

**Report of the Markets Service, City Development**

**Report to West (Outer) Area Management Committee**

**Date: 20<sup>th</sup> January 2012**

**Subject: Update Report on Pudsey Market**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Pudsey, Farnley & Wortley, Calverley and Farsley	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: N/A	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. Pudsey market has seen a decline in recent years due to increased competition and changing shopping habits; this has been exacerbated by issues around its location and visibility;
2. Pudsey Market operates at a loss for the Council due to the limited number of traders combined with low/discounted rental levels;
3. Officers remain committed to continuing to encourage more traders and more customers at Pudsey Market to ensure its long term viability. This may be achieved through increased promotion and possibly increased visibility.
4. If the challenges facing Pudsey market are addressed, the market could have a much brighter future as an integral part of the retail offer in Pudsey.

**Recommendations**

1. Committee members are recommended to note the report and comment on proposals to build on joint promotions with Pudsey town centre businesses to mutual benefit; and consider how to best help Pudsey market become a more viable and sustainable market.

**1 Purpose of this report**

- 1.1 This report updates Members on current issues and opportunities facing Pudsey market and outlines future proposals to better promote the market.

## **2 Background information**

- 2.1 The Markets service is responsible for managing and developing the council's retail markets, street trading and licensing commercial markets in the Leeds district including:
- Kirkgate Indoor and Outdoor Markets in the city centre, attracting over 10 million visitors annually;
  - District markets of Otley, Pudsey and Yeadon;
  - Farmers markets in the city centre, Otley and Pudsey;
  - Private or commercial markets including the successful Asian Bazaar at the Kirkgate site;
  - Street trading in the city centre and at Elland Road;
  - Trading from the Highways (in partnership with Environment & Neighbourhoods).
  - In conjunction with Leisure Services, the Christkindlemarkt on Millennium Square;
  - Car boot sales.
- 2.2 The service also works in partnership with other town and city centre retailers wherever possible and with other Council services to maximise the impact of promotions and events (e.g. Leeds Loves Food, Leeds Loves Shopping, localised promotions), and works closely with the police to improve the safety of customers using markets.
- 2.3 The service also aims to work with communities across Leeds where there are 'fresh food deserts' to establish new markets, for example with Chapeltown Global Village market to help them expand their project to a permanent, profit making enterprise.
- 2.4 A key strength of markets is their ability to adapt rapidly to the changing cultural diversity of our city/region and customer demands.
- 2.5 A further significant strength is that the market can offer low set up costs for new businesses with many of our new traders from communities which have a traditional market culture with market shopping a way of life.
- 2.6 As Members will be aware, there are significant issues at the Kirkgate indoor market, where the need for major investment has become paramount to provide a retail environment fit for the 21<sup>st</sup> century and befitting a major city. As a result, Executive Board on 27<sup>th</sup> July agreed to move the management and ownership of Kirkgate markets to an arms-length company, the exact nature of which is yet to be determined.

## **3 Main issues**

- 3.1 Like almost all traditional markets across the UK, Pudsey market has seen its customer and trader base decline steadily over the previous decades, mainly for two

reasons: firstly supermarkets, online shopping, discount stores/pound shops and out of town retail centres now provide 'bargain' shopping which was once the exclusive domain of street and indoor markets; secondly, a younger generation of customer, not having experienced market shopping growing up, prefers the convenience and anonymity of large-store shopping and is put off by the thought of engaging with traders on a market to make purchases, especially where items are not pre-packed or clearly priced. In Pudsey, this decline has been exacerbated by the proximity of Owlcotes shopping centre and the location of the market which, whilst close to a major transport hub and a 'cut through' to the town centre, is not particularly visible from either. A potential customer would almost need to know of the market's existence in advance in order to find it.

- 3.2 In order to support Pudsey traders and to encourage new traders to attend, rental levels are low and do not cover the costs of running the market. This may not be sustainable into the future, but simply increasing the rents to the full tariff is not a viable solution.
- 3.3 The Markets service is mindful of the need to attract more traders and more customers to Pudsey market, to ensure its long term viability and complement the town's retail offer. Markets that perform best provide fresh food at affordable prices and service communities more used to market-style shopping – for example, at Kirkgate outdoor market the Asian Bazaar has grown greatly in popularity and draws its own customer base to around 130 stalls every Wednesday.
- 3.4 Also experiencing a growth in popularity are specialist markets such as Farmers, Vintage and Craft markets which are seen as more of a 'day out' for people who would perhaps not consider shopping on a regular market. These customers tend to have significant disposable income and make purchases based on criteria other than cost, for example to support local business; because the product is organic or ethically sourced; or simply because of its uniqueness. The Markets Service holds two Farmers & Craft markets in the city centre each month, one on the first Sunday, and one on the third Sunday (on Briggate). These attract 100 stalls and 50 stalls respectively and trade very profitably for stallholders. The Farmers Market at Pudsey, held once a month attracts around five stalls and this helps to raise the profile of the regular market, albeit to a customer base which may not be around during the week to support the regular traders and may choose not to do so if they do not feel the offer to be of similar quality/provenance.

