading.
 - Fresh Food (meat and fish 68% and fruit and vegetables 64%) is the most popular reason for shopping. Areas which need strengthening include Food and Drink(used by 42% shoppers) and areas of less interest, including clothing, fashion accessories and home ware.
 - Only the Fresh Food offer is rated as excellent with Fresh Produce (flowers) and Specialist Services (key cutting, picture framing etc) achieving a good rating. The remaining offer of the market is largely considered only satisfactory. Respondents would like to see more Fresh Food and Produce.
 - The overall experience is considered largely good and the atmosphere/buzz was rated marginally higher, between good and excellent.

- Improved signage is considered a high priority with the remaining proposals (i.e. increased advertising, marketing and the creation of a detailed website) identified as medium priority.
- In line with the recommendations, longer opening hours and more promotions and events are two key items which would encourage people to visit and shop more frequently. Improvement to the physical environment was rated by 39% as important, although others considered the overall experience and the physical environment good.
- There were a range of comments made regarding the contents of the consultant's report. In particular, there was a desire to see the market occupied by independent traders and some reference was made to the level of rents and their potential impact on the tenants. Overall, there was a good level of support, although the support was often mixed with some of the comments favouring certain recommendations but not others. Approximately 18% of the comments provided were negative towards the report and its recommendations. Approximately 38% of the comments were either supportive or demonstrated mixed support.

Stakeholders and Organisations

10. ROX, Oxford Preservation Trust, Oxford Civic Society, Oxfordshire County Council and English Heritage were consulted . (A summary report of the consultation with key stakeholders and the Covered Market Traders is attached at Appendix 3).
11. There was general agreement with the issues identified in the report, but there were some differences which are highlighted below
12. ROX did not want to see the market over gentrified and want it to maintain an offer suitable for those on lower incomes with a strong presence of independent retailers. They also identified the need for independent high profile destination shops. It is supportive of improved signage and marketing, as well as the longer term expansion of the market and re-use of under-used areas.
13. OPT is supportive of improving the trading profile, promotion and signage for the market, and the trading mix. It is also supportive of the identity of wider Market Quarter. There is no objection in principle to the expansion of the market, but the design and development would need careful consideration.
14. The Civic Society agreed that the traffic and car / van parking on Market Street significantly reduces the market's appeal and want any future development plans to reflect the heritage of the market and the surrounding local area in which the market is located
15. Oxfordshire County Council is supportive of the key findings and recommendations of The Retail Group's report. It would also like to see significantly less vehicular movement and increased visibility on Market Street, as well as an improved, more visible offer and improved trader performance. There is support for reviewing the loading and servicing

arrangements but they do not want to see increased loading activity on High Street.

16. English Heritage has commented on the proposals. Their response emphasised the heritage significance of the unique, highly sensitive and highly protected setting of the market and considered that any acceptable development proposal is likely to be a relatively modest addition. It suggests a detailed heritage study of the building to identify the important elements of the structure, and the opportunities for re-using unused space and improving the lighting.
17. Oxfordshire Green Party was largely supportive of the medium term measures but had concerns on the long term future strategy. Increasing the fresh food offer is supported but the catering offer should never be allowed to predominate. There is opposition to the market having more anchors and more destination retailers. There is support for the closure of Market Street to traders' vehicles and traffic and the provision of external trading stalls, subject to provision for deliveries to customers during the working week. There was support for the relocation of the toilets, but the market's character and the main structure should be retained. The first floor might also be used for start-up business units.

Covered Market Traders

18. The consultants met with the traders and representatives at the outset of the study, and they were consulted widely as part of the research, as well as having a workshop to discuss the findings which 22 traders attended (see attached summary report in Appendix 3).
19. The detailed responses from the traders are set out in the report. The summary conclusions are as follows:
 - General support for the focus on improved signage and entrances to the market.
 - General support for an improved website and additional promotional activity.
 - Traders agree the market needs improved internal lighting and circulation.
 - There has to be collective as well as individual responsibility for improvement. More joined up and pro-active management is needed.
 - Traders agree with the report that a focus on quality, destination, best in class independent traders is the right direction for the market.
 - There is support for the view that a bigger and better market, with less dead space and a new clear entrance, could be successful. There is concern that development during construction would disrupt trading.
 - Traders agree that help is needed increase the performance of the market, including the possibility of more flexibility in leasing arrangements in some cases.
 - Traders would like to see a return of a market committee where the traders worked closely with the Council on market operations and governance.

ACTION PLAN

20. It is proposed that a detailed action plan with priorities, costs, funding and timescales will be developed by officers, based on the report's recommendations. The plan will be developed with the traders and their representatives. As a first step an interim market manager is to be appointed who will take responsibility for the operation of the market and the related Council services, and help develop the detail of the action plan.

FINANCIAL CONSIDERATION

21. There is no direct financial consideration arising from this report. Within the draft consultation budget (which will be considered by Council in February) there is a budget for investment in initiatives to support the market, including the appointment of a market manager.
22. The remaining medium term recommendations will need to be assessed in terms of priority, cost and funding as part of developing an action plan.
23. The longer term recommendations covering the extension and development of the market will require a detailed feasibility exercise to assess the viability of the proposals and the business case. This will be considered further once the medium term recommendations have been progressed.

RISK IMPLICATIONS

24. A risk assessment has been undertaken and the risk register is attached at Appendix 4.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS

25. None arising out of this report.

EQUALITIES IMPLICATIONS

26. None arising out of this Report.

LEGAL IMPLICATIONS

27. No legal implications identified.

RECOMMENDATIONS

28. It is recommended that:
 1. The Board notes the consultants' recommendations and the responses to the public consultation on the consultants' report.

2. The Board instructs the officers to prepare a detailed, costed action plan and programme.

3. The Board endorses the appointment of an interim market manager, subject to the approval of the Council's draft consultation budget.

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