## **4 Possible Solutions**

### *Promotion*

- 4.1 Working with Area Management and, in particular with the Town Centre Manager, the Markets Service has helped to bring some special events and promotions to Pudsey market to raise its profile and encourage new customers. Whilst most would agree that these have had a positive impact at that point in time, there is a need for a more coherent, 'joined up' promotional strategy for Pudsey which allows regular opportunities to reinforce the message to those occasional customers. In addition, often markets are seen as supplementary or a bolt-on to the existing retail offer of a town, rather than part of their core offer – this of course is partly due to the fact that they are not there every day. To flourish the market needs, therefore, to be viewed

as part of Pudsey's core offer and the business community encouraged to understand how it enhances customer spend for all of them.

- 4.2 Cross-promotion must be more fundamental than the market participating in occasional events and festivals, useful though this is. With increasingly limited funds and growing financial pressures, it is suggested that the market service works more closely with area management to engage in wider promotional campaigns with the business community which offer multiple, multimedia opportunities to get across the message that Pudsey is a great place to shop. This, along with occasional promotions which align with bigger retail events such as Leeds Loves Food and Leeds Loves Shopping to maximise exposure, will encourage new customers to the market. More customers will, it has been demonstrated many times, result in more traders and a wider, quality offer. A key task for any promotion of Pudsey market is to focus on the quality of offer, the need to support local businesses and any Unique Selling Points such as home grown or handmade, as much as the affordability. Most people, when asked, would say they expect markets to offer goods at low prices.
- 4.3 Building on the offer to discrete communities, as has been done with the Asian Bazaar, is also something that could be explored for Pudsey.

#### *Location*

- 4.4 The site of Pudsey market has been the subject of some attention in recent times, and it is understood that whilst planning the new bus station an opportunity was offered to relocate the market permanently to co-locate with the bus station. However, this met with sufficient resistance from the traders at that time for the proposal to be abandoned and now that the new facility is completed, this opportunity no longer exists. Interestingly, however, trader feedback would indicate that whilst temporarily relocated to that area during the refurbishment of the market place to include new stalls, trade was brisk and the traders felt they benefited from the enhanced visibility. Whilst it would appear that no opportunities currently exist for a viable relocation, it is suggested that this is borne in mind when planning any future redevelopments in Pudsey as, even with regular promotion, the market will always suffer from lack of visibility in its current location. As a further benefit, it may be that the current site of the market would be of more value to the town used in another way.

## **5 Corporate Considerations**

### **5.1 Consultation and Engagement**

- 5.1.1 There have been very informal discussions with traders to ascertain their views on how best to address the decline of Pudsey market; this report constitutes the start of more structure consultation with stakeholders on how best to attract more traders and customers to Pudsey market.

### **5.2 Equality and Diversity / Cohesion and Integration**

- 5.2.1 The report focuses on the need to continue the provision of a market in Pudsey, providing affordable and fresh produce for the community and extending choice for

shoppers. Many shoppers at traditional markets are older and/or from ethnic minorities so the decline of markets disproportionately affects these groups.

### **5.3 Council Policies and City Priorities**

5.3.1 Pudsey market has a role to play in helping Pudsey to be a successful, prosperous and sustainable community and in encouraging healthy lifestyles.

### **5.4 Resources and Value for Money**

5.4.1 The report highlights that Pudsey market is currently running at a loss to the Council and recommends examining options to make it more sustainable.

### **5.5 Legal Implications, Access to Information and Call In**

5.5.1 There are no legal implications at this time. The report is not considered to be exempt under Access to Information procedures. The report is for information only at this stage and does not require a decision; therefore it is not eligible for call in.

### **5.6 Risk Management**

5.6.1 There is a risk that if nothing is done Pudsey market will continue to decline.

## **6 Conclusions**

6.1 Pudsey market faces challenges including its lack of visibility, poor attendance and lack of financial viability. However if these are addressed Pudsey market could have a much brighter future as an integral part of the retail offer in Pudsey. It is therefore proposed that the Markets service and Area Management to work more closely together to attract more traders and customers to the market, whilst exploring any other means to take Pudsey market forward.

## **7 Recommendations**

7.1 Members are recommended to:

- i) note the report and comment on proposals to build on joint promotions with Pudsey town centre businesses to mutual benefit; and
- ii) consider how to best help Pudsey market become a more viable and sustainable market.

## **8 Background documents**

8.1 'A Strategy for Kirkgate Markets' 2011,

8.2 Executive Board 27<sup>th</sup> July 'The Strategy for Kirkgate Market'